(Please Scan this QR Code to view the DRHP)

CANARYS AUTOMATIONS LIMITED

(Formerly known as "Canarys Automations Private Limited")
CIN: U31101KA1991PLC012096

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India	Mrs. Nagashree Hegde Company Secretary and Compliance Officer	**Email:** nagashree.hegde@ecanarys.com **Tel:** +91 98458 62780	https://www.ecanarys.com/

PROMOTER OF OUR COMPANY: MR. METIKURKE RAMASWAMY RAMAN SUBBARAO, MR. DANAVADI KRISHNAMURTHY ARUN, MR. RAGHU CHANDRASHEKHARIAH, MR. SHESHADRI YEDAVANAHALLI SRINIVAS, MR. PUSHPARAJ SHETTY AND MR. NAGARAJU VINEETH

DETAILS OF THE ISSUE TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBLITY AND RESERVATION
Fresh Issue	Up to 1,52,00,000 Equity Shares of the face value of ₹ 2/- each aggregating up to ₹ [●] Lakhs	Nil	Up to ₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI ICDR REGULATIONS AS AMENDED.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER AND WEIGHTED AVERAGE COST OF ACQUISTION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES.

RISKS IN RELATION TO THE FIRST ISSUE.

The face value of the Equity Shares is ₹ 2/-. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "***Basis for Issue Price***" on page 127 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "***Risk Factors***" beginning on page 33 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILTY

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

LISTING

The Equity Shares Issued through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name & Logo	Contact Person	Email & Telephone
INDORIENT FINANCIAL SERVICES LIMITED	**Mr. Ivor Anil Misquith**	**E-mail:** compliance-ifsl@indorient.in **Tel:** +91-79772 12186

REGISTRAR TO THE ISSUE

Name & Logo	Contact Person	Email & Telephone
LINK INTIME INDIA PRIVATE LIMITED	**Ms. Shanti Gopalkrishnan**	**E-mail:** canarys.ipo@linkintime.co.in **Tel:** +91 +91 8108114949

BID/ISSUE PERIOD

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

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

CANARYS AUTOMATIONS LIMITED

(Formerly known as "Canarys Automations Private Limited")

CIN: U31101KA1991PLC012096

Our Company was originally incorporated as a private limited company under the Companies Act 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1, 1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, and then the Company once again became a private limited company with effect from June 20, 2000. Further, our Company was converted into public limited company pursuant to the approval of our shareholders at an EGM held on August 01, 2006 and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007 and consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant to the approval of our shareholders at an EGM held on May 19, 2023 and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023. For further details please refer to section titled "***History and Corporate Structure***" beginning on page 166 of this Draft Red Herring Prospectus.

Registered Office: No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India,
Contact Person: Mrs. Nagashree Hegde, Company Secretary and Compliance Officer
Tel: +91-98458 62780; **E-mail**: nagashree.hegde@ecanarys.com; **Website**: https://www.ecanarys.com/

OUR PROMOTERS: MR. METIKURKE RAMASWAMY RAMAN SUBBARAO, MR. DANAVADI KRISHNAMURTHY ARUN, MR. RAGHU CHANDRASHEKHARIAH, MR. SHESHADRI YEDAVANAHALLI SRINIVAS, MR. PUSHPARAJ SHETTY AND MR. NAGARAJU VINEETH.

THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 1,52,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH (THE "EQUITY SHARES") OF CANARYS AUTOMATIONS LIMITED ("OUR COMPANY" OR "CANARYS" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND BENGALURU EDITION OF [●], A REGIONAL NEWSPAPER (KANNADA BEING THE REGIONAL LANGUAGE OF BENGALURU WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "***Issue Procedure***" beginning on page 305 of this Draft Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 305 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹ 2/- The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 127 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 33 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. ("NSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
INDORIENT FINANCIAL SERVICES LIMITED **Regd Off. Add:** A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India. **Tel:** +91-79772 12186 **E-mail:** compliance-ifsl@indorient.in **Investor Grievance E-mail**: wecare@indorient.in **Website:** www.indorient.in **Contact Person:** Mr. Ivor Anil Misquith **SEBI Registration No:** INM000012661 **CIN:** U67190DL1993PLC052085	**LINK INTIME INDIA PRIVATE LIMITED** **Address**: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Maharashtra, India – 400 083. **Tel No.:** +91- 810 811 4949 **Fax** +91- 22 4918 6195 **E-mail:** canarys.ipo@linkintime.co.in **Investor Grievance Email:** canarys.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Ms. Shanti Gopalkrishnan **SEBI Registration No:** INR000004058 **CIN:** U67190MH1999PTC118368

ISSUE PROGRAMME

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms in *'Main Provisions of the Articles of Association'*, *'Statement of Possible Tax Benefits'*, *'Our Industry'*, *'Key Industry Regulations and Policies'*, *'Financial Information'*, *'Outstanding Litigations and Material Developments'*, will have the meaning ascribed to such terms in these respective sections Page 334, 135, 139, 157, 209 and 272.

Conventional or General Terms

Term	Description
Canarys Automations Limited / Canarys / the Company / our Company	Canarys Automations Limited, a public limited company incorporated under the Companies Act, 1956 as private limited and having its registered office at No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India.
We/ us/ our	Unless the context otherwise indicates or implies, our Company together with our Subsidiaries and Joint Venture, on a consolidated basis as on the date of this Draft Red Herring Prospectus.
You/ your	Prospective investors in this Issue.

Company Related Terms

Term	Description
AoA/ Articles/ Articles of Association	The Articles of Association of our Company, as amended, from time to time
Audit Committee	The committee of our Board of Directors, constituted as our Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder *vide* Board resolution dated July 18, 2023 as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being "M/s. SURESH & CO." (Chartered Accountants) (Firm Registration No. 004255S), having their office at Srinidhi", #43/61, 1st Floor, Surveyors Street, Basavanagudi, Bengaluru-560004, Karnataka, India unless provided by the context.
Banker to our Company	Bankers to our Company in our case is "State Bank of India" having their office at No. 311 New No. 19, 1st floor, 1st Main Road, 40th Cross, Jayanagar, 8th Block, Bangaluru 560082.
Board of Directors / the Board/ Our Board	The Board of Directors of our Company, including all duly constituted committees thereof, as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
Business Day of our Company	It shall mean any day (other than a Saturday or a Sunday and a public holiday) on which the SEBI, the stock exchanges or the commercial banks in Karnataka, India, are open for business.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of the Company being "Mr. Metikurke Ramaswamy Raman Subbarao", Managing Director
Chief Financial Officer / CFO	Chief Financial Officer of our Company being "Mr. Raghu Chandrashekhariah"
CIN	Corporate Identification Number issued by Ministry of Corporate Affairs viz., U31101KA1991PLC012096
CHAT	Canarys-Hanuka Apo Technologies Private Limited
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified by MCA till date) and /or provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	Companies Act, 1956, as amended from time to time

Companies Act, 2013	Companies Act, 2013 and applicable to the extent notified by MCA till date.
Company Secretary and Compliance Officer/ CS / Company Secretary / Compliance Officer	Company Secretary and Compliance Officer of our Company being "Mrs. Nagashree Hegde" (Membership No. 66166)
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Directors Identification Number
Director(s)/ our Director(s)	The Director(s) of our Company, unless otherwise specified
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Equity Share(s)	The equity shares of our Company of a face value of ₹ 2/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholder(s)	Persons/ entities holding the Equity Shares of our Company
Executive Director(s)	Executive Directors of our Company. For details, see "Our Management" beginning on page 174
Group Companies	Such companies with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable Accounting Standards, and also other companies as considered material by our Board and as disclosed under section titled *'Our Group Companies'* beginning on page 204 of this Draft Red Herring Prospectus.
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
Independent Director	A non-executive and Independent Director as defined under Section 2 (47) of the Companies Act, 2013 and as defined under Regulation 16(1)(b) the SEBI Listing Regulations, disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
Internal Complaints Committee	The committee of our Board, constituted as our Company's Internal Complaints Committee vide Board Resolution dated July 18, 2023 as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
ISIN	International Securities Identification Number, in this case being "INE0QG301017"
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended, till date
"Joint Venture"	Canarys-Hanuka Apo Technologies Private Limited.
Key Management Personnel / KMP(s)	Key Management Personnel of our Company in terms of Section 2 (51) of the Companies Act, 2013 and Regulation 2 (1) (bb) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013, as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
LLP	Limited Liability Partnership as incorporated under the Limited Liability Partnership Act, 2008
Managing Director / MD	Managing Director of our Company, namely "Mr. Metikurke Ramaswamy Raman Subbarao"
Materiality Policy	The policy on identification of Group Companies, material creditors and material litigation, adopted by our Board on August 21, 2023 in accordance with the requirements of the SEBI ICDR Regulations, as amended from time to time.
Memorandum of Association / Memorandum/ MoA	Memorandum of Canarys Automations Limited, as amended, from time to time
Nomination and Remuneration Committee	The committee of our Board, constituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated July 18, 2023 as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.
Non-Executive Director (s)	A Director not being an Executive Director
Peer Review Auditors	Unless the context otherwise provides, Independent Auditor having a valid peer review

	certificate in our case, being "M/s. SURESH & CO." (Chartered Accountants) (Firm Registration No. 004255S), having their office at Srinidhi", #43/61, 1st Floor, Surveyors Street, Basavanagudi, Bengaluru-560004, Karnataka, India,
Promoter(s)	Promoters of our Company i.e. "Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas, Mr. Pushparaj Shetty and Mr. Nagaraju Vineeth", as disclosed under section titled in *'Our Promoters and Promoter Group'* beginning on page 197 of this Draft Red Herring Prospectus.
Promoter Group	Individuals, companies and entities constituting the promoter group of our Company, pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, as disclosed under section titled *'Our Promoters and Promoter Group'* beginning on page 197 of this Draft Red Herring Prospectus.
Our Registered Office / Registered Office	The registered office of our Company situated at No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the Reserve Bank of India Act, 1934
Restated Consolidated Financial Statements / Restated Financial Statements/ Restated Consolidated Financial Information	The Restated Consolidated Financial Information of our Company for the Financial Years ended on March 31, 2023, March 31, 2022, and March 31, 2021 (prepared in accordance with Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022, and March 31, 2021, Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, and the Restated Consolidated Cash Flow Statement for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, together with the notes, significant accounting policies and notes to accounts thereto and the examination report thereon.
RoC / Registrar of Companies	Registrar of Companies, Bengaluru situated at 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bengaluru -560034, Karnataka, India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended, from time to time
Canarys ESOS Scheme 2023/ ESOS 2023	Canarys Automations Limited Employee Stock Option Scheme 2023
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended, from time to time
Stakeholders' Relationship Committee	The committee of our Board, constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated July 18, 2023, as disclosed under section titled *'Our Management'* beginning on page 174 of this Draft Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Whole-time Director(s)	Whole-time Director(s) as specified in section 2(94) of the Companies Act,2013

Issue Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or documents issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which

	will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Red Herring Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Specified Location(s)	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application Form	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Daft Red Herring Prospectus Red Herring Prospectus or the Prospectus.
Bankers to the Issue / Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the section titled ***"Issue Procedure"*** beginning on page 305 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.

Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Bengaluru Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Bengaluru Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, ASBA Specified Locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Indorient Financial Services Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details

	of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft Red Herring Prospectus
Designated Intermediaries	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Stock Exchange	National Stock Exchange of India Limited ("NSE Emerge")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated August 21, 2023 filed with NSE Emerge.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 2/- each.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
FVCI / Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015) dated March 17, 2020 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and the UPI circular as amended from time to time.

	The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.
Issue Agreement	The Issue Agreement dated August 21, 2023 between our Company and Book Running Lead Manager, Indorient Financial Services Limited.
Issue/Public Issue/Issue size / Initial Public Offer/ IPO	The initial public offer of up to 1,52,00,000 Equity Shares aggregating up to ₹ [●] lakhs.
Issue Closing Date	The date after which the Book Running Lead Manager, Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●]
Issue Opening Date	The date on which the Book Running Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per Equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer section titled "*Objects of the Issue*" beginning on page 115 of this Draft Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the Retail Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, [●] is the sole Market. Maker
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●]
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 2/- each at an Issue price of ₹ [●] each is aggregating to₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹ 2/- each at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lacs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled "*Objects of the Issue*" beginning on page 115 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated

	organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, inter alia, the Issue Price will be determined before filing the Prospectus with RoC
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers/QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids.
Registrar/ Registrar to the Issue/ RTA	Registrar to the Issue being "Link Intime India Private Limited".
Registrar to the Issue Agreement	The agreement dated August 21, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications or any previous Revision Form(s).
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI Listing	The Securities and Exchange Board of India (Listing Obligation and Disclosure

Regulations	Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SME Exchange	SME Platform of the NSE i.e. NSE Emerge.
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
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 (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
US Fed	The Federal Reserve System is the central bank of the United States
Underwriter	[●]
Underwriting Agreement	The Agreement [●] entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
Venture Capital Fund/ VCF	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.
Wilful Defaulter(s) or Fraudulent Borrower	Wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and

	(b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
AI	Artificial Intelligence
AR/VR	Augmented Reality (AR) / Virtual Reality (VR)
BPM	Business Process Management
BPs	Basis Points
Bn	abbreviation for billion
°C	The degree Celsius (symbol: °C) can refer to a specific temperature on the Celsius scale
CAGR	Compound Annual Growth Rate
Capex	Capital Expenditure
CIBIL	Credit Information Bureau (India) Limited
COL	Cost-of-Living
CPI	Consumer Price Index
CY	Calendar Year
Digital CX	Digital customer experience
El Nino	refers to a warming of the ocean surface, or above-average sea surface temperatures, in the central and eastern tropical Pacific Ocean
ECLGS	Emergency Credit Linked Guarantee Scheme
ER&D	Educational Research and Dissemination
GCC	Global capability centers
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross value added
H1	refers to "the first half of a fiscal year (April through September)
IIP	Index Of Industrial Production
IMD	India Meteorological Department
IMF	International Monetary Fund
M&As	Mergers and Acquisitions. A term referring to any process by which two companies become one
ML	Machine learning (ML): a subset of AI in which algorithms are trained on data sets to become machine learning models capable of performing specific tasks
MSMEs	Micro, Small, and Medium Enterprises
NBFCs	Non-Banking Financial Companies
NLP	Natural Language Processing (NLP) deals with how computers understand and translate human language
NPAs	Non-Performing Assets
NSSO	National Sample Survey Organisation
PLI schemes	Production Linked Incentive (PLI) Schemes
SDG	Sustainable Development Goal
SWM	South-West Monsoon
WEO	World Economic Outlook
WTO	World Trade Organization
y-o-y	year on year basis
AI & ML	Artificial Intelligence And Machine Learning
ADB	Asian Development Bank
BFSI	Banking, Financial Services And Insurance
COE	Centre of Execllence
DSS	Decision Support System
Ed Tech	Education Technology
EOL	End-of-life (EOL) is a term used to describe a software or hardware product that has reached the end of its lifecycle
ERP	Enterprise Resource Planning
IoT	Internet of Things
MMI	Major / Medium Irrigation
MNCs	Multinational Corporations

ODC	Offshore Development Center
OEM	Original Equipment Manufacturers
RPA	Robotic Process Automation
SaaS	Software As A Service
SCADA	Supervisory Control And Data Acquisition
SIMP	Support for Irrigation Modernization Program
SITC	Standard International Tariff Classification
TCO	Total Cost Of Ownership
IT	Information Technology
AWS	Amazon Web Services
GCP	Google Cloud Platform
SAP	Systems Applications and Products in data processing
MS Dynamics 365	Microsoft Dynamics 365
RPA	Robotic Process Automation
SCADA	Supervisory Control And Data Acquisition
OEM's	Original Equipment Manufacturers
US	United States
APAC	Asia Pacific
COE	Centres of Excellence
TCO	Total cost of ownership
IOT	Internet of Things
DSS	Decision support System
SOC	Scheme Operating Center
LAN	Local Area Network
IWMS	Integrated Water Management System
JV / Joint Venture	Canarys-Hanuka Apo Technologies Private Limited

Conventional Terms and General Terms

Term	Description
AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
Banking Regulation Act	Banking Regulation Act, 1949
CA	Chartered Accountant
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the AIF Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the AIF Regulations
CGST	Central GST
CS	Company Secretary
Competition Act	Competition Act, 2002
Consolidated FDI Policy	Consolidation FDI Policy Circular of 2020 dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CST Act	Central Sales Tax
EPF	Employee Provident Fund
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-Debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI

FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
FII Regulations	SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fiscal Year/ Financial Year / F.Y.	Period of twelve months ended March 31 of that particular year, unless otherwise stated
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
Gazette	Gazette of India
IND AS Rules	Indian Accounting Standards, Rules 2015
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFSC Code	Indian Financial System Code
IGST	Integrated Goods and Services Tax
IGST Act	Integrated Goods and Services Tax Act, 2017
India	Republic of India
IND AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
Merchant Banker Regulations	SEBI (Merchant Bankers) Regulations, 1992
Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NSE	National Stock Exchange of India Limited
NOC	No objection certificate
PAN	Permanent Account Number
R&D	Research and Development
RBI Act	Reserve Bank of India Act, 1934
RTA Regulations	Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SCRA	Securities Contract (Regulation) Act, 1956, as amended, from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended, from time to time
State Government	The government of a state in India
SGST	State Goods and Services Tax
SGST Act	State Goods and Services Tax Act, 2017
SS	Secretarial Standards as issued by Institute of Company Secretaries of India
Sub-account	Sub-accounts registered with SEBI under the FII Regulations other than sub-accounts which are foreign corporate or foreign individuals
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax
UGST Act	Union Territory Goods and Services Tax Act, 2017
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations

Abbreviations

Terms	Descriptions
₹ or Rupees or INR	Rupees, the official currency of the Republic of India
A/c	Account
AGM	Annual General Meeting
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
CARO	Companies (Auditor's Report) Order, 2003
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Cr PC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility

C.Y.	Calendar Year
DDT	Dividend Distribution Tax
DIN	Director Identification Number
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPF Act	Employees Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FDI	Foreign Direct Investment
GAAR	General Anti Avoidance Rules
GBP	Great Britain Pound
GoI/Government	Government of India
GST	Goods & Service Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IT Rules	The Income Tax Rules, 1962, as amended
ISACA	Information Systems Audit and Control Association
MoU	Memorandum of Understanding
N.A.	Not Applicable
NAV/ Net Asset Value	Net asset value being paid up Equity Share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares
NECS	National Electronic Clearing Services
NoC	No Objection Certificate
No.	Number
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
PAT	Profit After Tax.
PBT	Profit Before Tax.
P/E	Price per Earnings
Pvt.	Private.
RoE	Return on Equity
RoNW	Return on Net Worth.
SCN	Show Cause Notice.
STT	Securities Transaction Tax
US/United States	United States.
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the SCRA, the Depositories Act and the rules and regulations made thereunder.
Notwithstanding the foregoing, the terms defined –

a) In the section titled '*Risk Factors*' beginning on page 33 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

b) In the section titled *'Statement of Possible Tax Benefits'* beginning on page 135 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

c) In the section titled *'Our Industry'* beginning on page 139 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

d) In the section titled *'Key Industry Regulations and Policies'* beginning on page 157 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

e) In the section titled *'Financial Information'* beginning on page 209 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

f) In the section titled *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* beginning on page 250 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section; and

g) In the section titled *'Outstanding Litigations and Material Developments'* beginning on page 272 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

h) In the section titled *'Main Provisions of the Articles of Association'* beginning on page 334 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;

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

In this Draft Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Canarys Automations Limited" and "Canarys", unless the context otherwise indicates or implies, refers to Canarys Automations Limited.

CERTAIN CONVENTIONS

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the Restated Consolidated Financial Statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, 2013 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 '*Financial Information*' beginning on page 209 of this Draft Red Herring Prospectus. Our Restated Consolidated Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013, and have been restated in accordance with the SEBI ICDR Regulations and Guidance Note on "Reports in Company Prospectus (Revised 2019) issued by ICAI as amended from time to time.

Our Financial Year commences on April 1st of each year and ends on March 31st of the following year, so all references to a particular Financial Year are to the 12 month period ended March 31st of that year. In this Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. Further, figure represented in the BRACKET or with the sign " – " indicates NEGATIVE data in this Draft Red Herring Prospectus in relation to our Company and industry. There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices/ Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures in decimals (including percentages) have been rounded off up to Second decimals and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Any percentage amounts, as set forth in the section titled *'Risk Factors'*, sections titled *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* beginning on page 33 nos. 146 and 250 of this Draft Red Herring Prospectus, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations.

CURRENCY AND UNITS OF PRESENTATION

In Draft Red Herring Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or 'Rs.' Or 'INR' or '₹' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America.
- 'EUR' or '€' are to Euro, the official currency of the European Union;
- 'GBP' or '£' are to British pound, the official currency of the United Kingdom;

All references to the word "Lakh/ Lakhs or Lac" means "One Hundred Thousand", the word "Crore/Crores" means "Hundred Lakhs", the word "Million (million) or Mn" means "Ten Lakhs", the word "Crores" means "Ten Million" and the word "Billion (bn)" means "One Hundred Crores".

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakhs" units. One lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

Exchange Rates

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

The table below sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies.

Currency	**Exchange Rate as on**		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
	(in ₹)		
1 USD[(1)]	82.22	75.81	73.50
1 EUR[(1)]	89.61	84.66	86.10
1 GBP[(1)]	101.87	99.55	100.95

[(1)] *Source: www.fbil.org.in*
[(2)] *Source: www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchanges_rates/html/index.en.html*
Note : *Exchange rate is rounded off to decimal places*

TIME

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

INDUSTRY AND MARKET DATA

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from internal company reports, industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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.

In accordance with the SEBI ICDR Regulations the section titled ***"Basis for Issue Price"*** on page 127 of this Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "seek to", "shall", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to corresponding risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement, including but not limited to, regulatory changes pertaining to the industries we serve and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

a) *Our commercial success is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our resources to upgrade and enhance existing solutions and services, develop and introduce new services and solutions that meet the end users' needs on a timely basis.*
b) *Our revenues from operations are highly dependent on customers located in the United States of America (USA/US). Adverse economic conditions or factors that negatively affect the economic situation of that country could materially adversely affect our business.*
c) *Our growth strategy includes strengthening our sales and marketing activities in US and APAC and expanding into other geographies in Europe. Such initiatives could lead to a drain on our financial resources without achieving desired results.*
d) *Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and any failure to comply with these laws and regulations could impose significant civil, criminal or monetary liability.*
e) *Authorities of the Central government and State governments are our primary customers for our Water resource management solutions which contributes a significant portion of our revenues. These authorities are highly dependent on state/central grants/budget allocation to fund various water resource management projects.*
f) *Projects relating to water resources management solutions are typically awarded on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process.*
g) *Our business is dependent on our ability to attract and retain highly skilled IT professionals*
h) *We may be liable to our clients for damages caused by system failures, disclosure of confidential information or data security breaches, which could harm our reputation and cause us to lose clients.*
i) *Our solutions and services need to effectively inter-operate with our users existing or future IT infrastructures, installations for a seamless and timely completion of our projects / assignments*
j) *Certain contracts that we have entered into may have warranties that could result in liabilities in the future.*
k) *Undetected software design defects, errors or failures may result in loss of or delay in market acceptance of our services or in liabilities that could materially adversely affect our business, financial condition and results of operations.*
l) *We are highly dependent on technology in carrying out our business activities including usage of 3rd party open source software, hardware and Software -As-A- Service (SAAS) and it forms an integral part of our business.*
m) *Our expansion into new solutions and service categories and an increase in the number of products offered by us may expose us to new challenges and more risks.*
n) *Our Company requires significant amount of working capital for a continuing growth.*
o) *We face competition from onshore and offshore IT services companies, which may have a negative effect on our ability to add new customers, retain existing customers and grow our business*

For further discussion of factors that could cause the actual results to differ from the expectations, please refer the *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* beginning on page 33, 146 and 250, respectively. 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 and are not a guarantee of future performance.

Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of our future performance. There can be no assurance to investors that the expectations reflected in these forward-

looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoter, our Directors, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI, our Company (in respect of statements/ disclosures made by them in this Draft Red Herring Prospectus) shall ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus until the date of Allotment.

SECTION II: SUMMARY OF THE DRAFT RED HERRING PROSPECTUS

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Our Industry", "Our Business", "Outstanding Litigations and Material Developments", "Issue Procedure", and "Main Provisions Of Articles Of Association" beginning on pages 33, 62 , 80, 115, 139, 146, 272, 305 and 334 respectively of this Draft Red Herring Prospectus.

A. OVERVIEW OF INDUSTRY

In FY2023, India's technology industry revenue including hardware is estimated to cross $245 Bn(8.4% y-o-y growth), an addition of $19 Bn over last year. Exports at $194 Bn, are expected to grow at 9.4% in reported currency terms and 11.4% in constant currency terms. Domestic technology sector is expected to reach $51 Bn, growing at 4.9% y-o-y. In rupee terms, domestic tech revenues is expecting a 13% y-o-y growth on the back of continued investments by enterprise and government. The Industry continues to be a net hirer, adding 290K employees, taking the total employee base to ~5.4 Mn (5.7% y-o-y growth), strengthening its position as the "Digital Talent Nation" for the world.

The Jal Jeevan Mission - Urban provides a comprehensive and holistic approach to achieve a water-resilient future for India and tackle water risks which are more intense and frequently occurring. Its objective is to provide universal coverage of water supply to all households through functional taps in all 4,378 statutory towns in accordance with SDG Goal- 6 and prioritize the rejuvenation of water bodies to augment sustainable fresh water supply, circular economy of water, technology Sub-Mission for water, IEC campaign about conservation of water.

For further details please refer the section titled 'Our Industry' beginning on page 139 of this Draft Red Herring Prospectus.

B. OVERVIEW OF BUSINESS

Started in 1991, Canarys is a leading IT solutions provider with over 30 years of existence in the industry. Our expertise lies in enabling digital transformation for businesses through our comprehensive range of software solutions in the space of Digitalization, Modernization, Automation and Intelligence. Our business operates across two verticals viz., **Technology solutions and Water Resource Management Solutions.**

For further details please refer the section titled 'Our Business' beginning on page 146 of this Draft Red Herring Prospectus.

C. OUR PROMOTERS

As on date of this Draft Red Herring Prospectus, our Promoters are Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas, Mr. Pushparaj Shetty and Mr. Nagaraju Vineeth.

For further details please refer the section titled 'Our Promoters and Promoter Group' beginning on page 197 of this Draft Red Herring Prospectus.

D. DETAILS OF THE ISSUE

Fresh Issue:

Issue[(1)]	Fresh Issue of up to 1,52,00,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ [●] Lakhs

(1) The Issue has been authorized by a resolution of our Board dated August 11, 2023 and by our Shareholders pursuant to a special resolution passed on August 14, 2023.

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. For further details, please see "*The Issue*" and "*Capital Structure*" on page 62 and 80 respectively.

Offer for Sale:

There is no offer for sale as our Company is making only a Fresh Issue.

E. OBJECT OF THE ISSUE

Our Company intends to utilize the Net Proceeds of the Issue (Issue Proceeds less the issue expenses) towards the following objects:

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

(in ₹ Lakh)

S. No.	Particulars	Estimated Amount[(1)] *(in ₹ Lakh)*
1.	Funding of expenditure relating to solutions development for digital transformation and water resources management solutions	1,100.00
2.	Creation of new delivery centre including infrastructure thereof and upgrading existing facilities	894.00
3.	Funding working capital requirements of our Company	1,500.00
4.	General corporate purposes[(1)]	[●]
	Net Proceeds	[●]

[(1)] To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

F. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

The aggregate pre-Issue shareholding of our Promoter as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	*Pre-Issue		*Post-Issue	
		Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital	Number of Equity Shares held	% of the Post-Issue paid-up Equity Share Capital
(A) Promoter					
1	Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	24.59	[●]	[●]
2	Mr. Danavadi Krishnamurthy Arun	71,86,560	17.52	[●]	[●]
3	Mr. Raghu Chandrashekhariah	74,80,640	18.24	[●]	[●]
4	Mr. Sheshadri Yedavanahalli Srinivas	23,50,700	5.73	[●]	[●]
5	Mr. Pushparaj Shetty	26,10,480	6.37	[●]	[●]
6	Mr. Nagaraju Vineeth	6,10,000	1.49	[●]	[●]
	Total (A)	**3,03,24,360**	**73.94**	[●]	[●]
(B) Promoter Group					
1	Metikurke Ramaswamy Hemalatha	96,000	0.23	[●]	[●]
2	Metikurke Ramaswamy Prabhakar	3,20,000	0.78	[●]	[●]
3	Ramya Vineeth	10,00,000	2.44	[●]	[●]
4	Saroja M R	20,000	0.05	[●]	[●]
5	Bhavya	4,000	0.01	[●]	[●]
6	Kanakapura Nagabhushana Kalpana	2,200	0.01	[●]	[●]
7	Metikurke Ramaswamy Kamala	2,000	Negligible	[●]	[●]

8	Kanaada Raman Subbarao Metikurke	2,000	Negligible	[●]	[●]
9	Chandrashekar Rajeswari	2,000	Negligible	[●]	[●]
1(	Saraswathi Raghu	4,200	0.01	[●]	[●]
1	Shylaja Arun	4,200	0.01	[●]	[●]
	Total (B)	**14,56,600**	**3.55**	[●]	[●]
	Total (A) + (B)	**3,17,80,960**	**77.49**	[●]	[●]

G. SUMMARY OF FINANCIAL INFORMATION

Based on Restated Consolidated Financial Statements:

(₹ in lakhs)

Particulars	For the year ended March 31		
	2023	2022	2021
Share Capital	928.04	928.04	711.27
Net Worth(1)	2537.91	1683.44	1258.17
Revenue from Operation	7,451.94	5,150.90	2,561.72
Total Income	7,547.28	5,199.93	2,578.22
Profit After Tax	8 52.51	4 55.81	2 10.42
Earnings per share (basic and diluted) (Face Value ₹ 2/- each) (in ₹)			
(i) Basic	3.92	2 .08	1.16
(ii) Diluted	3.92	2 .08	1.16
Net asset value (NAV) per Equity Share (in ₹) (3)	12.44	8.66	7.22
Total borrowings	1,415.61	879.33	-

1) Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets as attributable to the owners of the holding company as on March 31, 2023. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.

2) *Basic & Diluted earnings per share (Rs) -Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year*

3) Net assets value per share – Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.

4) *Total Borrowing – aggregate value of Long term borrowing and short term borrowings*

For further details, see "*Restated Consolidated Financial Statements*" on page 209

H. AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS

The Auditor report of Restated Consolidated Financial Statements of our Company, for the Financial Year ended on March 31 2023, 2022 and 2021 does not contain any qualification which have not been given effect to in Restated Consolidated Financial Statements.

I. SUMMARY OF OUTSTANDING LITIGATIONS

Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding litigations against our Company, Directors, Promoters and/or there are no outstanding litigations filed by our Company, Directors, Promoters:

Nature of Proceedings	Number of cases	Amount involved (₹. in lakhs)
Against the company		
Direct Tax (Income Tax)	1	72.77*
Indirect Tax	Nil	Nil
Filed by the company		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**1**	**72.77**
Against the Promoters and Directors		

Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**This is as per the original order from Income Tax Authorities.*

For further details in relation to legal proceedings involving our Company, Promoters and Directors, please refer section titled ***'Outstanding Litigations and Material Developments'*** on beginning page 272 of this Draft Red Herring Prospectus.

J. RISK FACTORS

Please refer the section titled ***'Risk Factors'*** beginning on page 33 of this Draft Red Herring Prospectus.

K. SUMMARY OF CONTIGENT LIABILITIES

The details of contingent liabilities as at March 31, 2023 is set forth in the below table:

(₹ in Lakhs)

Particulars	As at		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Contingent liabilities in respect of TDS & Income Tax matters	72.77	72.77	72.77
Total	**72.77**	**72.77**	**72.77**

The original demand was 72.77 Lakhs, the company has paid 15% as on June 21 2023 amounting to 10.92 lacs, further amount recovered from refund due as on 27th July 2023 is 13.25 lacs. Hence, the value of 48.60 lacs has been arrived at after adjusting these amounts.

For further details, please refer to Note 27 – "*contingent liabilities and capital commitments*" of the section titled "*Financial Information*" of the" on page 209 of this Draft Red Herring Prospectus.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

The summary detail of the related party transactions entered by our Company as per the Restated Consolidated Financial Statements for the Financial Year ended on March 31, 2023, 2022, and 2021.

List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Key managerial personnel & their Relatives	1) Metikurke Ramaswamy Raman Subbarao	Managing Director
	2) Raghu Chandrashekhariah	Whole Time Director
	3) Danavadi Krishnamurthy Arun	Whole Time Director
	4) Sheshadri Yedavanahalli Srinivas	Director
	5) Sanjeev Kumar (Resigned on 09-06-2022)	Director
	6) Pushparaj Shetty (Resigned as director on 24-02-2021)	Director
Entities in which key managerial personnel are interested	iBOTOmate Private Limited	

The following transactions were carried out with the related parties in the ordinary course of business

(₹ in Lakhs)

Sl. No.	Transactions	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I	**Revenue Transactions**			
	Remuneration:			
i)	Metikurke Ramaswamy Raman Subbarao	68.48	45.25	41.04
ii)	Raghu Chandrashekhariah	70.28	47.05	41.64

iii)	Danavadi Krishnamurthy Arun	68.48	45.25	41.04
iv)	Sheshadri Yedavanahalli Srinivas	100.28	64.05	41.11
v)	Sanjeev Kumar	7.26	30.25	37.31
vi)	Pushparaj Shetty	68.48	-	19.47
	Reimbursement of Travel & Other Expenses:			
i)	Metikurke Ramaswamy Raman Subbarao	1.71	2.81	2.98
ii)	Raghu Chandrashekhariah	12.64	16.46	6.46
iii)	Danavadi Krishnamurthy Arun	12.39	2.10	1.60
iv)	Sheshadri Yedavanahalli Srinivas	8.85	3.29	1.93
v)	Sanjeev Kumar	0.29	1.69	2.68
vi)	Pushparaj Shetty	3.58	-	1.01
	Dividend Paid:			
i)	Metikurke Ramaswamy Raman Subbarao	6.05	4.73	4.45
ii)	Raghu Chandrashekhariah	4.49	3.51	3.34
iii)	Danavadi Krishnamurthy Arun	4.31	3.37	3.20
iv)	Sheshadri Yedavanahalli Srinivas	1.41	0.70	0.40
v)	Sanjeev Kumar	-	0.46	0.18
vi)	Pushparaj Shetty	1.57	-	0.26
	Sale of Services :			
i)	iBOTOmate Private Limited	40.00	-	-
II	**Capital Transactions**			
	Issue of Shares:			
i)	Metikurke Ramaswamy Raman Subbarao	-	9.46	8.40
ii)	Raghu Chandrashekhariah	-	7.01	5.10
iii)	Danavadi Krishnamurthy Arun	-	6.74	5.10
iv)	Sheshadri Yedavanahalli Srinivas	-	4.10	9.00
v)	Sanjeev Kumar	-	3.61	8.34
	Subscription of Shares:			
i)	iBOTOmate Private Limited	0.05	-	-
	Loan from director repaid:			
i)	Danavadi Krishnamurthy Arun	-	-	35.00

(₹ in Lakhs)

Sl. No.	Closing balance Balance Receivable/(Payable):	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	**Metikurke Ramaswamy Raman Subbarao**			
i)	Salary Payable	(15.28)	(6.48)	(4.00)
ii)	Due to employees (Reimbursement)	(0.24)	(0.03)	(0.25)
2	**Raghu Chandrashekhariah**			
i)	Salary Payable	(15.11)	(7.97)	(4.33)
ii)	Due to employees (Reimbursement)	(0.48)	(1.63)	(1.58)
3	**Danavadi Krishnamurthy Arun**			
i)	Salary Payable	(14.86)	(7.90)	(4.47)
ii)	Due to employees (Reimbursement)	(0.74)	(0.05)	(0.08)
4	**Sheshadri Yedavanahalli Srinivas**			
i)	Salary Payable	(31.66)	(16.67)	(4.50)
ii)	Due to employees (Reimbursement)	(0.80)	(2.27)	(0.53)

5	**Sanjeev Kumar**			
i)	Salary Payable	-	(1.98)	(3.30)
ii)	Due to employees (Reimbursement)	-	(0.29)	(0.13)
6	**Pushparaj Shetty**			
i)	Salary Payable	(15.39)	-	-
7	**iBOTOmate Private Limited**			
i)	Trade receivable	43.20	-	-

For further details in relation of the same, please refer the section titled '*Restated Consolidated Financial Statements*' beginning on page 209 of this Draft Red Herring Prospectus.

M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of filing of this Draft Red Herring Prospectus.

N. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS IN THE LAST 1 (ONE) YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS.

Name of the Person	No. of Equity share held as of August 21, 2023	No. of Equity Shares acquired in the last one year[(1)]	Weighted average price per equity share in the last one year[(1)] (in ₹)
Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	-	-
Mr. Danavadi Krishnamurthy Arun	71,86,560	-	-
Mr. Raghu Chandrashekhariah	74,80,640	-	-
Mr. Sheshadri Yedavanahalli Srinivas	23,50,700	-	-
Mr. Pushparaj Shetty	26,10,480	-	-
Mr. Nagaraju Vineeth	6,10,000	-	-

Pursuant to the certificate dated August 21, 2023, issued by, M/s. SURESH & CO., Chartered Accountants
(1) The Company has issued Bonus shares to the existing shareholders on June 16, 2023. The same is not considered in while calculating no. of shares acquired by the promoters as there is no cash inflow or outflow involved.

O. AVERAGE COST OF ACQUISITION OF SHARES

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

Name of the Promoters	No. of Equity Shares held	Average cost of acquisition[(1)] (in ₹)
Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	0.48
Mr. Danavadi Krishnamurthy Arun	71,86,560	0.48
Mr. Raghu Chandrashekhariah	74,80,640	0.47
Mr. Sheshadri Yedavanahalli Srinivas	23,50,700	1.30
Mr. Pushparaj Shetty	26,10,480	1.50
Mr. Nagaraju Vineeth	6,10,000	0.73
Total	**3,03,24,360**	

Pursuant to the certificate dated August 21, 2023, issued by M/s. SURESH & CO, Chartered Accountants
(1) Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer). However, the Equity Shares disposed of have not been considered while computing number of Equity Shares held.)

P. WEIGHTED AVERAGE COST OF ACQUISITION OF ALL SHARES TRANSACTED IN THE THREE YEARS, 18 MONTHS AND ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	0.25	[●]	Nil – 25
Last 3 years	0.38	[●]	Nil – 30
Last 18 months	0.17	[●]	Nil – 25

Pursuant to the certificate dated August 21, 2023, issued by M/s. SURESH & CO, Chartered Accountants
^To be updated in the Prospectus.

Q. ACQUISITION OF EQUITY SHARES IN THE LAST THREE YEARS

The details of price at which equity shares were acquired by Promoters and the members of the Promoter Group in the last three years preceding the date of this Draft Red Herring Prospectus is set forth below:

Name of Shareholders	Nature of Acquisition	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition Price Per Equity Share (in ₹)*
Promoters					
Mr. Metikurke Ramaswamy Raman Subbarao	Allotment-Right Issue	24/03/2021	28000	10	30
	Allotment-Right Issue	20/08/2021	31519	10	30
	Allotment-Bonus Issue	28/03/2022	25,21,495	2	Nil
	Allotment-Bonus Issue	16/06/2023	50,42,990	2	Nil
Mr. Danavadi Krishnamurthy Arun	Allotment-Right Issue	24/03/2021	17,000	10	30
	Allotment-Right Issue	20/08/2021	22,458	10	30
	Allotment-Bonus Issue	28/03/2022	17,96,640	2	Nil
	Allotment-Bonus Issue	16/06/2023	35,93,280	2	Nil
Mr. Raghu Chandrashekhariah	Allotment-Right Issue	24/03/2021	17,000	10	30
	Allotment-Right Issue	20/08/2021	23,377	10	30
	Allotment-Bonus Issue	28/03/2022	18,70,160	2	Nil
	Allotment-Bonus Issue	16/06/2023	37,40,320	2	Nil
Mr. Sheshadri Srinivas Yedavanahalli	Allotment-Right Issue	24/03/2021	30,000	10	30
	Allotment-Right Issue	20/08/2021	13,667	10	30
	Transfer	08/03/2022	5,000	10	40
	Allotment-Bonus Issue	28/03/2022	4,43,335	2	Nil
	Transfer	09/06/2022	2,88,680	2	4
	Allotment-Bonus Issue	16/06/2023	11,75,350	2	Nil
Mr. Pushparaj Shetty	Allotment-Right Issue	24/03/2021	47,070	10	30
	Allotment-Right Issue	20/08/2021	20,286	10	30
	Transfer	08/09/2021	8,000	10	30

	Allotment-Bonus Issue	28/03/2022	5,08,280	2	Nil
	Transfer	09/06/2022	2,88,680	2	4
	Allotment-Bonus Issue	16/06/2023	13,05,240	2	Nil
Mr. Nagaraju Vineeth	Allotment-Bonus Issue	28/03/2022	1,52,500	2	Nil
	Allotment-Bonus Issue	16/06/2023	3,05,000	2	Nil
Promoter Group (other than Promoters)					
Saroja M R	Allotment-Right Issue	24/03/2021	1,000	10	30
	Allotment-Bonus Issue	28/03/2022	5,000	2	Nil
	Allotment-Bonus Issue	16/06/2023	10,000	2	Nil
Ramya Vineeth	Allotment-Bonus Issue	28/03/2022	2,50,000	2	Nil
	Allotment-Bonus Issue	16/06/2023	5,00,000	2	Nil
Metikurke Ramaswamy Hemalatha	Allotment-Bonus Issue	28/03/2022	24,000	2	Nil
	Allotment-Bonus Issue	16/06/2023	48,000	2	Nil
Metikurke Ramaswamy Prabhakar	Allotment-Bonus Issue	28/03/2022	80,000	2	Nil
	Allotment-Bonus Issue	16/06/2023	1,60,000	2	Nil
Bhavya	Allotment-Conversion of Preference Shares	18/07/2023	4,000	0.01	25
Kanakapura Nagabhushana Kalpana	Allotment-Conversion of Preference Shares	18/07/2023	2,200	0.005	25
Metikurke Ramaswamy Kamala	Allotment-Conversion of Preference Shares	18/07/2023	2,000	0.005	25
Kanaada Raman Subbarao Metikurke	Allotment-Conversion of Preference Shares	18/07/2023	2,000	0.005	25
Chandrashekar Rajeswari	Allotment-Conversion of Preference Shares	18/07/2023	2,000	0.005	25
Saraswathi Raghu	Allotment-Conversion of Preference Shares	18/07/2023	4,200	0.01	25
Shylaja Arun	Allotment-Conversion of Preference Shares	18/07/2023	4,200	0.01	25

**As certified by M/s. SURESH & CO., Chartered Accountants, by way of their certificate dated August 21, 2023*

R. DETAILS OF PRE-IPO PLACEMENT

Our Company has not made any pre-IPO placement. Further, our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

S. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST 1 (ONE) YEAR

Other than as disclosed in the section "*Capital Structure*" on page 80, our Company has not issued any Equity Shares for consideration other than cash except bonus issue in the 1 (one) year preceding the date of this Draft Red Herring Prospectus.

T. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST 1 (ONE) YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Red Herring Prospectus.

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

Our Company has not applied to SEBI for any exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION III: RISK FACTORS

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

The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Red Herring Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 146 and 250 of this Draft Red Herring Prospectus respectively as well as other financial and statistical information contained in this Draft Red Herring Prospectus.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Restated Consolidated Financial Statements of our Company prepared in accordance with the Companies Act, 2013 and restated in accordance with the ICDR Regulations, including the schedules, annexure and notes thereto.

Materiality

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

1. Some events may have material impact qualitatively instead of quantitatively;
2. Some events may not be material individually but may be found material collectively;
3. Some events may not be material at present but may be having material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this section, please refer to the section titled *'Definitions and Abbreviations'* as described on the beginning of page 6 of this Draft Red Herring Prospectus

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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

INTERNAL RISKS FACTORS:

1. ***Our commercial success is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our resources to upgrade and enhance existing solutions and services, develop and introduce new services and solutions that meet the end users' needs on a timely basis. Any failure to do so, might impact our ability to compete effectively and could make our solutions obsolete, thereby adversely affecting our revenue, reputation, financial conditions, results of operations and cash flow***

The digital transformation solutions and services market is characterized by rapid technological changes, evolving industry standards, changing client preferences, and new service introductions that could result in technology obsolescence. The technology services industry is competitive and continuously evolving, subject to rapidly changing demands and constant technological developments. As a result, success and performance metrics are difficult to predict and measure in our industry. Because services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model, and its results of operations, it can be difficult to predict how any company's services, including ours, will be received in the market. While businesses have been incurring significant expenditure in the past to adopt emerging technologies and related technological trends, there can be no assurance that they will continue to do so in the future.

Our future success will depend on our ability to anticipate these changes, enhance our existing solutions and service offerings or develop new solutions and service offerings to meet client needs, in each case, in a timely manner. 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 (a) ensuring the timely release and availability of new products (b) resolving defects, errors, or failures in our products. We may not be successful in anticipating or responding to these changes on a timely basis, or at all. If we do respond, the services or solutions we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded services, or seamlessly managing new solutions and service introductions or transitions. Our failure to address the demands of the rapidly evolving IT environment, could have a material adverse effect on our business, results of operations and financial condition. In addition, our success also depends on our ability to proactively manage our portfolio of technology alliances.

Although there have been no such instances/issues in the past wherein we have failed to anticipate, adapt, and respond effectively to the changes in the market needs on a timely and cost-effective basis or failed to successfully manage the risks and challenges in relation to new offerings, or where our new solutions were not competitive, however, in the event if we are not successful in managing these risks and challenges, or if our new offerings are not competitive or do not achieve market acceptance, our business, financial condition, and results of operations could be adversely affected.

2. ***Failure to offer customer support in a timely and effective manner may adversely affect our relationships with our customers.***

From time to time, our customers require our customer support team to assist them in using our services and solutions, resolving post-deployment issues quickly and ensuring ongoing support. If we do not devote sufficient resources or are otherwise unsuccessful in assisting our customers effectively, it could adversely affect our ability to retain existing customers and could prevent prospective customers from adopting our services and solutions. We may be unable to respond quickly enough to accommodate short-term increases in demand for customer support services. We may also be unable to modify the nature, scope and delivery of our customer support services to compete with the support services provided by our competitors. Increased demand for customer support, without corresponding revenue, could increase costs and adversely affect our business, results of operations and financial condition.

Our sales are highly dependent on our business reputation and on positive recommendations from our customers. Any failure to maintain high standard of customer support, or a market perception that we do not maintain high- quality customer support, could adversely affect our reputation, business, results of operations and financial condition.

3. ***Our revenues from operations are highly dependent on customers located in the United States of America (USA/US). Adverse economic conditions or factors that negatively affect the economic situation of that country could materially adversely affect our business, financial condition and results of operations.***

In Fiscals 2023, 2022 and 2021, our customers located in the US contributed 23.52%, 17.39% and 24.82% of our revenue from contracts with customers, respectively. A single customer located in the United States contributed 6.00%, 3.72%, and 7.27% of our total revenues from contracts with customers in Fiscals 2023, 2022 and 2021.

Existing and potential competitors to our businesses may increase their focus on the US market, which could reduce our market share. The concentration of our revenues from operations in the US increases our risk to adverse developments related to competition, as well as economic, political, regulatory and other changes. Adoption of anti-sourcing laws in many countries, including the United States, may also limit the ability of our customers to engage us. For further details, please see "*Risk Factors - Anti-outsourcing legislation, if adopted in the countries where our customers are based, could materially adversely affect our business, financial condition and results of operations and impair our ability to service our customers*" on page 57. Any adverse development that affects the overall economy of the United States or sectors or industries in which our customers operate, could have a material adverse effect on our business, financial condition and results of operations.

In addition, we do not have long-term commitments with most of our customers. For further details, please see "*Risk Factors - "We do not have long-term commitments with our customers, and our customers may terminate contracts before completion, negotiate adverse terms of the contract or choose not to renew contracts, which could materially adversely affect our business, financial condition and results of operations*" on page 36. We cannot assure you that we will be able to maintain historic levels of business from our customers located in the United States, or that we will be able to significantly reduce customer concentration in the future.

4. ***We generate a significant portion of our revenues from a small number of customers, and any loss or reduction of business from these customers could reduce our revenues and materially adversely affect our business, financial condition, and results of operations.***

Our top 10 (Top) clients contributed approximately 50.54% of our revenue from operations based on Restated Consolidated Financial Statements for the year ended March 31, 2023. We have derived, and believe that in the foreseeable future we will continue to derive, a significant portion of our revenues from a small number of customers which may not be the same every year.

Our ability to maintain close relationships with these customers is essential to the growth and profitability of our business. However, the volume and nature of work performed for a specific customer is likely to vary from year to year, especially since we are generally not exclusive IT services provider for our clients and we do not have long-term commitments with most of our customers. Please see "*Risk Factors - We do not have long-term commitments with our customers, and our customers may terminate contracts before completion, negotiate adverse terms of the contract or choose not to renew contracts, which could materially adversely affect our business, financial condition and results of operations*" on page 36. A major customer in one year may not provide the same level of revenues for us in any subsequent year. The IT services we provide to our customers, and the revenues and net income from those services, may decline or vary as the type and quantity of IT services the customers require changes over time. Furthermore, our reliance on any individual customer for a significant portion of our revenues may give that customer a certain degree of pricing leverage against us when negotiating contracts and terms of service.

In addition, a number of factors other than our performance could cause the loss of or reduction in business or revenues from a customer, and these factors are not predictable. For example, a customer may decide to reduce spending on technology services or sourcing from us due to a challenging economic environment or other factors, both internal and external, relating to its business. Further, factors which are not in our or our customers' control such as the socio-political situation in a particular country or the outbreak of a contagious disease may also impact our business adversely. These factors, among others, may influence customers to make decisions resulting in reducing cost, changing outsourcing strategy, switching IT services providers or in-sourcing of activities.

The loss of any of our major customers, or a significant decrease in the volume of work they outsource to us or the price at which we provide our services to them, could materially adversely affect our business, financial condition and results of operations.

The loss of any of our major customers, or a significant decrease in the volume of work they outsource to us or the price at which we sell our services to them, could materially adversely affect our business, financial condition and results of operations.

5. ***If we are unable to recover our dues from our customers, our results of operations and cash flows could be materially adversely affected.***

Our financial performance depends on our ability to successfully recover payment from our customers. We usually bill and collect on relatively short cycles. As per our master service agreements, our payment terms are 30 to 90 days from the date when the customer receives the invoice. Our average debtor cycle was 168 days, 129 days and 102days in Fiscals 2023, 2022 and 2021, respectively.

We maintain allowances against receivables and unbilled services. Actual losses on customer balances could differ from those that we currently anticipate and, as a result, we might need to adjust our allowances. There is no guarantee that we will accurately assess the creditworthiness of our customers. Weak macroeconomic conditions and related turmoil in the global financial system could also result in financial difficulties, including limited access to the credit markets, insolvency, or bankruptcy for our customers, and, as a result, could cause customers to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. Timely collection of customer balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our customer balances, and if this occurs, our results of operations and cash flows could be materially adversely affected. Moreover, in the event of delays in payment from our governmental and quasi-governmental customers, we may have difficulty collecting on receivables owed. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

6. ***Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and any failure to comply with these laws and regulations could impose significant civil, criminal or monetary liability.***

Since we provide services to clients across geographies such as USA, Canada, Australia, Singapore etc. we are subject to numerous, and sometimes conflicting, legal and compliance requirements on matters as diverse as import/export controls, content requirements, trade restrictions, the environment (including electronic waste), tariffs, taxation, sanctions, government affairs, anti-corruption, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific to our clients' industries. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation.

Correspondingly, an adverse change in the regulations may require us to alter our business activities and process of offering solutions and services and incur capital expenditure to achieve compliance with such new regulatory requirements. We cannot assure you that we will be able to comply with the regulatory requirements. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to cease operations in those countries and incur other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new solutions and services, which may adversely impact our business, results of operations and financial condition.

7. ***We do not have long-term commitments with our customers, and our customers may terminate contracts before completion, negotiate adverse terms of the contract or choose not to renew contracts, which could materially adversely affect our business, financial condition and results of operations.***

Our customers generally do not have any long-term commitments with us. The term of the agreements we enter into with our customers typically range from one to five years or in some cases, until such agreements are terminated or as long as there are subsisting statements of works or purchase orders with the customer. A substantial portion of our revenues is generated from repeat business, which we define as revenues from a customer who also contributed to our revenues during the prior Fiscal. In Fiscals 2023, 2022 and 2021, our repeat customers contributed 69.71%, 78.10% and 67.42%, respectively, of our revenue from contracts with customers. However, our engagements with our customers are typically on a project to project basis. In addition, our customers can terminate our services contracts and work orders with or without cause, and in most cases without any cancellation charge. Therefore, we must seek to obtain new engagements when our current engagements are successfully completed or are terminated as well as maintain relationships with existing customers and secure new customers to expand our business.

Agreements may be terminated without a cause subject to a prior written notice which typically ranges from 7 to 180 days. In addition, large and complex projects may involve multiple engagements or stages, and a customer may choose not to retain us for additional stages or may cancel or delay additional planned engagements. Even if we successfully deliver on contracted services and maintain close relationships with our customers, a number of factors outside of our control could cause the loss of or reduction in business or revenue from our existing customers.

The loss or diminution in business from any of our major customers could have a material adverse effect on our revenue from operations and results of operations. We may not be able to renew our contracts on favourable terms, or to replace any customer that elects to terminate or not renew its contract with us, which could materially adversely affect our revenue and thus our results of operations. Further, terminations or delays in engagements may impact our resourcing plans and increase our cost of operations.

8. ***Our business is dependent on the contractual arrangements entered into by us. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties.***

We enter contracts with our clients which impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our clients perceive any deficiency in our services, we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations. There are also some contracts, which terminable by our clients in writing upon committing any breach or non-observance of any conditions of the Agreements entered into viz. fraud by our Company or any misconduct of our associate employees which could adversely affect the reputation of our clients.

While, we consider all factors internally prior to entering into such contractual agreements, we cannot assure you that such clients may choose to terminate their agreements with our Company based on the terms stated above. Further, the non-compliance or breach of the terms of the contractual arrangements by either party to the agreements may lead to, among other things, damages, penalties or termination of the agreements, which may consequently result in our inability to attract further business in the future.

9. ***Our contracts may become unprofitable. This may materially adversely affect our business, financial condition and results of operations.***

We perform our services primarily under time-and-materials contracts (where materials costs consist of travel and out-of-pocket expenses in software development business and equipment, technology development & manpower cost for water resource management solutions projects) and in some cases, fixed price contracts or a combination of both. Our manpower cost under these contracts are priced at hourly or daily rates that are agreed at the time at which the contract is entered. The rates and other pricing terms negotiated with our customers are highly dependent on our internal forecasts of our operating costs and other assumptions on wage inflation and other marketplace factors, as well as the volume of work provided by the customer. Our Pricing terms are based on various assumptions and forecasts and could turn out to be inaccurate, resulting in contracts that may not be profitable. Typically, we do not have the ability to increase the rates established at the outset of a customer project, other than on an annual basis which are often subject to pricing caps. Independent of our right to increase our rates on an annual basis, customer expectations regarding the anticipated cost of a project may limit our practical ability to increase our rates for on-going work.

In addition to our time-and-materials contracts, we undertake some engagements on a fixed-price basis and also provide managed services in certain cases. Revenue from our fixed-price contracts represented 39%, 46% and 45.41% of our revenue from contracts with customers for the Fiscals 2023, 2022 and 2021, respectively. Our pricing in fixed-price contracts is highly dependent on our assumptions and forecasts about the costs we expect to incur to complete the related project, which are based on limited data and could turn out to be inaccurate. Any failure by us to accurately estimate the resources, including the skills and seniority of our employees, required to complete a fixed-price contract on time and on budget or meet a service level on a managed service contract, or any unexpected increase in the cost of our employees assigned to the related project, office space or materials could expose us to risks associated with cost overruns and could have a material adverse effect on our business, results of operations and financial condition. In addition, any unexpected changes in economic conditions that affect any of the foregoing assumptions and predictions could render contracts that would have been favourable to us when signed unfavourable.

In addition, a number of our contracts contain pricing terms that condition a portion of the payment of fees by the customer on our ability to meet defined performance goals, service levels and completion schedules set forth in the contracts. Our failure to meet such performance goals, service levels or completion schedules or our failure to meet customer expectations in such contracts may result in less profitable or unprofitable engagements.

Our profitability and operating results are dependent on the rates we are able to charge for our services. We believe our rates are affected by a number of factors, including:

- our customers' perception of our ability to add value through our services;
- our competitors' pricing policies
- bid practices of customers and their use of third-party advisors
- the ability of large customers to exert pricing pressure
- employee wage levels and increases in compensation costs
- employee utilisation levels
- market demand for our solutions and services
- unanticipated increases in the cost of equipment, materials or manpower
- delays associated with the delivery of equipment and materials to the project site
- delays due to non-receipt of client approvals or payments at specific project milestones
- general economic conditions

If we are not able to maintain favourable pricing for our solutions and services, our profitability could suffer. This may materially adversely affect our business, financial condition and results of operations.

10. We are dependent on authorities of the Central government and State governments for a substantial proportion of our business and revenue. These authorities are highly dependent on state/central grants/budget allocation to fund various water resource management projects. Any decline in the budgetary allocation towards Water resource management projects] will have a material adverse impact on our business, financial condition, and results of operations.

Our water resource management solutions business and revenues are dependent on projects undertaken by authorities of the Central and State Governments. The water resource management solutions business contributed 37%, 46%, and 43% of the total revenue of the Company as the Restated Consolidated Financial Statements for Fiscals 2023, 2022 and 2021. We expect that contracts awarded by these authorities will continue to account for a substantial proportion of our business. Please refer to section titled "*Our Industry*" beginning on page 139 of Draft Red Herring Prospectus which highlights the government focus on water resource management. The authorities responsible for developing action plans for water resource management need an adequate and recurrent cash flow to implement the infrastructure for management of water resources. These authorities are highly dependent on state/central grants/budget allocation to fund various infrastructural

projects. The funds allocated by state or central governments for implementation of infrastructure for water resource compete with infrastructural projects such as building roads and bridges and other infrastructure. Any adverse changes in government policies, expenditures or fund allocations may lead to our agreements being restructured or renegotiated or terminated and could materially and adversely affect business, financial condition and results of operation

11. Projects relating to water resources management solutions are typically awarded on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if we are unsuccessful in bidding for new projects.

Projects relating to water resources management solutions are typically awarded to us following a competitive bidding process and satisfaction of prescribed technical and financial pre-qualification criteria. While track record, experience of project execution, adequate service quality, qualified and experienced personnel including technical staff, and sufficiency of financial resources are important considerations in awarding contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria, whether independently or together with other joint venture partners. Further, once prospective bidders satisfy the prequalification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur significant costs in the preparation and submission of bids, which are onetime non-reimbursable costs. We cannot assure you that we would be bidding for projects, where we are pre-qualified to submit a bid, or that our bids, when submitted or if already submitted, would result in projects being awarded to us.

12. Our actual cost in executing any contract pertaining to water resources management solutions business may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have an adverse effect on our business, financial condition, results of operations, and prospects.

We may not always have the escalation clauses to cover any increase in the cost of material, IT equipment and other inputs arising from currency fluctuation and inflation particularly as the contracts for water resource project are extremely long drawn for multiple e variables affecting its implementation and consequent our hydrology project implementation also get stretched much beyond our assumed timelines in our project contracts in respect of the additional work to support our claims. Accordingly, our actual expense in executing the contract may vary substantially from the assumptions underlying our bid for several reasons, including but not limited to unanticipated increases in the cost of material, IT equipment, unforeseen conditions for implementation water resource infrastructure impacting the implementation of our hydrology project such as delay in acquisition/transfer of land by the government or obtaining rights of way, inability in obtaining requisite environmental and other approvals, permits and clearances resulting in delays and increased costs, delays caused by local weather conditions. Our ability to pass on increases in the cost of material, IT equipment and other inputs may be limited in the case of contracts with limited or no price escalation provisions and we cannot assure you that these variations in cost will not lead to financial losses to our Company.

Where we have escalation clauses in our project contracts, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we can recover adequately our claims. Our debtors may have insufficient assets to pay the amounts owed to us even if we win our cases. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfil significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

13. The timely and cost effective execution of our water resource management solutions projects is dependent on the adequate and timely supply of key materials such as Data Loggers, UHF transmitters, Charge Controllers, Radar Sensors, Rotary Gate Position sensors.

We have not entered into any long-term supply contracts and we cannot assure you that we will be able to procure adequate supplies of key materials as and when we need them on commercially acceptable terms. The timely and cost effective implementation of our projects relating to water resource management solutions is dependant on the adequate and timely supply of key materials, such as Data Loggers, UHF transmitters, Charge Controllers, Radar Sensors, Rotary Gate Position sensors. We import the equipment used in execution of such projects from various countries located in Europe and USA and any disruption in import of materials from these countries or any change in policies of import of such equipment could have in the future, an adverse effect on our receipt of supplies and shall impact the execution of projects relating water resource management solutions. If we are unable to procure the requisite quantities of supplies, our business, results of operations and financial condition may be adversely affected.

14. ***If we fail to keep pace with technical and technological developments in the water resource management solutions industry, it could adversely affect our business and results of operations.***

Our recent experience indicates that projects relating to water resource management solutions are becoming more technically complex. To meet our clients' needs, we must regularly update existing technology and acquire or develop new technology for our solutions relating to water resource management . In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and results of operations.

15. ***If we are unable to attract new clients or our existing clients do not renew their contract, the growth of our business and cash flows will be adversely affected.***

Our top 10 (Top) clients contributed approximately 50.54% of our revenue from operations based on Restated Consolidated Financial Statements for the year ended March 31, 2023. If we are unable to generate sufficient sales leads through our marketing programs, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to repeat contracts / award new projects to us due to various factors including clients' satisfaction with our services, collection of data and information as desired by our clients, our prices and the prices of competing service providers. If we fail to achieve repetitive projects from existing clients or to add new clients, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected. For further details of our clients, please refer to section titled '*Our Business'* beginning on page 146.

16. ***If we fail to attract and retain highly skilled IT professionals, we may not have the necessary resources to properly staff projects, and failure to successfully compete for such IT professionals could materially adversely affect our business, financial condition and results of operations.***

Our success depends largely on the contributions of our IT professionals and our ability to attract and retain qualified IT professionals. The total attrition rates among our IT professionals who have worked for us for at least six months were 23% 23% and 25% for Fiscals 2023, 2022 and 2021, respectively. We may encounter higher attrition rates in the future. A significant increase in the attrition rate among skilled IT professionals with specialised skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our services. The competition for highly-skilled IT professionals may require us to increase salaries, and we may be unable to pass on these increased costs to our customers. This would increase our operational costs which may adversely affect our business, results of operations and financial condition.

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

Our business is people driven and, accordingly, our success depends upon our ability to attract, develop, motivate, retain and effectively utilise highly-skilled IT professionals in our delivery locations across India. We believe that there is significant competition for IT professionals in India where our delivery centres are located and that such competition is likely to continue for the foreseeable future. Increased hiring by technology companies and increasing worldwide competition for skilled IT professionals may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire. Failure to hire, train and retain IT professionals in sufficient numbers could have a material adverse effect on our business, results of operations and financial condition.

Companies engaged in the technology industry are required to provide a greater deal of employee satisfaction and morale through providing professional incentives and enable digital maturity through collaborative support from the workforce. Further, there is a limited pool of individuals who have the skills and training needed to help us grow our Company. We compete for such talented individuals not only with other companies in our industry but also with companies in other industries, such as engineering services, financial services and technology generally, among others. High attrition rates of IT professionals would increase our hiring, reskilling, upskilling and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet customer objectives and expand our business.

17. ***Increases in wages and other employee benefits expense for our IT professionals could prevent us from sustaining our competitive advantage.***

Wage costs for IT professionals in India are lower than comparable wage costs in more developed countries. However, wage costs in the Indian IT services industry may increase at a faster rate than in the past, which ultimately may make us less competitive unless we are able to increase the efficiency and productivity of our IT professionals as well as the prices we can charge for our services. Increases in wage costs may reduce our profitability. In addition, the issuance of equity-based compensation to our IT professionals would also result in additional dilution to our shareholders.

18. ***Our investments in human capital and technology may not yield the intended results***

We invest in and intend to continue investing in human capital to enhance our technical capabilities, particularly with object to develop new solutions and services. We specialise in developing solutions and services combining our technical and industry knowledge with our technical expertise. Our choice of focus areas and investments in technology and human capital are based on the management's perception of the industry. We cannot assure you that such investments will yield the intended results. We cannot assure you that our investment in our human capital and technology capabilities with have a positive impact on our business, results of operations, cash flows and financial condition.

19. ***Our profitability will suffer if we are not able to maintain our resource utilisation levels and productivity levels.***

Our profitability is dependent on our utilisation levels of human resources, and our ability to increase productivity levels. We have expanded our operations in recent years, which has resulted in a significant increase in our headcount and fixed overhead costs.

Some of our IT professionals are specially trained to work for specific customers or on specific projects. Our ability to manage our utilisation levels depends significantly on our ability to hire and train IT professionals and to staff projects appropriately. If we experience a slowdown or stoppage of work for any customer or on any project for which we have dedicated IT professionals or facilities, we may not be able to efficiently reallocate these IT professionals and facilities to other customers and projects to keep their utilisation and productivity levels high. If we are not able to maintain high resource utilisation levels without corresponding cost reductions or price increases, our profitability will suffer. In the event of a slowdown due to external factors, or if the number of our customers reduce, we may be over-staffed and required to carry excess employee-related expenses which could affect our financial condition.

Our profitability and the cost of providing our services are affected by the utilisation rates of our employees in our delivery locations. If we are not able to maintain appropriate utilisation rates for our employees involved in delivery of our services, our profit margin and our profitability may suffer. Employee shortages could prevent us from completing our contractual commitments in a timely manner, taking up new contracts and cause us to lose contracts or customers. Further, to the extent that we lack sufficient employees with lower levels of seniority and lower pricing rates, we may be required to deploy more senior employees with higher pricing rates on projects without the ability to pass such higher rates to our customers, which could adversely affect our profit margin and profitability.

20. ***We may be liable to our clients for damages caused by system failures, disclosure of confidential information or data security breaches, which could harm our reputation and cause us to lose clients.***

Many of our contracts involve services and solutions that are critical to the operations of our clients' businesses. Any failure in a client's system could result in a claim for substantial damages against us, regardless of our responsibility for such failure.

We seek to rely on encryption and authentication technology licensed from third parties to provide the security and authentication necessary to effect secure online transmission of confidential client information. Despite our security measures, advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the algorithms that we use to protect sensitive customer transaction data. Breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of confidential customer data could expose us, our customers or the individuals affected to a risk of loss or misuse of this information, or cause interruptions in our operations. We may be required to expend significant capital and other resources to protect against such security breaches, to alleviate problems caused by or to investigate such breaches, all of which could subject us to liability, damage our reputation and diminish the value of our brand name.

We may be subject to potential liability for breaches of confidentiality. Moreover, if any person, including any of our employees or former employees or subcontractors, penetrates our network security or misappropriates sensitive data, we could be subject to liability from our clients or from our clients' customers for breaching contractual confidentiality provisions or privacy laws. Unauthorised disclosure of sensitive or confidential client and customer data, whether through

breach of our computer systems, systems failure, loss or theft of assets containing confidential information or otherwise, could render us liable to our clients for damages, damage our reputation and cause us to lose clients.

We may also be liable to our clients for damages or termination of contract if we are unable to address disruption in services to them with adequate business continuity plans and/or for non-compliance with our clients' information security policies and procedures.

21. ***If our solutions and services do not effectively inter-operate with our users existing or future IT infrastructures, installations could be delayed or cancelled, which would could materially affect our business, financial condition and results of operations.***

Our solutions and services must effectively inter-operate with our customer's existing or future IT infrastructures, which often have different specifications, and may be based on different platforms, deploy solutions / services from multiple vendors, use various devices, and contain multiple generations of solutions /services that have been added over time. If we find errors in the existing software and defects in the hardware used in our user's infrastructure or problematic or incompatible network configurations or settings, we may have to modify our software so that our solutions / services can effectively inter-operate with our customer's infrastructure and business processes. In addition, to stay competitive within certain markets or to comply with new statutory or regulatory requirements, we may be required to make software modifications in future releases of our offerings. These issues could result in longer sales cycles for our solutions and services which may adversely affect our business, financial condition, results of operations and cash flows.

22. Certain contracts that we have entered into may have warranties that could result in liabilities in the future.

We enter into agreements and contracts with the authorities of the State government and the Central government. There may be certain warranties in such agreements and contracts that could result in liabilities in the future. We may be unable to mitigate these risks through contractual limitations of liability, indemnities and insurance. We have not been subjected to any warranty claims in any of our contracts and any warranty claim on materials supplied by us under the aforesaid contracts have a back to back warranty protection from our suppliers. In case of malfunction of the solutions provided by us we may have to spend additional time and resources to address such issue.

23. ***We partner with large global IT solutions companies for implementing their solutions for our clients, and any adverse change in terms of business with them may impact our business and results of operations may be adversely affected.***

We have multiple alliance partnerships with global IT solutions companies and if we are unable to maintain the partnership level then we lose benefits, support and business from them. We partner with large global IT Solutions companies for implementing, testing, distributing their Cloud-Driven Digital Solutions and Digital DevOps for our clients. We do not have a permanent arrangement with these global IT solutions companies for the above activities. Also any adverse change in terms of engagement with them or their customers will impact our business and results of operations. Further, any adverse development affecting the business of these global IT solutions companies will also impact the operations of our Company and consequently the financial results of operations may be adversely affected.

24. Increases in operational costs could adversely affect our results of operations.

Factors such as inflation, increased employee benefit costs (by regulation or otherwise), increased rental costs, and increased energy costs may increase our operating costs. Further, to maintain our operational costs and margins, it is imperative to optimize the expansion of business operations and product portfolio. Many of the factors may also affect our vendors and channel partners, which are beyond their control. Although, there have been no such instances in the past, any future increase in the operational costs may cause such third parties to pass costs on to us and our end users by increasing prices, which would likely an adverse effect on our business, financial condition and results of operations.

25. ***Failure to perform or observe any contractual obligations could result in cancellation or non-renewal of a contract, which could cause us to experience a higher than expected number of unassigned employees and an increase in our expenses as a percentage of revenues, until we are able to reduce or reallocate our headcount and may adversely affect our business, results of operations and financial condition.***

The ability of our customers to terminate agreements makes our future revenues from operations uncertain. We may not be able to honour certain contractual obligations, which could lead to termination of agreements and further, we may not be able to replace any customer that elects to terminate or not renew its contract with us, or renew a contract with us on unfavourable terms, which could materially adversely affect our business, financial condition and results of operations.

For example, some of our customer agreements require us to maintain insurances including workers' compensation insurance, professional liability insurance and commercial general liability insurance throughout the term of such agreements, in addition to maintaining testing facilities and round-the-clock IT infrastructure support. Some of our customer contracts also require us to have non-solicitation and limited exclusivity arrangements. In addition, some of our customer

agreements specify that if a change of control of our company occurs during the term of the agreement, the customer has the right to terminate the agreement. If we fail to comply with such contractual obligations in the future, our customers may terminate agreements with us. If any future event triggers any change of control provision in our customer contracts, these master services agreements may be terminated, which would result in loss of business and revenues.

26. ***We have in the past experienced, and may in the future experience, a longer sales closure process and implementation cycle with respect to certain projects that require us to make significant resource commitments prior to realising revenue for our services.***

We have experienced, and may in the future experience, a longer sales closure process with respect to certain projects that require significant investment of human resources and time by both our customers and us. Before committing to use our services, potential customers may require us to invest substantial time and resources educating them on the value of our services and our ability to meet their requirements. Therefore, our sales closure process is subject to many risks and delays over which we have little or no control, including our customers' decision to choose alternatives to our services (such as other technology and IT service providers or in-house resources) and the timing of our customers' budget cycles and approval processes. If our sales cycle unexpectedly lengthens for one or more projects, it would negatively affect the timing of our revenue and hinder our revenue growth. For certain customers, we may begin work and incur costs prior to executing the contract. A delay in our ability to obtain a signed agreement or other persuasive evidence of an arrangement, or to complete certain contract requirements in a particular quarter, could reduce our revenue in that quarter or render us entirely unable to collect payment for work already performed. For more information, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Results of our Operations*" on page 250.

Implementing our services also involves a significant commitment of resources over an extended period of time from both our customers and us. Our customers may experience delays in obtaining internal approvals or delays associated with technology, thereby further delaying the implementation process. Our current and future customers may not be willing or able to invest the time and resources necessary to implement our services, and we may fail to close sales with potential customers to whom we have devoted significant time and resources. Any significant failure to generate revenue or delays in recognising revenue after incurring costs related to our sales or services process could materially adversely affect our business.

27. ***We may not be able to recognise revenues in the period in which our services are performed, which may cause our margins to fluctuate.***

Our services are performed under both time-and-material and fixed-price contract arrangements, or a combination of both. Revenue is recognised upon transfer of control of products or services to customers to the extent of an amount that reflects the consideration that we expect to receive in exchange for these products or services.

In instances where final acceptance of the system or solution is specified by the customer, revenues are deferred until all acceptance criteria have been met. Our failure to meet all the acceptance criteria, or otherwise meet a customer's expectations, may result in our having to record the cost related to the performance of services in the period that services were rendered, but delay the timing of revenue recognition to a future period in which all acceptance criteria have been met.

28. ***Our revenues are highly dependent on a limited number of industry verticals, and any decrease in demand for outsourced services in these industry verticals could reduce our revenues and materially adversely affect our business, financial condition and results of operations.***

A portion of our customers are concentrated in a few specific industry verticals: BFSI, healthcare, manufacturing, pharmaceuticals and insurance. In Fiscals 2023, 2022 and 2021, over 22% of our revenue from contract with customers came from our customers in these verticals alone. Our business growth largely depends on continued demand for our services from customers in these industry verticals.

A downturn in any of our targeted industry verticals, a slowdown or reversal of the trend to outsource IT services in any of these industries or the introduction of regulations that restrict or discourage companies from outsourcing could result in a decrease in the demand for our services and adversely affect our business, financial condition and results of operations. For example, significant consolidation in the banking and financial industries may reduce the demand for our services and negatively affect our revenues and profitability. Any decision to downsize in investment by entities engaged in these verticals or adverse regulatory environment may materially adversely affect our business, financial condition and results of operations.

External risks such as global pandemics could also adversely affect the industry verticals that we operate in. For instance, some of us our customers have requested for extended payment terms due to the outbreak of Covid-19. Further, our customers may experience rapid changes in their prospects, substantial price competition and pressure on their profitability. This, in turn, may result in increasing pressure on us from customers in these key industries to lower our prices, which could materially adversely affect our business, financial condition and results of operations.

29. ***We incorporate third-party open source software into our customer deliverables and our failure to comply with the terms of the underlying open source software licenses could adversely impact our customers and create potential liability on us.***

Our customer deliverables may contain software licensed by third parties under so-called "open source" licenses. From time to time, there have been claims against companies that distribute or use open source software in their products and services, asserting that such open source software infringes the claimants' intellectual property rights. Although we have not been subject to such claims in the past, we may be subject to such claims during the course of our operations. Our customers could be subject to suits by third parties claiming that what we believe to be licensed open source software infringes such third parties' intellectual property rights, and we are generally required to contractually indemnify our customers against such claims. Certain customers require us to obtain their consent before we use open source software in the services we provide them and there can be no assurance that such consents will be forthcoming.

Use of open source software may entail greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, certain open source licenses require that source code for software programs that are subject to the license be made available to the public and that any modifications or derivative works to such open source software continue to be licensed under the same terms.

Although we monitor our use of open source software in an effort both to comply with the terms of the applicable open source licenses and to avoid subjecting our customer deliverables to conditions we do not intend, the terms of many open source licenses have not been interpreted by courts in relevant jurisdictions, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our customers' ability to use the software that we develop for them and operate their businesses as they intend. The terms of certain open source licenses may require us or our customers to release the source code of the software we develop for our customers and to make such software available under the applicable open source licenses. In the event that portions of customer deliverables are determined to be subject to an open source license, we or our customers could be required to publicly release the affected portions of source code or re-engineer all, or a portion of, the applicable software. Disclosing our proprietary source code could allow our customers' competitors to create similar products with lower development effort and time and ultimately could result in a loss of sales for our customers. Any of these events could create liability for us to our customers and damage our reputation, which could have a material adverse effect on our revenue, business, results of operations and financial condition and the market price of our Equity Shares.

30. ***We use third-party software, hardware and Software-As-A-Service (SaaS), technologies from third parties that may be difficult to replace or that may cause errors or defects in, or failures of, the services or solutions we provide.***

We rely on software and hardware from various third parties to deliver our services and solutions, as well as hosted SaaS applications from third parties. If any of these software, hardware or SaaS applications become unavailable due to extended outages, interruptions or because they are no longer available on commercially reasonable terms, it could result in delays in the provisioning of our services until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated, which could increase our expenses or otherwise harm our business. Further, the third-party service providers may face closure, financial difficulty or be involved in major litigation, which may affect our access to their software and technologies. If we lose the licenses which permit us to use such software, they may be difficult to replace and it may be costly to do so. In addition, any errors or defects in or failures of this third-party software, hardware or SaaS applications could result in errors or defects in or failures of our services and solutions, which could harm our business and be costly to correct. Further, we are liable to our customers for any loss faced by them due to our use of these third party software and technologies. Many of these providers attempt to impose limitations on their liability for such errors, defects or failures, and if enforceable, we may have additional liability to our customers or third-party providers that could harm our reputation and increase our operating costs.

31. ***We rely on certain third-party software to conduct our business. We may face intellectual property infringement claims that could be time-consuming and costly to defend. If we fail to defend ourselves against such claims, we may lose significant intellectual property rights and may be unable to continue providing our existing services.***

Our success largely depends on our ability to use and develop our technology, tools, code, methodologies and services without infringing the intellectual property rights of third parties, including patents, copyrights, trade secrets and trademarks. We may be subject to litigation involving claims of patent infringement or violation of other intellectual

property rights of third parties. We typically indemnify customers who purchase our services and solutions against potential infringement of intellectual property rights, which subjects us to the risk of indemnification claims. These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers, regardless of the merits of these claims and are often not subject to liability limits or exclusion of consequential, indirect or punitive damages. If any of these claims succeed, we may be forced to pay damages on behalf of our customers, redesign or cease offering our infringing services or solutions, or obtain licenses for the intellectual property such services or solutions infringe. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop using our services or solutions.

The holders of patents and other intellectual property rights potentially relevant to our service offerings may make it difficult for us to acquire a license on commercially acceptable terms or at all, which could have a material adverse impact on our ability to deliver the relevant service offerings and hence on our business. Also, we may be unaware of intellectual property registrations or applications relating to our services that may give rise to potential infringement claims against us. There may also be technologies licensed to and relied on by us that are subject to infringement or other corresponding allegations or claims by third parties which may damage our ability to rely on such technologies.

Further, our current and former employees and/or subcontractors could challenge our exclusive rights in the software they have developed in the course of their employment. In India, an employer is deemed to own the copyright in works created by its employees during the course, and within the scope, of their employment, but the employer may be required to satisfy additional legal requirements in order to make further use and dispose of such works. While we believe that we have complied with all such requirements, and have fulfilled all requirements necessary to acquire all rights in software developed by our independent contractors and/or subcontractors, these requirements are often ambiguously defined and enforced. As a result, we cannot assure that we would be successful in defending against any claim by our current or former employees, independent contractors and/or subcontractors challenging our exclusive rights over the use and transfer of works those employees, independent contractors and/or subcontractors created or requesting additional compensation for such works. In addition, our master service agreements provide that intellectual property arising out of the services we provide generally belongs to the customer and that we would be liable to such customer if any of our employees or contractors were to infringe such customer intellectual property.

32. ***Our Company had incurred losses in the past. Any loss in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.***

Our Company had incurred losses in the year 2009-10 and for four Fiscals before the year 2000. This was due to relatively lower revenue from contracts with customers and higher employee benefit expense and finance costs. Any loss for the year in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

33. ***There may be potential conflict of interests between our Company and other entities promoted by our directors or Promoter Group Members/ Entities or Subsidiaries.***

Our Company is engaged in the business of IT Solutions and Services. Certain companies belonging to the Promoter Group viz., Ibotomate Private Limited and Parts2build Technologies Private Limited are engaged in similar line of business. Further, we have not executed any Non-Compete Agreement with our Directors or Promoter Group Members/ Entities to not to engage in businesses similar to that of our Company.

As a result, conflicts of interests may arise in the future in allocating business opportunities amongst our Company, Promoter Group Members/ Entities or Subsidiaries in such circumstances where our respective interests diverge. There can be no assurance that our Directors/Promoter/Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any future conflicts could have a material adverse effect on our business, results of operations and financial condition.

34. ***Failure or delays in obtaining third party certifications and accreditations may cause delays in our delivery schedules and disruptions in our business which may adversely affect our business, financial condition and results of operations.***

We are required to obtain several third party certifications and accreditations in relation to our products and services. Depending on the product and requirements of our customers, we may need to obtain specific certifications from a particular agency which may not be forthcoming in a timely manner or at all. As a result, we may experience delays and disruptions in our products and services capability which may adversely affect our business, financial condition and results of operations.

35. ***We are subject to laws and regulations in the United States and other countries in which we operate concerning our operations, including export restrictions, U.S. economic sanctions and the Foreign Corrupt Practices Act, or FCPA, and similar anti-bribery laws. If we are not in compliance with applicable legal requirements, we may be subject to civil or criminal penalties and other remedial measures, which could materially adversely affect our business, financial condition and results of operations.***

Our operations are subject to laws and regulations restricting our operations, including activities involving restricted countries, organisations, entities and persons that have been identified as unlawful actors or that are subject to U.S. sanctions imposed by the Office of Foreign Assets Control, or OFAC, or other international economic sanctions that prohibit us from engaging in trade or financial transactions with certain countries, businesses, organisations and individuals. We are subject to the FCPA, which prohibits U.S. companies and their intermediaries from bribing foreign officials for the purpose of obtaining or keeping business or otherwise obtaining favourable treatment, and other laws concerning our international operations. The FCPA's foreign counterparts contain similar prohibitions, although varying in both scope and jurisdiction. We operate in many parts of the world that have experienced governmental corruption to some degree, and, in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices.

While we have not developed and implemented formal controls and procedures to ensure that we are in compliance with the FCPA, OFAC sanctions, and similar sanctions, laws and regulations, we have not discovered any non-compliance so far. However, there can be no assurance that we will not discover any issues or violations with respect to the foregoing by us or our employees, independent contractors, subcontractors or agents of which we were previously unaware.

Any violations of these laws, regulations and procedures by our employees, independent contractors, subcontractors and agents could expose us to administrative, civil or criminal penalties, fines or restrictions on export activities (including other U.S. laws and regulations as well as foreign and local laws) and would adversely affect our reputation and the market for shares of our common stock and may require certain of our investors to disclose their investment in our company under certain state laws. If we are not in compliance with export restrictions, U.S. or international economic sanctions or other laws and regulations that apply to our operations, we may be subject to civil or criminal penalties and other remedial measures, which could materially adversely affect our business, financial condition and results of operations.

36. We face risks associated with currency exchange rate fluctuations.

We export our services and receive sale proceeds in foreign currency also we have foreign subsidiaries. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any adverse or unforeseen fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect our company's results of operations.

37. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken.

In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

38. Intellectual property rights are important to our business. Failure to get approval for intellectual property rights may adversely affect our business. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees which may adversely affect our business value, financial condition and results of operations.

Our Company has applied for registration of our trademarks and corporate logo "Canarys Solution is our Mantra" and "**CANARYS**" (Wordmark and Device), with the Trademarks Registry and the said applications for registration as on the date of this Draft Red Herring Prospectus.

For further details, see "*Government and Other Approvals*" on page 276 of this this Draft Red Herring Prospectus. However, there can be no assurance that said application will succeed. If our Company is unable to obtain registration or if the trademark or corporate logo that we use are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark. We may still continue to use the tradename and the corporate logo but remain vulnerable to litigations, infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may also lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. Further, if we do not maintain our brand name and identity, which is a principal factor that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks.

Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty that we are not infringing any existing third-party intellectual property rights and we may also be susceptible to claims from third parties asserting infringement and other related claims in India and abroad. For further details pertaining to our intellectual property, see "*Our Business*" on page 146 of this Draft Red Herring Prospectus.

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

Our business requires significant amount of working capital and major portion of our working capital is utilized towards employee cost. Further, the execution of projects relating to water resource management solutions significant amounts of capital outlay is required towards making payments for tender costs, earnest money deposits, equipment, etc. In addition, a portion of the contract value, generally 5% or more of the value of the contract, is withheld by the client as security deposit / performance security and is released only upon the evaluation of the work or the completion date. Our working capital requirements may also increase if, in certain contracts, payment terms include reduced advance payments or payment schedules that specify payment towards the end of a project. Delays in progressive payments or release of retention money or bank guarantees from our clients may increase our working capital needs. We may also experience significant cash outflows to satisfy any indemnity and liability claims, which may cause liquidity issues, due to which we might be unable to arrange for the appropriate earnest money deposit to bid for new projects.

As per Restated Consolidated Financial Statements, our average working capital requirement was ₹ 2,520.37 Lakh, ₹ 1,529.23 Lakh and ₹ 951.58 Lakh during the Fiscal 2023, 2022 and 2021 respectively. In view of the above, we propose to utilise a portion of the Net Proceeds of this Offer amounting to ₹ 1,500.00 Lakh towards funding our working capital requirements for the Financial Years 2024 and 2025. While we believe that utilization of Net Proceeds towards funding of working capital would enable effective utilization of funds for further investment in business growth and expansion, such funding will not result in the creation of any tangible assets for our Company.

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

40. Our expansion into new solutions and services categories and an increase in the number of solutions and services offered by us may expose us to new challenges and more risks.

In order to achieve our goals, we are constantly evaluating the possibilities of expanding our business through newer enhancement of existing solutions and services or introducing newer solutions and services aligned with our current expertise. Although we believe that there are synergies between our current business and our expansion plans, we may not have the depth of expertise in these new categories. Such initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. Our product expansion initiatives may require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. If we cannot successfully manage our services mix, address new challenges or compete

effectively, we may not be able to recover costs of our investments and eventually achieve profitability, and our future results of operations and growth prospects may be materially and adversely affected.

41. ***Undetected software design defects, errors or failures may result in loss of or delay in market acceptance of our services or in liabilities that could materially adversely affect our business, financial condition and results of operations.***

Our software development solutions involve a high degree of technological complexity and have unique specifications which could contain design defects or software errors such as errors in coding or configuration that are difficult to detect and correct. Errors or defects may result in the loss of current customers and loss of, or delay in, revenues, loss of market share, loss of customer data, a failure to attract new customers or achieve market acceptance, diversion of development resources and increased support or service costs. We cannot assure you that, despite testing by us and our customers, errors will not be found in new software product development solutions, which could result in litigation and other claims for damages against us and thus could materially adversely affect our business, financial condition and results of operations.

42. Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations.

Our business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licences. Our failure to obtain such licences and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. We believe that our units have the required permits and agreements, and that they also meet the required reporting and control requirements. For further details, see "*Government and Other Approvals*" on page 276.

Further, in future we will be required to apply for the renewal of approvals and permits for our business operations to continue. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices or warehouses and face other consequences due to which our business operations may be adversely affected. Changes in legislation and current regulations entailing stricter requirements and changes in conditions in terms of health, safety and environment or progress towards a stricter official application of legislation and regulations may require additional investment and lead to higher costs and other undertakings which may impact our business and operations.

43. Industry information included in this Draft Red Herring Prospectus has been derived from third party websites and sources.

We have relied on the data from third party websites and sources for purposes of inclusion of such information in this Draft Red Herring Prospectus. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. 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.

44. We do not own our registered office and the premises where we conduct our operations and the said premises have been taken on leave and licence or lease. Any termination of these agreements may require us to vacate such premises and adversely affect our business operations:

We currently operate from the following premises which are not owned by us:

Sr. No.	Location of the property and area	Purpose	Document and Date	Licensor	Rent/ License Fee (in ₹) per month	License period	
						From	To
1.	Second floor, No.566 & 567, survey no.17, Katriguppe (BBMP ward no 54), BSK 3rd	Registered Office	Lease deed executed on March 18, 2016	Mr. K H Muniyappa	Rs. 90,000 per month, after completion of 3 years it will be	March 18, 2016	March 18, 2025

	Stage, 30th Main Road, Banashankari Extention Bengaluru – 560085 Area: 2,700 Square Feet				increased by 15%.		
2.	Third floor, No.566 & 567, survey no.17, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Banashankari Extention Bengaluru – 560085 Area: 2,700 Square Feet	Unit	Lease deed executed on March 18, 2016	Mr. K H Muniyappa	Rs. 90,000 per month, after completion of 3 years it will be increased by 15%.	March 18, 2016	March 18, 2025
3.	No. 571, Survey no. 17, 1st floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085 Area: 1,900 Square feet	Unit	Lease Deed Agreement dated December 01, 2019	Mr. Uday K M	Rs. 85,000/- per month after completion of 1 year, it will be increased by 5%.	December 01, 2019	December 01, 2024
4.	No. 571, Survey no. 17, 02nd floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085 Area: 1,900 Square feet	Unit	Lease Deed Agreement dated December 01, 2021	Mr. Uday K M	Rs.80,000/- per month after completion of 1 year, it will be increased by 5%.	December 01, 2021	December 01, 2026

Periodic renewals of such lease may increase our costs, since it is subject to rent escalation. Any termination of the lease and/or rental deed in connection with this property or our failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect our operations.

If any such lease agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operation which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For more details on properties taken on lease by our Company, please refer section titled "*Our Business*" beginning on page 146 of the Draft Red Herring Prospectus

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

Data networks are also vulnerable to attacks, unauthorised access and disruptions. For example, in a number of public networks, hackers have bypassed firewalls and misappropriated confidential information, including personally identifiable information. It is possible that, despite existing safeguards, an employee could misappropriate our customers' proprietary information or data, exposing us to a risk of loss or litigation and possible liability.

In such cases, if our services cause disruptions to our customers' businesses or result in us providing inadequate service, our customers may have claims for substantial damages against us, which could materially adversely affect our business, financial condition and results of operations. If our IT professionals (including the contract workers we hire) make errors in the course of delivering services to our customers or fail to consistently meet service requirements of a customer, these errors or failures could disrupt the customer's business, which could result in a reduction in our revenues or a claim for substantial damages against us. In addition, a failure or inability to meet a contractual requirement could seriously damage our reputation and affect our ability to attract new business.

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

The services we provide are often critical to our customers' businesses. Certain of our customer contracts require us to comply with security obligations including maintaining network security and backup data, ensuring our network is virus-free, maintaining business continuity planning procedures, and verifying the integrity of employees that work with our customers by conducting background checks. Any failure in a customer's system or breach of security relating to the services we provide to the customer could damage our reputation or result in a claim for substantial damages against us. Any significant failure of our equipment or systems, or any major disruption to basic infrastructure like power and telecommunications in the locations in which we operate, could impede our ability to provide services to our customers, have a negative impact on our reputation, cause us to lose customers, and materially adversely affect our business, financial condition and results of operations.

Under our contracts with our customers, our liability for breach of our obligations is in some cases limited pursuant to the terms of the contract. Such limitations may be unenforceable or otherwise may not protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our customers, are generally not limited under our contracts. The successful assertion of one or more large claims against us in amounts greater than those covered by our current insurance policies could materially adversely affect our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, we may incur reputational harm and substantial legal fees.

46. We are dependent on our Promoters and Directors for the execution of our business strategy. We are also dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

We are highly dependent on the continued contributions and customer relationships of our Promoters and Directors. Our promoters Our promoters Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas, Mr. Pushparaj Shetty and Mr. Nagaraju Vineeth are responsible for the execution of our business strategy and have been actively involved in the day–to-day operations and management since the incorporation of the Company. If our Promoters and Directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our performance also depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. We believe that the inputs and experience of our KMP

and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining our workforce.

47. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013.

Our company has missed on compliance with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. There are few discrepancies noticed in some of our corporate records relating to adhering with the provisions of SS-1 and SS-2 of the Companies Act, 2013, however upon identifying such non-compliance, the company has rectified and started complying with the provisions of SS-1 and SS-2 of companies act 2013. Any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.

48. We have had certain inaccuracy in relation to regulatory filings and our company has made non-compliances of certain provision under applicable law.

We have delayed in filing of GST Returns and depositing the EPF with the concerned offices of the departments on few instances and have accordingly been subjected to penalty and interest for delayed deposit of tax. While no- show cause notice has been issued against our Company till date, in the event of any cognizance being taken by the concerned authorities in respect of above errors and delays in filings, actions may be taken against our Company and its directors, which could impact our business and financial performance.

49. Any deficiency in our solutions and services could make our Company liable for customer claims, which in turn could affect our Company's results of operations.

Our Company is bound by the terms and conditions as contained in the contract with customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by customers for deficiency in our solutions and services, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company’s results of operations.

50. ***We face competition from onshore and offshore IT services companies, and increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could materially adversely affect our business, financial condition and results of operations.***

The market for IT services that we operate in is highly competitive, and we expect competition to persist and intensify. We believe that the principal competitive factors in our markets are reputation and track record, industry expertise, breadth and depth of service offerings, quality of the services offered, language, marketing and selling skills, scalability of infrastructure, ability to address customers’ timing requirements and price.

We face competition from offshore IT services providers in emerging outsourcing destinations with low wage costs or with a more favourable time zone for US customers as well as competition from large, global consulting and outsourcing firms and in-house IT departments of large corporations. Customers tend to engage multiple IT services providers instead of using an exclusive IT services provider, which could reduce our revenues to the extent that customers obtain services from other competing IT services providers. Customers may prefer IT services providers that have more locations or that are based in countries more cost-competitive or in a more favourable time zone than India.

Our ability to compete successfully also depends in part on a number of factors beyond our control, including the ability of our competitors to recruit and retain highly-skilled IT professionals, the price at which our competitors offer comparable services and our competitors’ responsiveness to customer needs. Some of our present and potential competitors may have substantially greater financial, marketing or technical resources. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer similar services at lower prices than we do without adversely affecting their profit margins. Our current and potential competitors may also be able to respond more quickly to new technologies or processes and changes in customer demands; may be able to devote greater resources towards the development, promotion and sale of their services than we can; and may also make strategic acquisitions or establish cooperative relationships among themselves or with third parties that increase their ability to address the needs of our customers. Buying patterns may change if customers become more price sensitive and accepting of low-cost suppliers. Therefore, we cannot assure you that we will be able to retain our customers while competing against such competitors.

Increased competition, our inability to compete successfully, pricing pressures or loss of market share could have a material adverse effect on our business, financial condition and results of operations.

51. We may not be able to successfully manage the growth of our business if we are unable to maintain adequate internal systems, processes and controls

We have experienced considerable growth over the past three years and we have expanded our operations and product portfolio. Our total revenue grew at a CAGR of 43% between Fiscals 2021 and 2023, while our restated profit after tax grew at a CAGR of 59.49% between Fiscals 2021 and 2023.

We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate.

Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. While there have been no such intances in the past, however, if we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

52. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on products is critical to the success of our customer acquisition strategy and for the continued growth of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing our user and client base or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

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

Upon completion of the Issue, our Promoter and Promoter Group will own [●] % of the Post-Issue Equity Share capital of the Company. As a result, the Promoter and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoter and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoter' shareholding, please refer section titled "*Capital Structure*" beginning on Page 80 of Draft Red Herring Prospectus.

54. Our Promoters/Directors have given personal guarantees and properties in relation to certain debt facilities provided to our Company by our lender. In event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter's ability to manage the affairs of our Company and our Company's profitability and consequently this may impact our business, prospects, financial condition and results of operations

Some of the debt facilities provided to our Company by our lenders stipulate that the facility shall be secured by a personal guarantee and properties of our Promoters/ Directors. In event of default on the debt obligations, the personal guarantees and properties may be invoked thereby adversely affecting our Promoters/ Directors ability to manage the affairs of our Company and consequently this may impact our business, prospects, financial condition and results of operations.

Further, in an event our Promoters/ Directors withdraws or terminates his/their guarantee/s or security, the lender for such facilities may ask for alternate guarantee/s or securities or for repayment of amounts outstanding under such facilities or even terminate such facilities. We may not be successful in procuring guarantee/s or collateral securities satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the section titled "*Financial Information*" beginning on page 209 of Draft Red Herring Prospectus.

55. The unsecured loan availed by our Company from a related party may be recalled at any given point of time.

Our Company has been availing unsecured loans from time to time. The total outstanding unsecured loan as on March 31, 2023 amounts to ₹ 543.70 Lakh as per Restated Consolidated Financial Statement. Although there are no terms and condition prescribed for repayment of unsecured loan from related parties which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company. For further details regarding loans availed by our Company, please refer "*Financial Information*" on page 209 of this Draft Red Herring Prospectus.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the section titled "*Financial Indebtedness*" and the section titled "*Dividend Policy*" on pages and 207 respectively, of this Draft Red Herring Prospectus.

57. ***We have issued equity shares (excluding Bonus issue) during the last 12 months at a price which may be below the Issue Price***

We have issued certain Equity shares (excluding Bonus issue) in the last 12 months at a price which may be lower than the Offer Price. Details of such issuances are given in the table below:

Date of Allotment	Number of Equity Shares	Face Value (in ₹)	Offer Price (in ₹)	Reason for Allotment
July 18, 2023	208000	2	25	Conversion of 10% of optionally convertible Preference Shares into Equity in accordance with the terms of the issue

58. Our Subsidiaries and Joint Venture have incurred losses in the past.

Our Subsidiaries *and Joint Venture* has incurred losses in the past, details of which are as under:

Name of Subsidiary and Joint Venture	Nature of entity	Profit/Loss		
		March 31, 2023	March 31, 2022	March 31, 2021
Canarys-Hanuka Apo Technologies Private Limited	Joint Venture	(135.95) Lakhs	205.23 Lakhs	NA
Canarys APAC Pte Ltd	WOS	(0.56) Lakhs	(0.46) Lakhs	(0.88) Lakhs

There can be no assurance that our Subsidiaries will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by our Subsidiaries may be perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation, please refer to disclosures on Subsidiaries of our Company in Section titled "*History And Certain Other Corporate Matters*" beginning on page 166 of this Draft Red Herring Prospectus.

59. The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying loans, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of

these restrictive covenants, please refer to section titled — "Financial Indebtedness" on 267 of this Draft Red Herring Prospectus.

60. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. The contingent liability in respect of the tax litigation against the our Company have been disclosed in the section titled *"Restated Consolidated Financial Statements" – "Details of Contingent Liabilities & Commitments as Restated"* on 209 of this Draft Red Herring Prospectus.

A summary of the pending civil and other proceedings involving our Company is provided below:

Nature of Proceedings	Number of cases	Amount involved* (₹. in lakhs)
Against the company		
Direct Tax (Income Tax)	1	72.77*
Indirect Tax	Nil	Nil
Filed by the company		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**1**	**72.77**
Against the Promoters and Directors		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**This is as per the original order from Income Tax Authorities.*

61. Our Company has a negative cash flow in its operating activities in previous three financial years details of which are given below.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Our Company had negative cash flows from our operating activities as per the Restated Consolidated Financial Statements and the same are summarized as under:

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net cash from / (used in) Operating Activities	(619.25)	(265.10)	(160.23)
Net cash from / (used in) Investing Activities	(178.15)	25.83	(138.03)
Net cash from / (used in) Financing Activities	459.80	846.46	563.83
Net increase/(decrease) in cash and cash equivalents	700.28	1,037.88	430.69

For further details on our cash flows, see the section titled "*Management's Discussion and Analysis of Financial Condition and Result of Operation*" on beginning on page 250 of this Draft Red Herring Prospectus. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

62. Our Company's management will have flexibility in utilizing the Net Proceeds, subject to certain approvals. There is no assurance that the Objects of the Issue will be achieved within the timeframe expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.

Our Company intends to use the Net Proceeds for (i) Funding of expenditure relating to solutions development for digital transformation and water resources management solutions; (ii) Creation of new delivery centre including infrastructure thereof and upgrading existing facilities; (iii) Funding working capital requirements of our Company; and (iv) general corporate purposes. For details, see "*Objects of the Issue*" on page 115. The funding plans are based on management estimates and such fund requirements and intended use of proceeds have not been appraised by any bank or financial institution. The management of our Company will have discretion to use the Net Proceeds, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds. Our Company may have to

revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions

Further, pursuant to Sections 13(8) and 27 of the Companies Act, 2013, any variation in the objects would require a special resolution of the Shareholders in a general meeting and the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with the SEBI ICDR Regulations.

63. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The funds raised from this Issue, will be deployed as defined in the Objects. For further details, please refer to the section titled "*Objects of the Issue*" beginning on page 115 of this Draft Red Herring Prospectus. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI in this regard.

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

As on date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for some of the objects of the Issue. We meet our capital requirements through, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the section titled "*Objects of the Issue*" beginning on page 115 of this Draft Red Herring Prospectus.

65. We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows

Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our capital expenditure primarily through internal accruals, bank credit facilities and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

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

As of March 31, 2023 we have entered into related party transactions with our Promoters, individuals and entities forming a part of our promoter group and our Subsidiaries relating to our operations. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for Fiscal 2023, 2022 and 2021. For further details, please refer to the section titled "Financial Information – '*Financial Information" – Note 31 - : Notes to the Restated Consolidated Financial Statements*" beginning on page 209 While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more

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.

67. In addition to the existing indebtedness our Company, may incur further indebtedness during the course of business.

As on March 31, 2023 the total fund based indebtedness of our Company is ₹ 392.27 Lakhs. In addition to the indebtedness for the existing operations, our Company may incur further indebtedness during the course of the business. We cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

We have not defaulted in our loans. However, any failure to service the indebtedness of our Company or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the section titled ― "*Financial Indebtedness*" on page 267 of this Draft Red Herring Prospectus.

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

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

ISSUE SPECIFIC RISKS

1. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchange and securities markets elsewhere in the world.

2. ***There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

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

3. ***There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

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

4. ***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: a. Volatility in the Indian and global capital market; b. Company's results of operations and financial performance; c. Performance of Company's competitors, d. Adverse media reports on Company or pertaining refurbished IT products; e. Changes in our estimates of performance or recommendations by financial analysts; and f. 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 the 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.

5. ***You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

6. ***The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by book build method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer section titled "*Basis for Issue Price*" beginning on the page 127 of Draft Red Herring Prospectus. Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

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

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

8. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments includingEm by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which

may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

9. Past experience of our Book Runner Lead Manager in Handling Initial Public offerings (IPOs)

Our Book Running Lead Manager Lead Manager has limited experience in handling initial public offerings (IPOs). While the merchant banker has successfully managed a few IPOs previously, it is important to note that their track record is relatively limited compared to more established and experienced merchant bankers in the industry.

The lack of extensive experience in handling IPOs may pose certain risks and challenges during the process. The success of an IPO depends on various factors, including effective marketing, accurate valuation, thorough due diligence, and regulatory compliance. Inexperienced handling of these crucial aspects could potentially result in delays, inefficiencies, or suboptimal outcomes for the IPO.

Furthermore, due to limited experience, the BRLM may have a narrower network of potential investors and may face challenges in attracting a diverse range of institutional and retail investors. This could impact the demand for our shares and potentially affect the overall success of the IPO.

For further details you may refer section titled "*Other Regulatory And Statutory Disclosures*" beginning on the page 280 of Draft Red Herring Prospectus.

EXTERNAL RISKS

1. The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit time spent outside of their homes. Temporary closures of businesses were ordered, and numerous other businesses were temporarily closed on a voluntary basis as well. For most of Fiscal 2021, the COVID-19 pandemic caused widespread and prolonged lockdowns throughout India. The nationwide lockdown in India during March and April 2020 resulted in the full closure of economic activity (except for essential services) for four weeks in Fiscal 2021,

Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. If the COVID-19 pandemic persists, whether through the outbreak of new virus strains or otherwise, further lockdowns and travel disruptions may occur, factory closures may be required, and we may experience lower economic activity levels. There are numerous uncertainties associated with the COVID-19 outbreak and associated disruptions to economic activity, including impact on our resources, customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us.

2. ***Anti-outsourcing legislation, if adopted in the countries where our customers are based, could materially adversely affect our business, financial condition and results of operations and impair our ability to service our customers.***

The issue of companies outsourcing services to organisations operating in other countries is a topic of political discussion in many countries, including the United States, which is our largest source of revenue from contracts with customers. Many organisations and public figures in the United States and Europe have publicly expressed concern about a perceived association between offshore outsourcing IT services providers and the loss of jobs in their home countries. For example, measures aimed at limiting or restricting outsourcing by U.S. companies are periodically considered in Congress and in numerous state legislatures to address concerns over the perceived association between offshore outsourcing and the loss of jobs in the United States. A number of U.S. states have passed legislation that restricts state government entities from outsourcing certain work to offshore IT services providers. Given the on-going debate over this issue, the introduction and consideration of other restrictive legislation is possible. If enacted, such measures may broaden restrictions on outsourcing by federal and state government agencies and on government contracts with firms that outsource services directly or indirectly, impact private industry with measures such as tax disincentives or intellectual property transfer restrictions, and/or restrict the use of certain business visas. In the event that any of these measures becomes law, our ability to service our customers could be impaired and our business, financial condition and results of operations could be materially adversely affected.

In addition, from time to time, there has been publicity about negative experiences associated with offshore outsourcing, such as theft and misappropriation of sensitive customer data. Current or prospective customers may elect to perform certain services themselves or may be discouraged from transferring services from onshore to offshore IT services providers to avoid negative perceptions that may be associated with using an offshore IT services provider. Any slowdown or reversal of the existing industry trends toward offshore outsourcing would seriously harm our ability to compete effectively with competitors that provide services from within the country in which our customers operate.

3. ***Restrictions on immigration or work permits may affect our ability to compete for and provide services to customers in the United States, Europe, Asia Pacific or other countries, which could hamper our growth and adversely affect our business, results of operations and financial condition. We also face risks from our employees' time at customer facilities in foreign jurisdictions.***

The vast majority of our employees are Indian nationals. Some of our projects require a portion of the work to be undertaken at our customers' facilities which may be located outside India. In order for our employees to work in the United States, Europe, Asia Pacific and other countries outside India they must obtain the necessary visas and work permits. Historically, the process for obtaining visas for Indian nationals to certain countries, including the United States and Europe, has been lengthy and cumbersome. Immigration laws in the United States and in other countries are subject to legislative change, as well as to variations in standards of application and enforcement due to political forces and economic conditions. Recent restrictions on the issuance of employment visas imposed by the United States mean that we may be unable to obtain new visas for our employees to work in the United States in timely manner as of the date of this Draft Red Herring Prospectus. This could hamper our growth and adversely affect our business, results of operations and financial condition.

Any further changes in existing laws or the enactment of new legislation imposing restrictions on the deployment of work visa holders at customer locations could adversely impact our ability to do business in the jurisdictions in which we have customers. It is difficult to predict the political and economic events that could affect immigration laws (which are subject to continuous change), or the restrictive impact they could have on obtaining or maintaining business visas for our employees. Our reliance on visas for a number of employees makes us vulnerable to such changes and variations and may affect staffing decisions on projects abroad. We may not be able to obtain a sufficient number of visas for our employees or we may encounter delays or additional costs in obtaining or maintaining such visas in which case we may not be able to provide services to our customers on a timely and cost-effective basis or manage our sales and delivery centres as efficiently as we otherwise could. Any of these developments could lead to higher costs or loss of a particular project or cancellation of a new work order thereby materially adversely affecting our business and results of operations and financial condition.

In addition, we may be subject to taxation in such jurisdictions where we would not otherwise be so subject as a result of the amount of time that our employees spend in any such jurisdiction in any given year. While we seek to monitor the number of days that our employees spend in each country to avoid subjecting ourselves to any such taxation, there can be no assurance that we will be successful in these efforts.

4. Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the countries in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

The GoI has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("Social Security Code"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, were to take effect from April 1, 2021 (collectively, the "Labour Codes"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

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

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

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

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

7. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/- pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a 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 for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

8. ***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in Draft Red Herring Prospectus.***

As stated in the reports of the Auditor included in Draft Red Herring Prospectus under section "Restated Consolidated Financial Statements" beginning on page 209 the financial statements included in Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBIICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in Draft Red Herring Prospectus should accordingly be limited.

9. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Pandemic, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease, and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

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

While facts and other statistics in Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the section titled "*Our Industry*" beginning on page 139 of Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

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

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

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

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

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

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

16. ***Any change in laws or regulations, including taxation laws, or their interpretation may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30% to 22% (exclusive of applicable health and education cess and surcharge). Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

The Finance Act, 2020 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("DDT") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Government of India has announced the Union Budget for Fiscal 2024 and the Finance Act, 2023, which was notified on the e-Gazette on March 31, 2023. The Finance Act, 2023 introduced various amendments to taxation laws in India. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have any adverse effect on our business, financial condition, future cash flows and results of operations. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

SECTION IV: INTRODUCTION

THE ISSUE

The following is the summary of the Issue:

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue [(1) (2)]	Upto 1,52,00,000 Equity Shares aggregating to ₹ [●] lakhs.
Out of which:	
Issue Reserved for the Market Makers	[●] Equity Shares aggregating to ₹ [●] Lakhs.
Net Issue to the Public	Upto [●] Equity Shares aggregating to ₹ [●] lakhs.
Out of which*	
A. QIB Portion [(3) (4)]	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs.
Of which	
i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
of which	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion).	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs.
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs.
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue.	4,10,11,920 Equity Shares of face value of ₹ 2/- each.
Equity Shares outstanding after the Issue.	[●] Equity Shares of face value ₹ 2/- each.
Use of Net Proceeds by our Company.	Please see the section titled "Objects of the Issue" on page 115 of this Draft Red Herring Prospectus.

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

Notes:

1) *The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.*

2) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 11, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on August 14, 2023.*

3) *The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.*

4) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to

Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

For further details, please refer section titled "Issue Procedure" beginning on page 305 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from Restated Consolidated Financial Statements for the Financial Year ended on March 31, 2023, 2022, and 2021. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein titled *'Other Financial Information' and 'Management's Discussion and Analysis of Financial Conditions and Results of Operations'* beginning on page 249 and 250, respectively of this Draft Red Herring Prospectus.

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RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSET AND LIABILITIES

(₹ In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
a) Share capital	928.04	928.04	711.27
b) Reserves and surplus	1,609.87	755.40	546.90
2) Non - current liabilities			
a) Deferred tax liabilities (Net)	8.38	6.99	8.58
b) Other long -term liabilities	3.30	3.30	3.30
c) Long term provisions	26.60	22.79	17.80
3) Current liabilities			
a) Short term borrowings	1,415.61	879.33	-
b) Trade payables			
- Dues to micro enterprises and small enterprises	720.73	830.90	-
- Due to creditors other than micro and small enterprises	687.91	538.91	408.60
c) Other current liabilities	643.21	628.34	222.98
d) Short-term provisions	334.24	159.57	83.61
TOTAL	**6,377.89**	**4,753.57**	**2,003.04**
II. ASSETS			
1) Non-current assets			
a) Property, Plant and Equipment and Intangible assets			
i) Property, Plant and Equipment	86.85	86.48	75.64
ii) Intangible assets	3.27	0.11	-
b) Non-current investments	122.34	12.21	119.17
c) Long-term loans and advances	12.61	12.61	5.73
d) Other non current assets	139.95	484.50	321.61
2) Current Assets			
a) Inventories	406.29	431.65	104.36
b) Trade receivables	4,263.74	2,590.60	1,036.79
c) Cash and bank balances	560.33	553.38	109.08
d) Short-term loans and advances	660.02	453.51	154.41
e) Other current assets	122.49	128.52	76.25
TOTAL	**6,377.89**	**4,753.57**	**2,003.04**

RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
I. Income			
a) Revenue from operations	7,451.94	5,150.90	2,561.72
b) Other income	95.35	49.03	16.50
Total Income	**7,547.28**	**5,199.93**	**2,578.22**
II. Expenses			
a) Purchases	1,897.24	1,944.31	546.93
b) (Increase)/decrease in inventory	98.45	(327.29)	129.91
c) Employee benefits expenses	3,045.31	1,976.05	1,206.51
d) Finance costs	149.95	66.81	9.63
e) Depreciation and amortization expenses	39.73	38.41	34.65
f) Other expenses	1,136.26	878.64	351.52
Total Expenses	**6,366.94**	**4,576.93**	**2,279.15**
III. Profit/(loss) before exceptional items and tax (I-II)	1,180.35	623.00	299.07
IV. Exceptional items	-	-	-
V. Profit/(loss) before tax (I-II)	1,180.35	623.00	299.07
VI. Tax expenses			
a) Current tax	326.46	168.77	80.06
b) Deferred tax	1.38	(1.59)	8.58
VII. Profit/(loss) for the year (III-IV)	**852.51**	**455.81**	**210.42**
Basic	3.92	2.08	1.16
Diluted	3.92	2.08	1.16

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

(₹ In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
(A) Cash Flows from Operating Activities			
Net Profit/(loss) before tax and extraordinary items	1,180.35	623.00	299.07
Adjustments for :			
Depreciation	39.73	38.41	34.65
Gain/Loss on sale of Investments	0.37	0.52	2.12
Provision for deferred tax	1.38	(1.59)	8.58
Adjustment on account of rent reserve	-	-	(14.43)
Assets discarded/Loss on sale of asset	(13.33)	(0.30)	-
Adjustment on account of gratuity	-	-	12.78
Adjustment in respect of Investment property	-	-	8.01
Adjustment in respect of Intangible assets	-	-	(2.97)
Dividend / Interest income	37.73	31.55	7.91
Adjustment on FCTR	5.36	2.33	(3.06)
Adjustment on account of unrealised profit in opening stock	73.08	-	-
Operating Profit before Working Capital change	1,324.67	693.91	352.66
(Increase) / Decrease in Trade receivables	(1,673.14)	(1,553.81)	(654.75)
(Increase) / Decrease in Inventory	25.37	(327.29)	129.91
(Increase) / Decrease in Loans and advances	(206.50)	(305.99)	(52.84)
(Increase) / Decrease in Other Current Assets	6.02	(52.25)	(22.54)
Increase / (Decrease) in Trade Payables	38.83	961.21	77.02
Increase / (Decrease) in Provisions	178.48	80.95	38.29
Increase / (Decrease) in Other Current Liabilities	14.87	405.37	60.67
Cash Generated from/ (used in) Operating Activities	(291.41)	(97.92)	(71.58)
Less: Income taxes paid	(327.84)	(167.18)	(88.65)
Net cash from / (used in) Operating Activities	**(619.25)**	**(265.10)**	**(160.23)**
(B) Cash Flows from Investing Activities			
Purchase of fixed assets	(29.92)	(49.06)	(13.29)
Changes in Non-current Investments	(148.24)	74.89	(124.75)
Net cash from / (used in) Investing Activities	**(178.15)**	**25.83**	**(138.03)**
	-	-	-
(C) Cash Flows from Financing Activities			
Issue of Share Capital/Share application money received	-	12.75	537.39
Premium received during the year	-	25.50	34.78
Net Proceeds from borrowings	536.28	879.33	0.07
Less: Dividend paid	(76.48)	(71.13)	(8.41)
Net cash from / (used in) Financing Activities	**459.80**	**846.46**	**563.83**
(D) Total Increase/(Decrease) in Cash and bank balances	(337.60)	607.19	265.57
(E) Cash and bank balances at the beginning of the year	1,037.88	430.69	165.12
(F) Closing Cash and bank balances	**700.28**	**1,037.88**	**430.69**
Notes to Cash Flow Statement			
1. Cash and bank balances consist of cash on hand and balances with banks.			
Cash and bank balances			
a) Cash on hand	0.07	0.03	0.04
b) Balance with banks			
-In current accounts	49.19	148.81	88.21
-In Fixed deposits	651.02	889.04	342.44
	700.28	**1,037.88**	**430.69**

SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1, 1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, pursuant to that our Company once again became a private limited company with effect from June 20, 2000. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on August 01, 2006, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007, and Consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant special resolution passed by the shareholders at the EGM held on May 19, 2023, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023.

For further details, please refer to the section titled *'History and Certain Corporate Matters'* beginning on page 166 of this Draft Red Herring Prospectus.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

The address and certain other details of our Registered and Corporate Office are as follows:

CANARYS AUTOMATIONS LIMITED
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara,
Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India
Tel No: 91 080 2679 9915
E-mail: fin@ecanarys.com
Website: https://www.ecanarys.com/

For details of the changes in our Registered and Corporate Office, see "*History and Certain Corporate Matters – Changes in the Registered Office*" at page 166.

COMPANY REGISTRATION NUMBER AND CORPORATE IDENTITY NUMBER

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

Corporate Registration Number: 012096

Corporate Identification Number: U31101KA1991PLC012096

REGISTRAR OF COMPANIES

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

'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala,
Bengaluru-560034, Karnataka, India.
Tel No: 080-25633105 (Direct), 080-25537449/25633104
Fax No: +91 80255 38531
Email ID: roc.bangalore@mca.gov.in
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of National Stock Exchange of India Limited i.e. "**NSE Emerge**"
Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051, Maharashtra, India. **Website:** www.nseindia.com

OUR BOARD OF DIRECTORS

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

Sr. No.	Name	Designation	DIN	Address
1.	Mr. Metikurke Ramaswamy Raman Subbarao	Chairman and Managing Director	00176920	36, Kerekodi Road, New PG Dsouza Nagar, Hosakerehalli, Bengaluru South, Bengaluru, Karnataka-560085, India.
2.	Mr. Danavadi Krishnamurthy Arun	Whole-time Director	01064990	27 and 28 Abheeshta, 2nd Cross, Kerekodi Road, Hosakerehalli, New PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India
3.	Mr. Raghu Chandrashekhariah	Whole-time Director and Chief Financial Officer	01065269	38 Suraksha, 2nd Cross, Kerekodi Road, Hosakerehalli, PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India.
4.	Mr. Sheshadri Srinivas Yedavanahalli	Executive Director and CEO	03367545	B-102, Vishnu Residency, 1st Cross Sarvaboumanagar, Chikkallasandra, Vasanthapura, Subramanyapura, Bengaluru, Karnataka-560061, India.
5.	Mr. Pushparaj Shetty	Executive Director	03333417	C-404, Chartered Beverly Hills, 4th Main, Gubbalala, Bengaluru South, Bengaluru, Karnataka-560061, India.
6.	Mrs. Asha Sivashankar	Independent Director	10184245	603, Vithola Apartments, Bannerghatta Road, Opp. Decathlon, Kalena Agrahara, Bengaluru-560076
7.	Mr. Ramesh Bhaskar Phatak	Independent Director	07981182	814, Dr. Rajendra Prasad Road, 1st E Main, Girinagar, 2nd Phase, Banashankari III Stage, South Mount St Joseph, Bengaluru-560085, , Karnataka.
8.	Mr. Muralikrishnan Gopalakrishnan	Independent Director	07059037	502, Vars Fantasy, 1st Main, Kodihalli, Indiranagar, Bengaluru North, H.A.L. 2nd Stage, Bengaluru- 560008, Karnataka.

For further details of our Directors, please refer to the section titled '*Our Management*' beginning on page 174 of this Draft Red Herring Prospectus.

CHIEF FINANCIAL OFFICER
Mr. Raghu Chandrashekhariah
Canarys Automations Limited
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara,
Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India
Tel No.: +91 080 2679 9915 (233)
E-mail: raghu@ecanarys.com

COMPANY SECRETARY AND COMPLIANCE OFFICER
Mrs. Nagashree Hegde
Canarys Automations Limited
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara,
Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India
Tel No.: +91 98458 62780
E-mail: nagashree.hegde@ecanarys.com

Investor Grievances:

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

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

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

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

BOOK RUNNING LEAD MANAGER OF THE ISSUE

INDORIENT FINANCIAL SERVICES LIMITED
Registered Office Address: A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.
Tel No.: +91-79772 12186
E-mail: compliance-ifsl@indorient.in
Investor Grievance Email: wecare@indorient.in
Website: www.indorient.in
Contact Person: Mr. Ivor Anil Misquith
SEBI Registration No.: INM000012661
CIN: U67190DL1993PLC052085

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Maharashtra, India – 400 083.
Tel No.: +91 – 810 811 4949
Fax No. +91 22 4918 6195
E-mail: canarys.ipo@linkintime.co.in
Investor Grievance Email: canarys.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

LEGAL ADVISOR TO THE ISSUE

STERLING LAW ASSOCIATES LLP
B-302, Umarji House, Opposite CritiCare Hospital, Teli Lane, Andheri-East, Mumbai 400 069, Maharashtra, India.
Tel No.: +91 91720 75003
E-mail: ajay.yadav@sterlingassociates.in
Contact Person: Mr. Ajay Yadav

STATUTORY AND PEER REVIEW AUDITORS

M/s. SURESH & CO.
Chartered Accountants
#43/61, Srinidhi',1st Floor, Surveyors Street,
Basavanagudi, Bengaluru-560004, Karnataka, India
Tel: +91 - 080-26623610/11
E-mail: vikram.u@sureshandco.com
Website: www.sureshandco.com
Contact Person: Udupi Vikram
Firm Registration No: 004255S
Membership No: 227984
Peer Review Certificate No: 013939

UNDERWRITER TO THE ISSUE

Name	[●]
Registered Office Address	
Tel No.:	
Email:	
Investor Grievance Email:	
Website:	
Contact Person:	
SEBI Registration	
CIN:	

MARKET MAKER TO THE ISSUE

Name	[●]
Registered Office Address	
Tel No.:	
E-mail:	
Website:	
Contact Person:	
SEBI Registration	
CIN:	
NSE Market Maker Registration No.	

BANKER TO OUR COMPANY

Name	State Bank of India
Address	No. 311 New No. 19, 1st floor, 1st Main Road, 40th Cross, Jayanagar, 8th Block, Bangaluru 560082.
Tel No.:	+91 080-26667240/42/44
E-mail:	sbi.06959@sbi.co.in
Website:	https://Sbi.co.in

BANKERS TO THE ISSUE/ PUBLIC ISSUE BANK/ REFUND BANKER/ SPONSOR BANK

[●]

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (SCSB's)

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

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the ASBA Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to

time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at ASBA Specified Locations, refer to the above mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBIat(https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes), respectively, as updated from time to time.

Registrar to the Issue and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of SEBI i.e. (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10), respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes from time to time.

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since, Indorient Financial Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not applicable.

CREDIT RATING

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

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the 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 opinions:

Our Company has received written consent dated August 21, 2023 from the Statutory Auditors namely, M/s. SURESH & CO., Chartered Accountant to include their name as an "expert" as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2 (38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Consolidated Financial Statements, dated August 21, 2023 and the tax benefits statement dated August 21, 2023, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

GREEN SHOE OPTION

No green shoe option is contemplated under the Offer.

DEBENTURE TRUSTEES

This is an Issue of Equity Shares hence appointment of debenture trustees is not required.

MONITORING AGENCY

As per Regulation 262 (1) of the SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is below ₹10,000 Lakhs. Since the Issue size is below ₹10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

APPRAISAL AGENCY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

TYPE OF OFFER

The present Offer is considered to be 100% Book Building Issue.

FILING OF DRAFT RED HERRING PROSPECTUS

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block- G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI ICDR Regulations. Pursuant to Regulation 246(5) of SEBI ICDR Regulations and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Karnataka, E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bengaluru -560034, Karnataka.

Book Building Process

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

- Our Company;
- The Book Running Lead Manager in this case being Indorient Financial Services Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager; The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank.

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

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

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the section titled "Issue Procedure" beginning on page 305 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled "Issue Procedure" on page 305 of this Draft Red Herring Prospectus

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "Issue Procedure" on page 291 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form

BID/ISSUE PROGRAMME

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

EVENT	INDICATIVE DATE
Bid/Issue Opening Date	**[●]**
Bid/Issue Closing Date	**[●]**
Finalization of Basis of Allotment with the Designated Stock Exchange	**[●]**
Initiation of Allotment/ Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	**[●]**
Credit of Equity Shares to demat accounts of Allottees	**[●]**
Commencement of trading of the Equity Shares on the Stock Exchange	**[●]**

(1) Our Company in consultation with the Book Running Lead Manager 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 in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with
the applicable laws.

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

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

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

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

UNDERWRITING AGREEMENT

Our Company and the Book Running Lead Manager to the Issue hereby confirm that, this Issue is **[●]** % underwritten by the Underwriter.

Pursuant to the terms of the Underwriting Agreement dated **[●]**, obligations of the Underwriter is subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of Equity Shares being offered through this Issue:

Details of the Underwriter	No. of shares Underwritten*	Amount Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
[●]	**[●]**	**[●]**	**[●]**

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

As per Regulation 260 of SEBI ICDR Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

Changes in Auditors during last 3 Years

M/s. SURESH & CO. are appointed as Peer Review Auditors of our Company in compliance with Regulation 229 (3) (b) of Chapter IX of SEBI ICDR Regulations and hold a valid peer review certificate no. 013939 dated January 31, 2022 issued by the "Peer Review Board" of the ICAI.

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No.	Particulars of Auditor	Date of change	Reason
1.	**M/s. SURESH & CO.** Chartered Accountants #43/61, Srinidhi' 1st Floor, Surveyors Street, Basavanagudi, Bengaluru-560004, Karnataka, India **Tel:** 080-26623610/11 **E-mail:** vikram.u@sureshandco.com **Website:** www.sureshandco.com **Contact Person:** Udupi Vikram **Firm Registration No:** 004255S **Membership No:** 227984 **Peer Review Certificate No:** 013939	August 14, 2023	Appointment as the Statutory Auditors of the Company
2.	**M/s. SURESH & CO.** Chartered Accountants #43/61, Srinidhi', 1st Floor, Surveyors Street, Basavanagudi, Bengaluru-560004, Karnataka, India **Tel:** 080-26623610/11 **E-mail:** vikram.u@sureshandco.com **Website:** www.sureshandco.com **Contact Person:** Udupi Vikram **Firm Registration No:** 004255S **Membership No:** 227984 **Peer Review Certificate No:** 013939	May 19, 2023	Appointment as the Statutory Auditors of the Company due to casual vacancy.
3.	**M/s. HEGDE & Co.** Chartered Accountant #31, Vidya Bhavan, 4th Floor, West Anjaneya Temple Street, Near B M S College for Women, Basavanagudi, Bengaluru, Karnataka-KA, 560004, India **Tel:** 080-2650 0089 **E-mail:** hegde@hegdeandco.in **Contact Person:** Ramakrishna Timmanna Hegde **Membership No:** 029157 **Firm Registration No**: 004891S **Peer Review No.:** NA	April 20, 2023	Resignation due to not holding peer review certificate.

4.	**HEGDE & Co.** Chartered Accountant #31, Vidya Bhavan, 4th Floor, West Anjaneya Temple, Street, Near B M S College for Women, Basavanagudi, Bengaluru-560004, Karnataka, India. **Tel:** 080 2650 0089 **E-mail:** hegde@hegdeandco.in **Contact Person:** Ramakrishna T Hegde **Membership No:** 029157 **Firm Registration No**: 004891S **Peer Review No.:** NA	September 30, 2019	Appointment as the Statutory Auditors of the Company.

WITHDRAWAL OF THE ISSUE

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

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

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

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated [●], with the Book Running Lead Manager and Market Maker to fulfill the obligations of Market Making.

Name	[●]
Registered Office Address	
Tel No.:	
Fax No.:	
E-mail:	
Website:	
Contact Person:	
SEBI Registration	
CIN:	
NSE Market Maker Registration No.	

Market Maker Registration No. (SME Segment of NSE – NSE EMERGE): [●]

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

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

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

(i) The Market Maker(s) (individually or jointly) 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(s).

(ii) 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 the NSE Emerge (SME platform of NSE) and SEBI from time to time.

(iii) The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(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.

(iv) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE Emerge (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the NSE Emerge from time to time).

(v) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.

(vi) There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

(vii) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

(viii) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

(ix) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

(x) The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.

(xi) 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.

(xii) The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. 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 BRLM 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, as amended. Further our Company and the BRLM 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 particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.

(xiii) **Risk containment measures and monitoring for Market Makers:** NSE Emerge will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

(xiv) **Punitive Action in case of default by Market Makers:** NSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by

the Market Maker from time to time.

(xv) **Price Band and Spreads:** 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.

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

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

a) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

b) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

SECTION VI: CAPITAL STRUCTURE

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

Amount (₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Issue Price (₹)
A.	**AUTHORIZED SHARE CAPITAL**[(1)]		
	6,20,00,000 Equity Shares having face value of ₹ 2/- each	1,240.00	-
	52,00,000 Preference Shares having face value of ₹ 10/- each	520.00	
	Total	**1,760.00**	
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	4,10,11,920 Equity Shares having face value of ₹ 2/- each	820.23	-
	46,80,000 Preference Shares having face value of ₹ 10/- each[(5)]	468.00	
	Total	**1,288.23**	
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Upto 1,52,00,000 Equity Shares having Face Value of ₹ 2/-each at a Premium of ₹ [●] per share [(2)]	[●]	[●]
	Consisting:		
D.	**Reservation for Market Maker** – [●] Equity Shares reserved as Market Maker Reservation Portion at a price of ₹ [●] per Equity Share	[●]	[●]
E.	**Net Issue to the Public** – [●] Equity Shares at a price of ₹ [●] per Equity Share	[●]	[●]
	Of the Net Issue to the Public: [(3)]		
	At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds.	[●]	[●]
F.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 2/- each (assuming full subscription in the Issue)	[●]	
	46,80,000 Preference Shares having face value of ₹ 10/- each	468.00	
G.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue (as on date of this Draft Red Herring Prospectus)[(4)]	134.19	
	After the Issue	[●]	

*To be updated upon finalization of the Issue Price.

(1) For details in relation to the changes in the authorised share capital of our Company, please refer the section titled 'History and Certain Other Corporate Matters – Amendments to the Memorandum of Association' beginning on page 166 of this Draft Red Herring Prospectus.

(2) The Issue has been authorised by our Board vide a resolution passed at its meeting held on August 11, 2023 and by the shareholders of our Company vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the AGM held on August 14, 2023*.*

(3) For detailed information on the Net Issue and its allocation various categories, please refer the section titled 'The Issue' beginning on page 62 of this Draft Red Herring Prospectus.

(4) Amount is Unaudited

(5) Terms of issue preference shares

a) ***Priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares****: Subject to the availability of profit, the Preference shares shall carry a dividend at the rate of 10% per annum on the nominal value of share. The Dividend shall be calculated on pro-rata basis from the date of allotment of such preference shares. Dividend shall be cumulative in nature.*

b) The participation in surplus fund*: The Preference Shareholders does not have right to participate in the surplus funds of the Company.*

c) The participation in the surplus assets and profits, on winding up which may remain after the entire capital has been repaid: *The Preference shareholder shall have liquidation preference in the event of winding up of the Company as provided under the Act and the preference shareholders shall not have any right to participate in the surplus asset & profit of the Company.*

d) ***The payment of dividend on cumulative or non-cumulative basis****: The Dividend shall be paid in cumulative in nature.*

e) ***The conversion of preference shares in to equity shares****: The 90% of the preference share paid-up capital held by the shareholders are Redeemable. In case, if the subscribers opt for conversion, the remaining 10% of the paid-up preference shares capital will be converted into equity shares at the fair value determined at the time of conversion.*

f) ***The voting rights****: The Preference Shares shall not carry any voting rights except in case of any resolution placed before the Company which directly affects the rights attached to such shares or as otherwise provided in the Companies Act.*

g) ***Redemption of shares:*** *The preference shareholders or Company shall redeem 90% of Preference shares at par value in the following manner;*

Sl. No.	***Year of Redemption***	***% of shares Redeemed***
1	*At the end of 3rd Year from the date of issue*	*30%*
2	*At the end of 4th Year from the date of issue*	*30%*
3	*At the end of 5th Year from the date of issue*	*30%*

At the end of 5th year, the balance 10% shall be converted into Equity share at the option of the preference shareholder at a fair market value determined at that time.

h) Early Redemption of Preference Shares*: The Company may redeem the preference shares at any time after expiry of one year from the date of issue of such shares.*

i) Early conversion: *With the consent of preference shareholders, the Company may convert 10% of preference share capital into equity shares at any time after expiry of one year from the date of issue, at fair market value determined at the time of conversion.*

j) ***Transferability****: These preference shares shall be freely transferable to existing preference shareholders or existing equity shareholders of the Company as per the provisions of Companies Act, 2013 with the prior approval of Board of Directors of the Company.*

Out of 52,00,000 preference shares, 10% optional convertible cumulative preference shares have been converted into equity shares vide board resolution dated July 18, 2023 in accordance with the said terms of the issue preference shares.

Class of the Shares

Our Company has two class of share capital (i) Equity Shares of face value of ₹ 2/- each and (ii) Preference Shares of face value of ₹ 10/- each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

Except employee stock options granted pursuant to the Canarys ESOS, there are no outstanding convertible securities or any warrant, option or right to convert a debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

NOTES TO CAPITAL STRUCTURE

1. Details of changes in authorised share capital:

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

Particulars of change		Date of Shareholders Meeting	AGM/EGM
From	**To**		
The authorized share capital of our Company on incorporation comprised of ₹ 25,00,000/-consisting of 2,50,000 Equity Shares of ₹ 10/- each.		On Incorporation	—
₹ 25,00,000/- consisting of 2,50,000 Equity Shares of ₹ 10/- each.	₹ 1,00,00,000/- consisting of 10,00,000 Equity Shares of ₹ 10/- each.	May 20, 2000	EGM
₹ 1,00,00,000/- consisting of 10,00,000 Equity Shares of ₹ 10/- each.	₹ 1,25,00,000/- consisting of 12,50,000 Equity Shares of ₹ 10/- each.	August 11, 2001	AGM
₹ 1,25,00,000/- consisting of 12,50,000 Equity Shares of ₹ 10/- each.	₹ 2,25,00,000/- consisting of 22,50,000 Equity Shares of ₹ 10/- each.	November 14, 2005	EGM
₹ 2,25,00,000/- consisting of 22,50,000 Equity Shares of ₹ 10/- each.	₹ 8,25,00,000/- consisting of 22,50,000 Equity Shares of ₹ 10/- each and 60,00,000 Preference Shares of ₹ 10/- each.	November 13, 2020	EGM
₹ 8,25,00,000/- consisting of 22,50,000 Equity Shares of ₹ 10/- each and 60,00,000 Preference Shares of ₹ 10/- each.	₹ 8,25,00,000/- consisting of 1,12,50,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.	March 21, 2022	EGM
₹ 8,25,00,000/- consisting of 1,12,50,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.	₹ 11,00,00,000/- consisting of 2,50,00,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.	March 21, 2022	EGM
₹ 11,00,00,000/- consisting of 2,50,00,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.	₹ 11,00,00,000/- consisting of 2,90,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each.	May 19, 2023	EGM
₹ 11,00,00,000/- consisting of 2,90,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each.	₹ 17,60,00,000/- consisting of 6,20,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each.	May 19, 2023	EGM

2. History of Share capital of our Company

(a) Equity Shares capital

The history of the Equity Share capital of our Company is set forth in the table below:

Sr. No.	Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
1.	Incorporation	200	10	10	2,000	Cash	Subscription of MOA	200	2,000
2.	November 14, 1991	16,000	10	10	1,60,000	Cash	Preferential Allotment	16,200	1,62,000
3.	January 24, 1992	20,000	10	10	2,00,000	Cash	Preferential Allotment	36,200	3,62,000
4.	June 22, 1992	56,000	10	10	5,60,000	Cash	Preferential Allotment	92,200	9,22,000
5.	March 16, 1993	27,000	10	10	2,70,000	Cash	Preferential Allotment	1,19,200	11,92,000
6.	August 26, 1995	30,000	10	10	3,00,000	Cash	Preferential Allotment	1,49,200	14,92,000
7.	October 17, 1996	40,000	10	10	4,00,000	Cash	Preferential Allotment	1,89,200	18,92,000
8.	June 26, 2000	94,600	10	NA	NA	NA	Bonus Issue	2,83,800	28,38,000
9.	August 31, 2000	2,09,000	10	10	20,90,000	Cash	Preferential Allotment	4,92,800	49,28,000
10.	December 11, 2000	5,00,000	10[(1)]	10	5,00,000	Cash	Preferential Allotment	9,92,800	54,28,000
Pursuant to receipt of 1st call money of ₹ 2/- per share on August 21, 2001 from the shareholders to whom the partly paid up shares allotted on December 11, 2000, our cumulative paid up share capital increased to ₹ 64,28,000.									
11.	October 10, 2001	15,000	10	10	1,50,000	Cash	Preferential Allotment	10,07,800	65,78,000
Pursuant to receipt of 2nd call money of ₹ 2/- per share on March 30, 2002 from the shareholders to whom the partly paid up shares allotted on December 11, 2000, our cumulative paid up share capital increased to ₹ 75,78,000.									
Pursuant to receipt of 3rd call money of ₹ 5/- per share on March 29, 2003 from the shareholders to whom the partly paid up shares allotted on December 11, 2000, our cumulative paid up share capital increased to ₹ 1,00,78,000.									
12.	March 31, 2003	2,000	10	10	20,000	Cash	Preferential Allotment	10,09,800	1,00,98,000
13.	January 07, 2004	28,705	10	16	4,59,280	Cash	Preferential Allotment	10,38,505	1,03,85,050
14.	September 02, 2004	27,642	10	16.50	4,56,093	Cash	Preferential Allotment	10,66,147	1,06,61,470
15.	November 26, 2005	6,39,688	10	NA	NA	NA	Bonus Issue	17,05,835	1,70,58,350
16.	July 29, 2006	15,800	10	100	15,80,000	Cash	Preferential Allotment	17,21,635	1,72,16,350
17.	October 25, 2006	9,000	10	100	9,00,000	Cash	Preferential Allotment	17,30,635	1,73,06,350
18.	March 26, 2007	2,100	10	100	2,10,000	Cash	Preferential Allotment	17,32,735	1,73,27,350
19.	June 28, 2007	2,070	10	100	2,07,000	Cash	Preferential Allotment	17,34,805	1,73,48,050
20.	August 22, 2012	4,000	10	10	40,000	Cash	Preferential Allotment	17,38,805	1,73,88,050
21.	March 24, 2021	1,73,880	10	30	52,16,400	Cash	Right Issue	19,12,685	1,91,26,850
22.	August 20, 2021	1,27,511	10[(2)]	30	19,12,665	Cash	Right Issue	20,40,196	1,97,64,405
Pursuant to receipt of 1st and Final call money of ₹ 5/- per share on December 29, 2021 from the shareholders to whom the partly paid up shares allotted on August 20, 2021, our cumulative paid up share capital increased to ₹ 2,04,01,960/-.									
Pursuant to a resolution of our Board dated March 10, 2022 and Shareholders' resolution dated March 21, 2022, equity shares of face value of ₹ 10/- each of our Company were sub-divided into equity shares of face value of ₹ 2/- each. Consequently, the issued and subscribed share capital of our Company comprising 20,40,196 equity shares of face value of ₹ 10/- each were sub-divided into 1,02,00,980 equity shares of face value of ₹ 2/- each.									
23.	March 28, 2022	1,02,00,980	2	NA	NA	NA	Bonus	2,04,01,960	4,08,03,920
24.	June 16, 2023	2,04,01,960	2	NA	NA	NA	Bonus	4,08,03,920	8,16,07,840

25.	July 18, 2023	2,08,000	2	25	52,00,000	Cash[3]	Conversion of Cumulative Preference Shares into Equity Shares	4,10,11,920	8,20,23,840

(1) *These Equity Shares were partly paid up at the time of allotment and were made fully paid up on March 29, 2003*
(2) *These Equity Shares were partly paid up at the time of allotment and were made fully paid up on December 29, 2021.*
(3) Consideration for such Equity Shares were fully paid at the time of allotment of fully paid Cumulative Preference Shares as per agreed terms of conversion.

(b) Preference Share Capital (Cumulative Preference Shares of ₹ 10/- each ("Preference Shares")

The history of the Preference Share Capital of our Company is set forth in the table below:

Date of allotment	Number of Preference Shares allotted	Face value per Preference Share (₹)	Issue price / Conversion Price per Preference Share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of allotment	Cumulative number of Preference Shares	Cumulative paid-up Preference Share Capital (₹)
February 01, 2021	52,00,000[a]	10	10	5,20,00,000	Cash	Preferential Allotment	52,00,000	5,20,00,000
July 18, 2023	(5,20,000) [b]	10	25	52,00,000	Cash	Conversion of Optional Convertible Cumulative Preference Shares	46,80,000	4,68,00,000
Total							**46,80,000**	**4,68,00,000**

(a) 52,00,000 cumulative preference shares representing 10% optional convertible cumulative preference shares and the same has been converted into equity shares vide board resolution dated July 18, 2023 as per the terms of the issue, the remaining 90% cumulative preference shares i.e. 46,80,000 are redeemable cumulative preference shares.
(b) 10% optional convertible cumulative preference shares have been converted into equity shares vide board resolution dated July 18, 2023 as per the terms of the issue.

Equity Shares:

(1) Initial subscribers to Memorandum of Association subscribed 200 Equity Shares at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	100
2.	B N Ravi	100
	Total	**200**

(2) Preferential Allotment of 16,000 Equity Shares of face value of ₹10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	H R Ranganatha	2,000
2.	T D Prabhakar	2,000
3.	C S Krishnaswamy	2,000
4.	C K Sudha	2,000
5.	Savithramma	1,000
6.	Sandhya Shankar	1,000
7.	H R Gundurao	1,000
8.	H R Sachidananda	1,000

9.	N Nagarajan	1,000
10.	R K Murthy	1,000
11.	K S Poornima	2,000
	Total	**16,000**

(3) Preferential Allotment of 20,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	R Nagaraja	1,000
2.	B.N. Chandrashekar	1,000
3.	L R Gopinath	1,000
4.	D. Krishna Murthy	1,000
5.	B.N.Prahlad Rao & B.A.Srinivas	1,000
6.	M S Guruprasad	2,000
7.	Ms. Parvathamma	2,000
8.	C S Jagadeesh	3,000
9.	Ms. M. R. Hemalatha	1,000
10.	T D Prakash	3,000
11.	Rajgopal & Vijayshankar J.S.	1,000
12.	Ms. S. N. A Srimathi	1,000
13.	M. R. Prabhakar	2,000
	Total	**20,000**

(4) Preferential Allotment of 56,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	5,000
2.	B N Ravi	5,000
3.	R Nagaraja	1,000
4.	B N Chandrashekar	1,000
5.	P Shivashankar	1,000
6.	Danavadi Krishnamurthy Arun	3,000
7.	B Srihari	3,000
8.	Channakeshava	1,000
9.	Haridas U Mayya	1,000
10.	K Sridhar Murthy	1,000
11.	Canbank Venture Capital Fund Ltd	34,000
	Total	**56,000**

(5) Preferential Allotment of 27,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Raghu Chandrashekhariah	1,000
2.	Canbank Venture Capital Fund Ltd	20,000
3.	B Srihari	2,000
4.	B N Ravi	1,000
5.	Mr. Metikurke Ramaswamy Raman Subbarao	3,000
	Total	**27,000**

(6) Preferential Allotment of 30,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	C S Krishnaswamy	10,000
2.	C K Sudha	10,000
3.	C K Veena	3,000

4.	Saraswathi Raghu	3,500
5.	Raghu Chandrashekhariah	3,500
	Total	**30,000**

(7) Preferential Allotment of 40,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	C S Jagadeesh	40,000
	Total	**40,000**

(8) Bonus allotment of 94,600 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 2 Equity Shares for every 1 Equity Share held by capitalizing ₹ 9,46,000 out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated May 20, 2000. The details of the allotment are as follows:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao.	16,850
2.	Ranganatha H.R	1,000
3.	Prabhakar T D	1,000
4.	Krishnaswamy C S	6,000
5.	Sudha C K	6,000
6.	Sandhya Shankar	500
7.	Gundu Rao H R	500
8.	Sachidananda H R	500
9.	Nagaranjan N	500
10.	Murthy R.K.	500
11.	Poornima K S	1,000
12.	Gopinath L.R	500
13.	Krishna Murthy D	500
14.	Parvathamma	1,000
15.	Jagadeesh C S	21,500
16.	Hemalatha M R	500
17.	Prakash T D	1,500
18.	Rajagopal & Vijayashankar J S	500
19.	Srimathi S.N.A	500
20.	Shivashankar P.	500
21.	Danavadi Krishnamurthy Arun	8,250
22.	Srihari B	9,250
23.	Channakeshava	500
24.	Haridas U Mayya	500
25.	Sridhar Murthy K	500
26.	Raghu Chandrashekhariah	9,000
27.	Veena C.K.	1,500
28.	Saraswathi Raghu	1,750
29.	Deepak Arya	1,000
30.	Prabhakar M.R	1,000
	Total	**94,600**

(9) Preferential Allotment of 2,09,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Ranganath H R	5,000
2.	Sandhya Shankar	1,000
3.	Poornima K S	2,000
4.	Jagadeesh C S	20,000
5.	Hemalatha M R	1,500
6.	Rajgopal & Vijayashankar J S	10,000
7.	Srimathi S N A	2,500
8.	Shivashankar P	1,000
9.	Channakeshava G S	5,000
10.	Haridas U Maiyya	500
11.	Sreedhara Murthy K	6,000
12.	Deepak Arya G K	15,000
13.	Prabhakar M R	7,000
14.	Anuradha Hegde	80,000
15.	Yoganarasimha	12,500
16.	Dipti Nitin Bondre	10,000
17.	Girija Devi G.K &.Deepak Arya G.K	10,000
18.	Mr.Parameshwara B.G & Mr. Nandaparamesh	5,000
19.	Geetha Sathyanarayana	5,000
20.	Anand K	5,000
21.	Ganesh Chethan H.A.	5,000
	Total	**2,09,000**

(10) Preferential Allotment of 5,00,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	1,50,000
2.	Srihari B	1,50,000
3.	Raghu Chandrashekhariah	1,00,000
4.	Danavadi Krishnamurthy Arun	1,00,000
	Total	**5,00,000**

(11) Preferential Allotment of 15,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Janardhana CS	4,000
2.	Nagaraju Vineeth & Sarala Nagaraju	5,000
3.	Pradeep Murti	2,000
4.	Bellamkonda Ravi Kumar	1,000
5.	Sanjaya D K	1,000

6.	Sangi Reddy Girish	2,000
	Total	**15,000**

(12) Preferential Allotment of 2,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	S Srinivasa	2,000
	Total	**2,000**

(13) Preferential Allotment of 28,705 Equity Shares of face value of ₹ 10/- each issued at premium of ₹6 as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Yatheesh Vaidya U	1,000
2.	Pushparaj Shetty	1,000
3.	Michael John Leonard	26,705
	Total	**28,705**

(14) Preferential Allotment of 27,642 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 6.50/- as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Michael John Leonard	27,642
	Total	**27,642**

(15) Bonus allotment of 6,39,688 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 3 Equity Shares for every 5 Equity Share held by capitalizing ₹63,96,880 out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated November 14, 2005. The details of the allotment are as follows:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	1,23,180
2.	Ranganatha H.R	4,800
3.	Prabhakar T.D	1,800
4.	Krishnaswamy C.S	10,800
5.	Sudha C.K	10,800
6.	Sandhya Shankar	1,500
7.	Gundu Rao H-R	900
8.	Sachidananda H.R.	900
9.	Nagaranjan N	900
10.	Murthy R.K.	900
11.	Poornima K.S	3,000
12.	Gopinath L.R.	900
13.	Krishna Murthy D	900
14.	Parvathamma	1,800

15.	Jagadeesh C.S	50,700
16.	Hemalatha M.R	1,800
17.	Prakash T.D	2,700
18.	Srimathi S.N.A	2,400
19.	Danavadi Krishnamurthy Arun	79,200
20.	Srihari B	1,11,600
21.	Channakeshava	3,900
22.	Haridas U. Mayya	1,200
23.	Sridhar Murthy K.	4,500
24.	Raghu Chandrashekhariah	84,600
25.	Veena C.K	2,700
26.	Saraswathi Raghu	300
27.	Deepak Arya	16,800
28.	Prabhakar M.R	6,000
29.	Anuradha Hegde	48,000
30.	Yoganarasimha	7,500
31.	Parameshwara.B.G	3,000
32.	Geetha Sathyanarayana	3,000
33.	Anand.K	3,000
34.	Ganesh Chetan	3,000
35.	Sangi Reddy Girish	1,200
36.	D.K.Sanjaya	600
37.	Nagaraju Vineeth.	3,000
38.	Pushparaj Shetty	600
39.	Michael John Leonard	32,608
40.	Kalpana K N	2,700
	Total	**6,39,688**

(16) Preferential Allotment of 15,800 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 90/- as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Ram Mohan & Ramya Vineeth	7,000
2.	Ram Mohan A	3,000
3.	Ramesh Bhaskar Pathak	1,500
4.	Sridhar Rao Umesha	1,000
5.	Madan Mohan G N	1,000
6.	Arun Kumar	2,300
	Total	**15,800**

(17) Preferential Allotment of 9,000 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 90/- as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Bhanu Prakash K N	1,000
2.	Anand Vijay Kumar Yog	1,000

3.	Nagesh S Malavalli	2,000
4.	Srikeshava K V	1,000
5.	Srivatsa Krishnaswamy	1,000
6.	Srinivas Yodtare	1,000
7.	Somashekar S	2,000
	Total	**9,000**

(18) Preferential Allotment of 2,100 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 90/- as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Nirmala C Krishna	1,000
2.	Prabhudev Srikantaradhy	1,100
	Total	**2,100**

(19) Preferential Allotment of 2,070 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 90/- as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Prabhudev Srikantaradhya	1,070
2.	Suresh R Huliyar	1,000
	Total	**2,070**

(20) Preferential Allotment of 4,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Vineeth Nagaraju	500
2.	Sheshadri Yedavanahalli Srinivas	500
3.	Girish Reddy	500
4.	Pushparaj Shetty	500
5.	Ravi Rajashekar	500
6.	Shivaswamy R M	500
7.	Sanjeev Kumar I. S.	500
8.	Saroja T G	500
	Total	**4,000**

(21) Further Allotment of 1,73,880 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 20/- by way of right issue as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	28,000
2.	Gundu Rao.H.R	240
3.	Sachidananda H. R.	240
4.	Danavadi Krishnamurthy Arun	17,000
5.	Sridhara Murthy.K	1,200
6.	Raghu Chandrashekhariah	17,000

7.	Yoganarasimha	2,000
8.	Pushparaj Shetty	47,070
9.	Ramesh Bhaskar Phatak	750
10.	Somashekar S	1,000
11.	Sheshadri Yedavanahalli Srinivas	30,000
12.	Sanjeev Kumar I. S.	27,790
13.	Shivaswamy R.M.	350
14.	K.S Vanajamba	240
15.	Saroja M R	1,000
	Total	**1,73,880**

(22) Further Allotment of 1,27,511 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 20/- by way of right issue as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	31,519
2.	Gundu Rao. H.R	176
3.	Sachidananda. H. R.	176
4.	Danavadi Krishnamurthy Arun	22,458
5.	Sridhara Murthy. K	880
6.	Raghu Chandrashekhariah	23,377
7.	Yoganarasimha	1,467
8.	Pushparaj Shetty	20,286
9.	Ramesh Bhaskar Phatak	550
10.	Somashekar S	733
11.	Sheshadri Yedavanahalli Srinivas	13,667
12.	Sanjeev Kumar I. S.	12,046
13.	Sumathy R	176
	Total	**1,27,511**

(23) Allotment of 1,02,00,980 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 1 Equity Shares of ₹ 2/- each for every 1 Equity Share of ₹ 2/- each held by capitalizing ₹ 2,04,01,960/- out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated March 28, 2022. The details of the allotment are as follows:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	25,21,495
2.	Ranganatha.H	66,500
3.	Sandhya Shankar	20,000
4.	Gundu Rao. H.R	14,080
5.	Sachidananda. H. R.	14,080
6.	Poornima. K.S	40,000
7.	Parvathamma	24,000
8.	Jagadeesh. C.S	6,76,000
9.	Hemalatha. M.R	24,000
10.	Danavadi Krishnamurthy Arun	17,96,640
11.	Sridhara Murthy. K	70,400

12.	Raghu Chandrashekhariah	18,70,160
13.	Veena. C.K	1,80,000
14.	Prabhakar. M.R	80,000
15.	Anuradha Hegde	6,40,000
16.	Yoganarasimha	1,17,335
17.	Sangi Reddy Girish	18,500
18.	Nagaraju Vineeth	1,52,500
19.	Pushparaj Shetty	5,08,280
20.	Ram Mohan & Ramya Vineeth	2,50,000
21.	Ramesh Bhaskar Phatak	44,000
22.	Anand Vijay Kumar Yog	25,000
23.	Srikeshava K V	25,000
24.	Srivatsa krishnaswamy	25,000
25.	Somashekar S	58,665
26.	Nirmala C Krishna	25,000
27.	Lakshmi.C.K	1,44,000
28.	Sheshadri Yedavanahalli Srinivas	4,43,335
29.	Sanjeev Kumar. I. S	2,88,680
30.	Shivaswamy. R.M.	19,250
31.	Saroja M R	5,000
32.	Sumathy Ramaswamy	14,080
	Total	**1,02,00,980**

(24) Allotment of 2,04,01,960 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 1 Equity Shares of ₹ 2/- each for every 1 Equity Share of ₹ 2/- each held by capitalizing ₹ 4,08,02,920/- out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated May 19, 2023. The details of the allotment are as follows:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Mr. Metikurke Ramaswamy Raman Subbarao	50,42,990
2.	Ranganatha.H	1,33,000
3.	Sandhya Shankar	40,000
4.	Gundu Rao. H.R	28,160
5.	Sachidananda. H. R.	28,160
6.	Poornima. K.S	80,000
7.	Parvathamma	48,000
8.	Jagadeesh. C.S	13,52,000
9.	Hemalatha. M.R	48,000
10.	Danavadi Krishnamurthy Arun	35,93,280
11.	Sridhara Murthy. K	1,40,800
12.	Raghu Chandrashekhariah	37,40,320
13.	Veena. C.K	3,60,000
14.	Prabhakar. M.R	1,60,000
15.	Anuradha Hegde	12,80,000
16.	Yoganarasimha	2,34,670
17.	Sangi Reddy Girish	37,000
18.	Nagaraju Vineeth	3,05,000
19.	Pushparaj Shetty	13,05,240

20.	Ramya Vineeth	5,00,000
21.	Ramesh Bhaskar Phatak	88,000
22.	Anand Vijay Kumar Yog	50,000
23.	Srikeshava K V	50,000
24.	Srivatsa krishnaswamy	50,000
25.	Somashekar S	1,17,330
26.	Nirmala C Krishna	50,000
27.	Lakshmi.C.K	2,88,000
28.	Sheshadri Yedavanahalli Srinivas	11,75,350
29.	Shivaswamy. R.M.	38,500
30.	Saroja M R	10,000
31.	Sumathy Ramaswamy	28,160
	Total	**2,04,01,960**

(25) Allotment of 2,08,000 Equity Shares of face value of ₹ 2/- each pursuant to conversion of 5,20,000 Optionally Convertible Cumulative Preference Shares into Equity Shares in the ratio of 1:2.5 (i.e. for 1equity shares allotted for every 2.5 cumulative preference held) as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Adilakshmi Dhulipalla	4,000
2.	Anand Vijaykumar Yog	2,000
3.	Ananth Iyengar	4,000
4.	Anuradha Hegde	40,000
5.	Anusha Rao K	2,000
6.	Bhargava Narayana	2,000
7.	Bhavya	4,000
8.	Gayathri Devi Sriharsha	6,000
9.	Jyothi Tarabanahalli Vasanthaiah	4,000
10.	Kalpana K N	2,200
11.	Kamala M R	2,000
12.	Kanaada M R	2,000
13.	Karuna Rao	2,000
14.	Lakshminarayana Pura Subramanyam	2,000
15.	Manjula Reddy	4,000
16.	Nagendra N S	4,000
17.	Narahari R N	4,000
18.	Neha Shrivastava	4,000
19.	Nirmala C Krishna	2,000
20.	Praphulla	4,000
21.	Prasanna C P	4,000
22.	Raghu Pavan T S	2,000
23.	Rajesh Pandurang Sawant	4,000
24.	Rajeswari C	2,000
25.	Ramavani Rajaram N S	2,000
26.	Ravi Kumar Patnagere	4,000
27.	Sandhya Rani S R	4,000

28.	Sanjana M Ganesh	2,000
29.	Saraswathi Raghu	4,200
30.	Sathyanarayana B N	2,000
31.	Shankar Datta M S H	4,000
32.	Shivaswamy R M	8,000
33.	Shweta S Murthy	11,000
34.	Shylaja Arun	4,200
35.	Somashekar S	4,000
36.	Herur Nagaraja Rao Souharda	4,000
37.	Sourabha H N	4,000
38.	Spoorthy T	4,000
39.	Sreenivasa Sondur	4,000
40.	Suhruta Yajaman	4,000
41.	Sujitha Jairaj	4,000
42.	Vedavyas M G	4,000
43.	Veena G Hegde	4,000
44.	Vishalakshi T	2,000
45.	Vishwanath D N	2,000
46.	Visweswar Guru Charan	4,000
47.	Yoganarasimha	2,400
48.	Pavithra Kota Babu	4,000
	Total	**2,08,000**

Preference Shares:

(i) Preferential Allotment of 52,00,000 Cumulative Preference Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Preference Shares allotted
1.	Adilakshmi Dhulipalla	1,00,000
2.	Anand Vijaykumar Yog	50,000
3.	Ananth Iyengar	1,00,000
4.	Anuradha Hegde	10,00,000
5.	Anusha Rao K	50,000
6.	Bhargava Narayana	50,000
7.	Bhavya	1,00,000
8.	Gayathri Devi Sriharsha	1,50,000
9.	Jyothi Tarabanahalli Vasanthaiah	1,00,000
10.	Kalpana K N	55,000
11.	Kamala M R	50,000
12.	Kanaada M R	50,000
13.	Karuna Rao	50,000
14.	Lakshminarayana Pura Subramanyam	50,000
15.	Manjula Reddy	1,00,000
16.	Nagendra N S	1,00,000
17.	Narahari R N	1,00,000

18.	Neha Shrivastava	1,00,000
19.	Nirmala C Krishna	50,000
20.	Praphulla	1,00,000
21.	Prasanna C P	1,00,000
22.	Raghu Pavan T S	50,000
23.	Rajesh Pandurang Sawant	1,00,000
24.	Rajeswari C	50,000
25.	Ramavani Rajaram N S	50,000
26.	Ravi Kumar Patnagere	1,00,000
27.	Sandhya Rani S R	1,00,000
28.	Sanjana M Ganesh	50,000
29.	Saraswathi Raghu	1,05,000
30.	Sathyanarayana B N	50,000
31.	Shankar Datta M S H	1,00,000
32.	Shashank S N	1,00,000
33.	Shivaswamy R M	2,00,000
34.	Shweta S Murthy	2,75,000
35.	Shylaja Arun	1,05,000
36.	Somashekar S	1,00,000
37.	Souharda H N	1,00,000
38.	Sourabha H N	1,00,000
39.	Spoorthy T	1,00,000
40.	Sreenivasa Sondur	1,00,000
41.	Suhruta Yajaman	1,00,000
42.	Sujitha Jairaj	1,00,000
43.	Vedavyas M G	1,00,000
44.	Veena G Hegde	1,00,000
45.	Vishalakshi T	50,000
46.	Vishwanath D N	50,000
47.	Visweswar Guru Charan	1,00,000
48.	Yoganarasimha	60,000
	Total	**52,00,000**

3. Issue of shares for consideration other than cash or out of revaluation of reserves

a. Except for issuance of Bonus shares as set out below, our Company has not issued any Equity Shares for consideration other than cash.

Date of Allotment	Number of Equity Shares	Face value per equity share (₹)	Issue Price per equity share (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of the Allottees	No. of shares Allotted
June 26, 2000	94,600	10/-	NA	Bonus in the ratio of 2:1 i.e., 2 Equity	Capitalization of Reserves & Surplus	Mr. Metikurke Ramaswamy Raman Subbarao.	16,850

				Share for every 1 Equity Shares held		Ranganatha H.R	1,000
						Prabhakar T D	1,000
						Krishnaswamy C S	6,000
						Sudha C K	6,000
						Sandhya Shankar	500
						Gundu Rao H R	500
						Sachidananda H R	500
						Nagaranjan N	500
						Murthy R.K.	500
						Poornima K S	1,000
						Gopinath L.R	500
						Krishna Murthy D	500
						Parvathamma	1,000
						Jagadeesh C S	21,500
						Hemalatha M R	500
						Prakash T D	1,500
						Rajagopal & Vijayashankar J S	500
						Srimathi S.N.A	500
						Shivashankar P.	500
						Danavadi Krishnamurthy Arun	8,250
						Srihari B	9,250
						Channakeshava	500
						Haridas U Mayya	500
						Sridhar Murthy K	500
						Raghu Chandrashekhariah	9,000
						Veena C.K.	1,500
						Saraswathi Raghu	1,750
						Deepak Arya	1,000
						Prabhakar M.R	1,000
						Total	**94,600**
November 26, 2005	6,39,688	10/-	NA	Bonus in the ratio of 3:5 i.e., 3 Equity Share for every 5 Equity Shares held	Capitalization of Reserves & Surplus	Mr. Metikurke Ramaswamy Raman Subbarao	1,23,180
						Ranganatha H.R	4,800
						Prabhakar T.D	1,800
						Krishnaswamy C.S	10,800
						Sudha C.K	10,800
						Sandhya Shankar	1,500
						Gundu Rao H-R	900
						Sachidananda. H.R.	900
						Nagaranjan N	900

						Murthy R.K.	900
						Poornima K.S	3,000
						Gopinath L.R.	900
						Krishna Murthy D	900
						Parvathamma	1,800
						Jagadeesh C.S	50,700
						Hemalatha M.R	1,800
						Prakash T.D	2,700
						Srimathi S.N.A	2,400
						Danavadi Krishnamurthy Arun	79,200
						Srihari B	1,11,600
						Channakeshava	3,900
						Haridas U. Mayya	1,200
						Sridhar Murthy K.	4,500
						Raghu Chandrashekhariah	84,600
						Veena C.K	2,700
						Saraswathi Raghu	300
						Deepak Arya	16,800
						Prabhakar M.R	6,000
						Anuradha Hegde	48,000
						Yoganarasimha	7,500
						Parameshwara. B.G	3,000
						Geetha Sathyanarayana	3,000
						Anand.K	3,000
						Ganesh Chetan	3,000
						Sangi Reddy Girish	1,200
						D.K.Sanjaya	600
						Nagaraju Vineeth.	3,000
						Pushparaj Shetty	600
						Michael John Leonard	32,608
						Kalpana K N	2,700
						Total	**6,39,688**
March 28, 2022	1,02,00,980	2/-	NA	Bonus in the ratio of 1:1 i.e., 1 Equity Share for every 1 Equity Shares held	Capitalization of Reserves & Surplus	Mr. Metikurke Ramaswamy Raman Subbarao	25,21,495
						Ranganatha.H	66,500
						Sandhya Shankar	20,000
						Gundu Rao. H.R	14,080
						Sachidananda. H. R.	14,080
						Poornima. K.S	40,000
						Parvathamma	24,000
						Jagadeesh. C.S	6,76,000
						Hemalatha. M.R	24,000

						Danavadi Krishnamurthy Arun	17,96,640
						Sridhara Murthy. K	70,400
						Raghu Chandrashekhariah	18,70,160
						Veena. C.K	1,80,000
						Prabhakar. M.R	80,000
						Anuradha Hegde	6,40,000
						Yoganarasimha	1,17,335
						Sangi Reddy Girish	18,500
						Nagaraju Vineeth	1,52,500
						Pushparaj Shetty	5,08,280
						Ram Mohan & Ramya Vineeth	2,50,000
						Ramesh Bhaskar Phatak	44,000
						Anand Vijay Kumar Yog	25,000
						Srikeshava K V	25,000
						Srivatsa krishnaswamy	25,000
						Somashekar S	58,665
						Nirmala C Krishna	25,000
						Lakshmi.C.K	1,44,000
						Sheshadri Yedavanahalli Srinivas	4,43,335
						Sanjeev Kumar. I. S	2,88,680
						Shivaswamy. R.M.	19,250
						Saroja M R	5,000
						Sumathy Ramaswamy	14,080
						Total	**1,02,00,980**
June 16, 2023	2,04,01,960	2/-	NA	Bonus in the ratio of 1:1 i.e., 1 Equity Share for every 1 Equity Shares held	Capitalization of Reserves & Surplus	Mr. Metikurke Ramaswamy Raman Subbarao	50,42,990
						Ranganatha.H	1,33,000
						Sandhya Shankar	40,000
						Gundu Rao. H.R	28,160
						Sachidananda. H. R.	28,160
						Poornima. K.S	80,000
						Parvathamma	48,000
						Jagadeesh. C.S	13,52,000
						Hemalatha. M.R	48,000
						Danavadi Krishnamurthy Arun	35,93,280

						Sridhara Murthy. K	1,40,800
						Raghu Chandrashekhariah	37,40,320
						Veena. C.K	3,60,000
						Prabhakar. M.R	1,60,000
						Anuradha Hegde	12,80,000
						Yoganarasimha	2,34,670
						Sangi Reddy Girish	37,000
						Nagaraju Vineeth	3,05,000
						Pushparaj Shetty	13,05,240
						Ram Mohan & Ramya Vineeth	5,00,000
						Ramesh Bhaskar Phatak	88,000
						Anand Vijay Kumar Yog	50,000
						Srikeshava K V	50,000
						Srivatsa krishnaswamy	50,000
						Somashekar S	1,17,330
						Nirmala C Krishna	50,000
						Lakshmi.C.K	2,88,000
						Sheshadri Yedavanahalli Srinivas	11,75,350
						Shivaswamy. R.M.	38,500
						Saroja M R	10,000
						Sumathy Ramaswamy	28,160
						Total	**2,04,01,960**

b. Our Company has not re-valued its assets since inception and have not issued any Equity Shares (including bonus shares) or Preference Shares by capitalizing any revaluation reserves.
c. Our Company has not issued any Preference Shares for consideration other than cash.

4. Issue of Equity Shares at a price lower than the Issue Price in the last 1 (one) year

a. Except as mentioned above in under point number 3(a) of '*Notes to Capital Structure*', we have not issued any Equity Shares at price below Issue Price within last 1 year from the date of this Draft Red Herring Prospectus.

b. Our Company has not issued any Preference Shares at a price that may be lower than the Issue Price in the last one year preceding the date of this Draft Red Herring Prospectus.

5. Issue of preference shares or equity shares having superior voting rights

Our Company has not issued any preference share capital having superior voting rights nor has our Company issued any equity shares having superior voting rights compared to all other Equity Shares issued, as on the date of this Draft Red Herring Prospectus.

6. Issue of Equity Shares pursuant to schemes of arrangement

No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of this Draft Red Herring Prospectus.

7. Build-up of Promoter's shareholding, Promoter's contribution and lock-in

(i) **Build-up of Promoter's shareholding**

As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 3,03,24,360 Equity Shares, aggregating to 73.94% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "*Our Promoter and Promoter Group*" on page 197 of this Draft Red Herring Prospectus.:

Nature of transaction	Nature of consideration	Date of allotment / Transfer	No. of equity shares allotted/ transferred	No. of cumulative equity shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Percentage of the pre-Issue capital (%) #	Percentage of the post-Issue capital (%)
(1) Mr. Metikurke Ramaswamy Raman Subbarao								
Subscriber to MOA	Cash	July 03, 1991	100	100	10	10	0.00	[●]
Allotment	Cash	June 22,1992	5,000	5,100	10	10	0.06	[●]
Allotment	Cash	March 16, 1993	3,000	8,100	10	10	0.04	[●]
Transfer	Cash	December 20, 1996	1,000	9,100	10	10	0.01	[●]
Transfer	Cash	December 20, 1996	2,000	11,100	10	10	0.02	[●]
Transfer	Cash	December 20, 1996	2,000	13,100	10	10	0.02	[●]
Transfer	Cash	August 30, 1999	13,500	26,600	10	20	0.16	[●]
Transfer	Cash	May 05, 2000	6,100	32,700	10	20	0.07	[●]
Transfer	Cash	May 05, 2000	1,000	33,700	10	10	0.01	[●]
Allotment	Bonus	June 26, 2000	16,850	50,550	10	NA	0.21	[●]
Allotment	Cash	December 11, 2000	1,50,000	2,00,550	10	10	1.83	[●]
Transfer	Cash	July 30, 2003	2,000	2,02,550	10	10	0.02	[●]
Transfer by way of Gift	Other than cash	September 03, 2004	(2,000)	2,00,550	10	Nil	(0.02)	[●]
Transfer	Cash	September 23, 2005	4750	2,05,300	10	10	0.06	[●]
Allotment	Bonus	November 26, 2005	1,23,180	3,28,480	10	NA	1.50	[●]
Transfer	Cash	October 22, 2007	7,200	3,35,680	10	20	0.09	[●]
Transfer	Cash	November 09, 2011	60,500	3,96,180	10	3	0.74	[●]
Transfer	Cash	October 17, 2012	17,600	4,13,780	10	3	0.21	[●]
Transfer	Cash	November 22, 2012	(1,000)	4,12,780	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(1,000)	4,11,780	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(2,000)	4,09,780	10	1	(0.02)	[●]
Transfer	Cash	November 22, 2012	(3,500)	4,06,280	10	1	(0.04)	[●]
Transfer	Cash	June 13, 2018	14,800	4,21,080	10	11	0.18	[●]
Transfer	Cash	February 06, 2019	11,500	4,32,580	10	18	0.14	[●]

Transfer	Cash	July 23, 2019	2,400	4,34,980	10	21	0.03	[●]
Transfer	Cash	July 23, 2019	4,800	4,39,780	10	20	0.06	[●]
Transfer	Cash	September 06, 2019	5,000	4,44,780	10	21	0.06	[●]
Allotment	Cash	March 24, 2021	28,000	4,72,780	10	30	0.34	[●]
Allotment	Cash	August 20, 2021	31,519	5,04,299	10	30	0.38	[●]
Subdivision^	NA	March 21, 2022	NA	25,21,495	2	NA	NA	NA
Allotment	Bonus	March 28, 2022	25,21,495	50,42,990	2	NA	6.15	[●]
Allotment	Bonus	June 16, 2023	50,42,990	1,00,85,980	2	NA	12.30	[●]
(2) Danavadi Krishnamurthy Arun								
Allotment	Cash	June 22, 1992	3,000	3,000	10	10	0.04	[●]
Transfer	Cash	August 30, 1999	13,500	16,500	10	20	0.16	[●]
Allotment	Bonus	June 26, 2000	8,250	24,750	10	10	0.10	[●]
Allotment	Cash	December 11, 2000	1,00,000	1,24,750	10	10	1.22	[●]
Transfer	Cash	September 23, 2005	5,250	1,30,000	10	10	0.06	[●]
Transfer	Cash	September 23, 2005	2,000	1,32,000	10	10	0.02	[●]
Allotment	Bonus	November 26, 2005	79,200	2,11,200	10	NA	0.97	[●]
Transfer	Cash	November 09, 2011	60,720	2,71,920	10	3	0.74	[●]
Transfer	Cash	October 17, 2012	17,600	2,89,520	10	3	0.21	[●]
Transfer	Cash	November 22, 2012	(1,000)	2,88,520	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(1,000)	2,87,520	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(2,000)	2,85,520	10	1	(0.02)	[●]
Transfer	Cash	November 22, 2012	(3,500)	2,82,020	10	1	(0.04)	[●]
Transfer	Cash	August 01, 2017	2,400	2,84,420	10	10	0.03	[●]
Transfer	Cash	August 01, 2017	1,600	2,86,020	10	10	0.02	[●]
Transfer	Cash	June 13, 2018	15,000	3,01,020	10	11	0.18	[●]
Transfer	Cash	February 06, 2019	10,850	3,11,870	10	18	0.13	[●]
Transfer	Cash	August 21, 2019	8,000	3,19,870	10	20	0.10	[●]
Allotment	Cash	March 24, 2021	17,000	3,36.870	10	30	0.21	[●]
Allotment	Cash	August 20, 2021	22,458	3,59,328	10	30	0.27	[●]
Subdivision^	NA	March 21, 2022	NA	17,96,640	2	NA	NA	NA
Allotment	Bonus	March 28, 2022	17,96,640	35,93,280	2	NA	4.38	[●]
Allotment	Bonus	June 16, 2023	35,93,280	71,86,560	2	NA	8.76	[●]

(3) Raghu Chandrashekhariah								
Allotment	Cash	March 16, 1993	1,000	1,000	10	10	0.01	[●]
Allotment	Cash	August 26, 1995	3,500	4,500	10	10	0.04	[●]
Transfer	Cash	August 30, 1999	13,500	18,000	10	20	0.16	[●]
Allotment	Bonus	June 26, 2000	9,000	27,000	10	NA	0.11	[●]
Allotment	Cash	December 11, 2000	1,00,000	1,27,000	10	10	1.22	[●]
Transfer	Cash	September 03, 2004	11,500	1,38,500	10	11	0.14	[●]
Transfer	Cash	September 03, 2004	10,000	1,48,500	10	11	0.12	[●]
Transfer	Cash	September 03, 2004	4,000	1,52,500	10	10	0.05	[●]
Transfer	Cash	September 03, 2004	1,000	1,53,000	10	16	0.01	[●]
Transfer	Cash	September 23, 2005	(5,250)	1,48,250	10	10	(0.06)	[●]
Transfer	Cash	September 23, 2005	(7,250)	1,41,000	10	10	(0.09)	[●]
Allotment	Bonus	November 26, 2005	84,600	2,25,600	10	NA	1.03	[●]
Transfer	Cash	October 22, 2007	800	2,26,400	10	20	0.01	[●]
Transfer	Cash	November 09, 2011	60,500	2,86,900	10	3	0.74	[●]
Transfer	Cash	April 30, 2012	52,955	3,39,855	10	3	0.65	[●]
Transfer	Cash	October 17, 2012	(17,600)	3,22,255	10	3	(0.21)	[●]
Transfer	Cash	October 17, 2012	(17,600)	3,04,655	10	3	(0.21)	[●]
Transfer	Cash	November 22, 2012	(1,000)	3,03,655	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(1,000)	3,02,655	10	1	(0.01)	[●]
Transfer	Cash	November 22, 2012	(2,000)	3,00,655	10	1	(0.02)	[●]
Transfer	Cash	November 22, 2012	(3,500)	2,97,155	10	1	(0.04)	[●]
Transfer	Cash	June 13, 2018	15,000	3,12,155	10	11	0.18	[●]
Transfer	Cash	April 02, 2019	5,000	3,17,155	10	20	0.06	[●]
Transfer	Cash	May 09, 2019	3,500	3,20,655	10	21	0.04	[●]
Transfer	Cash	May 13, 2019	5,000	3,25,655	10	21	0.06	[●]
Transfer	Cash	July 23, 2019	8,000	3,33,655	10	21	0.10	[●]
Allotment	Cash	March 24, 2021	17,000	3,50,655	10	30	0.21	[●]
Allotment	Cash	August 20, 2021	23,377	3,74,032	10	30	0.29	[●]
Subdivision^	NA	March 21, 2022	NA	18,70,160	2	NA	NA	NA
Allotment	Bonus	March 28, 2022	18,70,160	37,40,320	2	NA	4.56	[●]
Allotment	Bonus	June 16, 2023	37,40,320	74,80,640	2	NA	9.12	[●]

(4) Sheshadri Yedavanahalli Srinivas								
Allotment	Cash	August 22, 2012	500	500	10	10	0.01	[●]
Transfer	Cash	November 22, 2012	3,500	4,000	10	1	0.04	[●]
Transfer	Cash	November 22, 2012	3,500	7,500	10	1	0.04	[●]
Transfer	Cash	November 22, 2012	3,500	11,000	10	1	0.04	[●]
Transfer	Cash	September 05, 2013	4,000	15,000	10	10	0.05	[●]
Transfer	Cash	August 01, 2017	9,600	24,000	10	14	0.12	[●]
Transfer	Cash	August 01, 2017	10,400	35,000	10	14	0.13	[●]
Transfer	Cash	January 17 2019	5,000	40,000	10	11	0.06	[●]
Allotment	Cash	March 24, 2021	30,000	70,000	10	30	0.37	[●]
Allotment	Cash	August 20, 2021	13,667	83,667	10	30	0.17	[●]
Transfer	Cash	March 08, 2022	5,000	88,667	10	40	0.06	[●]
Subdivision^	NA	March 21, 2022	NA	4,43,335	2	NA	NA	NA
Allotment	Bonus	March 28, 2022	4,43,335	8,86,670	2	NA	1.08	[●]
Transfer	Cash	June 09, 2022	2,88,680	11,75,350	2	4	0.70	[●]
Allotment	Bonus	June 16, 2023	11,75,350	23,50,700	2	NA	2.87	[●]
(5) Pushparaj Shetty								
Allotment	Cash	January 07, 2004	1,000	1,000	10	16	0.01	[●]
Allotment	Bonus	November 26, 2005	600	1,600	10	NA	0.01	[●]
Transfer	Cash	July 02, 2008	17,000	18,600	10	20	0.21	[●]
Allotment	Cash	August 22, 2012	500	19,100	10	10	0.01	[●]
Transfer	Cash	July 23, 2019	7,200	23,600	10	20	0.09	[●]
Allotment	Cash	March 24, 2021	47,070	73,370	10	30	0.57	[●]
Allotment	Cash	August 20, 2021	20,286	93,656	10	30	0.25	[●]
Transfer	Cash	September 08, 2021	8,000	1,01,656	10	30	0.10	[●]
Subdivision^	NA	March 21, 2022	NA	5,08,280	2	NA	NA	NA
Allotment	Bonus	March 28, 2022	5,08,280	10,16,560	2	NA	1.24	[●]
Transfer	Cash	June 09, 2022	2,88,680	13,05,240	2	4	0.70	[●]
Allotment	Bonus	June 16, 2023	13,05,240	26,10,480	2	NA	3.18	[●]
(6) Nagaraju Vineeth								
Allotment	Cash	October 10, 2001	5,000*	5,000	10	10	0.06	[●]
Allotment	Bonus	November 26,2005	3,000	8,000	10	NA	0.04	[●]
Transfer	Cash	July 02, 2008	17,000	25,000	10	20	0.21	[●]

Allotment	Cash	August 22, 2012	500	25,500	10	10	0.01	[●]
Transfer	Cash	September 05,2013	5,000	30,500	10	10	0.06	[●]
Subdivision^	NA	March 21, 2022	NA	1,52,500	2	NA	NA	NA
Allotment	Bonus	March 28,2022	1,52,500	3,05,000	2	NA	0.37	[●]
Allotment	Bonus	June 16, 2023	3,05,000	6,10,000	2	NA	0.74	[●]

**5000 equity shares of face value ₹10 each allotted to Mr. Nagaraju Vineeth jointly with Salara Nagaraju*

*#The percentage of pre-Offer capital has been calculated after taking the effect of sub-division of equity shares of face value ₹*10*/-each to equity shares of face value ₹2 each on the cumulative equity shares held.*

^Pursuant to a resolution of our Board dated March 10, 2022 and Shareholders' resolution dated March 21, 2022, equity shares of face value of ₹ 10/- each of our Company were sub-divided into equity shares of face value of ₹ 2/- each. Consequently, the issued and subscribed share capital of our Company comprising 20,40,196 equity shares of face value of ₹ 10/- each were sub-divided into 1,02,00,980 equity shares of face value of ₹ 2/- each.

Our Promoter have confirmed to our Company and the Book Running Lead Manager that the Equity Shares held by our Promoter have been financed from their owned funds and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

(ii) **Details of Promoters' contribution locked in for 3 years:**

Pursuant to Regulation 236 and Regulation 238 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter (assuming full conversion of vested options, if any, under the Canarys ESOS) shall be considered as minimum Promoter's contribution **("Minimum Promoters Contribution")** and shall be locked-in for a period of 3 years from the date of Allotment. The lock-in of the Minimum Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Designated Stock Exchange before listing of the Equity Shares.

All the Equity Shares of our Company held by our Promoters and the Promoter Group are in dematerialized form. Our Corporate Promoter has consented to the inclusion of such number of the Equity Shares held by it, in aggregate, as may constitute 20% of the post-Issue capital of our Company as Promoters' contribution and the Equity Shares proposed to form part of Promoters' contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Red Herring Prospectus with the Stock Exchange until the date of commencement of the lock-in period.

Accordingly, Equity Shares aggregating to 20% of the post-Issue capital of our Company, held by our Promoter shall be locked-in for a period of 3 years from the date of Allotment in the Issue as follows:

Name of the Promoter	**Number of Equity Shares locked-in**	**Date of allotment of Equity Shares / Date of Transfer of Equity Shares**	**Nature of allotment**	**Face Value per Equity Share (₹)**	**Issue Price per Equity Share (₹)**	**% of pre-Issue shareholding**	**% of post-Issue shareholding**	**Date up to which Equity Shares are subject to lock-in**
Mr. Metikurke Ramaswamy Raman Subbarao	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Danavadi Krishnamurthy Arun	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Raghu Chandrashekhariah	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Pushparaj Shetty	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Sheshadri Yedavanahalli Srinivas	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Nagaraju Vineeth	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
TOTAL	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as promoters' under the SEBI ICDR Regulations.

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, our Company hereby confirms that the Equity Shares locked-in do not consist of:

a) Equity Shares acquired during the preceding 3 years from the date of filing this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus shares issued out of revaluations reserves or unrealized profits of our Company or bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;
b) Equity Shares acquired during the preceding 1 year from the date of filing this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
c) Equity Shares held by our Promoters and offered for minimum Promoters' contribution are subject to any pledge; and
d) Equity Shares for which specific written consent has not been obtained from the respective Promoters for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

(iii) **Details of Equity Shares locked-in for 1 year**

In terms of Regulation 238 (b) and 239 of the SEBI ICDR Regulations other than the Equity Shares held by our Promoters for the Minimum Promoter's Contribution, which will be locked-in as minimum Promoters' contribution for 3 years, all the pre-Issue Equity Shares shall be subject to lock-in for a period of 1 year from the date of Allotment except for any Equity Shares held by the employees (whether currently employees or not) of our Company which have been or will be allotted to them under the Canarys ESOS, prior to the Issue, except as required under applicable law.

(iv) **Other requirements in respect of lock-in**

a) Inscription or Recording of non-transferability:

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company shall ensure that the lock in is recorded by the Depositories for pre-IPO Equity Shares which are in dematerialized form.

b) Pledge of Locked-in Equity Shares:

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters, can be pledged with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

i. If the Equity Shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the Issuer or its Subsidiary for the purpose of financing one or more of the objects of the Issue and pledge of Equity Shares is one of the terms of sanction of the loan;

ii. If the Equity Shares are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

c) Transfer of Locked-in Equity Shares:

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

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

8. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of SEBI Listing Regulations:

Summary of Shareholding Pattern as on date of this Draft Red Herring Prospectus:

Category	Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipt	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. 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 percentage of diluted share capital) As a % of (A+B+C)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form
								No. of Voting Rights					Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total	Total as a % of (A+B+C)							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV) + (V) + (VI)	(VIII)	(IX)			(X)	(XI) = (VII)+(X)	(XII)		(XIII)		(XIV)
(A)	Promoter and Promoter Group	17	3,17,80,960	---	---	3,17,80,960	77.49	3,17,80,960	3,17,80,960	77.49	---	---	---	---	---	---	3,17,80,960
(B)	Public	55	92,30,960	---	---	92,30,960	22.51	92,30,960	92,30,960	22.51	---	---	---	---	---	---	92,30,960
(C)	Non Promoter- Non Public	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
(C1)	Shares underlying DRs	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
(C2)	Shares held by Employee Trusts	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
	Total	**72**	**4,10,11,920**	**---**	**---**	**4,10,11,920**	**100**	**4,10,11,920**	**4,10,11,920**	**100**	**Nil**	**Nil**	**---**	**---**	**---**	**---**	**4,10,11,920**

Note:

a) As on the date of this Draft Red Herring Prospectus 1 Equity Share holds 1 vote.

b) PAN of the shareholders have been provided by our Company prior to listing of Equity Share on the Designated Stock Exchange.

c) Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, 1 day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of the NSE before commencement of trading of such Equity Shares.

d) The term "Encumbrance" has the same meaning as assigned under Regulation 28(3) of SEBI SAST Regulations.

e) All pre-IPO Equity Shares of our Company will be locked-in prior to listing of Equity Shares on SME Platform of NSE.

9. Details of Equity Shares held by our Directors, Key Managerial Personnel and Senior Management

a. Except as set out below, none of the Directors or Key Managerial Personnel or Senior Management of our Company are holding any Equity Shares and employee stock options in our Company:

Sr. No.	Name	Designation	No. of Equity Shares	% of the pre-Issue Equity Share capital	Number of employee stock options outstanding	% of the post-Issue expanded Equity Share capital
1.	Mr. Metikurke Ramaswamy Raman Subbarao	Managing Director	1,00,85,980	24.59	NA	[●]
2.	Danavadi Krishnamurthy Arun	Wholetime Director	71,86,560	17.52	NA	[●]
3.	Raghu Chandrashekhariah	Wholetime Director & CFO (KMP)	74,80,640	18.24	NA	[●]
4.	Pushparaj Shetty	Director	26,10,480	6.37	NA	[●]
5.	Sheshadri Yedavanahalli Srinivas	CEO(KMP) & Executive Director	23,50,700	5.73	NA	[●]
6.	Raghu Pavan T S	SMP	2,000	Negligible	8,00,000	[●]
Total			**2,97,16,360**	**72.46**	**8,00,000**	[●]

10. Acquisition and sale/transfer of Equity Shares by our Promoters, Promoter Group, Directors and their relatives in last 6 months:

Except as disclosed below, none of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus:

Date of allotment/ transfer	Name of allottee	Category	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for allotment/ transfer
June 16, 2023	Mr. Metikurke Ramaswamy Raman Subbarao	Promoter	50,42,990	2/-	NA	Bonus Issue
	Danavadi Krishnamurthy Arun	Promoter	35,93,280			
	Raghu Chandrashekhariah	Promoter	37,40,320			
	Sheshadri Yedavanahalli Srinivas	Promoter	11,75,350			
	Pushparaj Shetty	Promoter	13,05,240			
	Nagaraju Vineeth	Promoter	3,05,000			
	Ramya Vineeth Metiku	Promoter Group	5,00,000			

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

Name of our Promoters	No. of Equity Shares held	Average cost of acquisition (in ₹)
Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	0.48
Danavadi Krishnamurthy Arun	71,86,560	0.48
Raghu Chandrashekhariah	74,80,640	0.47
Sheshadri Yedavanahalli Srinivas	23,50,700	1.30
Pushparaj Shetty	26,10,480	1.50
Nagaraju Vineeth	6,10,000	0.73

12. None of the Equity Shares of our Company are subject to any pledge as on the date of this Draft Red Herring Prospectus.

13. There are no other persons belonging to the category "Person Acting in Concert" who are holding the Equity Shares of our Company more than 5% of the total number of shares as on the date of this Draft Red Herring Prospectus.

14. Except as disclosed below, there are no persons belonging to the category "Public" who are holding the Equity Shares of our Company more than 1% of the total number of shares as on the date of this Draft Red Herring Prospectus.

Name of Shareholders	Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital
Parvathamma Jagadeesh	28,00,000	6.83
Veena C Krishnaswamy	7,20,000	1.76
Anuradha Hegde	26,00,000	6.34
Yoganarasimha	4,71,740	1.15
Lakshmi Srikeshava	5,76,000	1.40
Total	**71,67,740**	**17.48**

15. Details of Major Shareholders

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

Name of Shareholders	Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital
Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	24.59
Parvathamma	28,00,000	6.83
Danavadi Krishnamurthy Arun	71,86,560	17.52
Raghu Chandrashekhariah	74,80,640	18.24
C K Veena	7,20,000	1.76
Anuradha Hegde	26,00,000	6.34
Yoganarasimha	4,71,740	1.15
Nagaraju Vineeth	6,10,000	1.49
Pushparaj Shetty	26,10,480	6.37
Ramya Vineeth	10,00,000	2.44
Lakshmi.C.K	5,76,000	1.40
Sheshadri Yedavanahalli Srinivas	23,50,700	5.73

b) List of shareholders holding 1% or more of the Paid-up Capital of our Company as on a date 10 days prior to the date of the Draft Red Herring Prospectus:

Name of Shareholders	Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital
Mr. Metikurke Ramaswamy Raman Subbarao	1,00,85,980	24.59
Parvathamma	28,00,000	6.83
Danavadi Krishnamurthy Arun	71,86,560	17.52
Raghu Chandrashekhariah	74,80,640	18.24
C K Veena	7,20,000	1.76
Anuradha Hegde	26,00,000	6.34
Yoganarasimha	4,71,740	1.15
Nagaraju Vineeth	6,10,000	1.49
Pushparaj Shetty	26,10,480	6.37
Ramya Vineeth	10,00,000	2.44
Lakshmi.C.K	5,76,000	1.40
Sheshadri Yedavanahalli Srinivas	23,50,700	5.73

c) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on a date 1 year prior to the date of the Draft Red Herring Prospectus.

Name of Shareholders	Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital
Mr. Metikurke Ramaswamy Raman Subbarao	50,42,990	24.72
C S Jagadeesh	13,52,000	6.63
Danavadi Krishnamurthy Arun	35,93,280	17.61
Raghu Chandrashekhariah	37,40,320	18.33
C K Veena	3,60,000	1.76
Anuradha Hegde	12,80,000	6.27
Yoganarasimha	2,34,670	1.15
Nagaraju Vineeth	3,05,000	1.49
Pushparaj Shetty	13,05,240	6.40
Ramya Vineeth	5,00,000	2.45
Lakshmi.C.K	2,88,000	1.41
Sheshadri Yedavanahalli Srinivas	11,75,350	5.76

d) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company 2 years prior to the date of filing of this Draft Red Herring Prospectus:

Category of Shareholders	Number of Equity Shares held	% of the pre-Issue paid-up Equity Share Capital
Mr. Metikurke Ramaswamy Raman Subbarao	4,72,780	24.72
Danavadi Krishnamurthy Arun	3,36,870	17.61
Raghu Chandrashekhariah	3,50,655	18.33
C S Jagadeesh	1,35,200	7.00
C K Veena	36,000	1.89
Anuradha Hegde	1,28,000	6.70
Yoganarasimha	22,000	1.15
Nagaraju Vineeth	30,500	1.59

Pushparaj Shetty	73,370	3.84
Ram Mohan & Ramya Vineeth	50,000	2.61
Lakshmi.C.K	28,800	1.51
Sheshadri Yedavanahalli Srinivas	70,000	3.66
Sanjeev Kumar	45,690	2.39

16. Canarys ESOS

Our Company pursuant to the resolutions passed by our Board on August 11, 2023 and shareholders on August 14, 2023, has adopted the Canarys ESOS. Our Company may grant an aggregate number of upto 43,50,000 employee stock options under the Canarys ESOS. Upon exercise and payment of the exercise price, the option holder will be entitled to be allotted 43,50,000 Equity Share per employee stock option. Accordingly, the number of Equity Shares that may be issued under the Canarys ESOS shall not exceed 43,50,000 equity shares of face value ₹ 2/- each. The Canarys ESOS is effective from August 14, 2023. The objectives of Canarys ESOS are, among others, to enable the employees, present and future, to share the wealth that they help to create for the organisation over certain period of time.

The Canarys ESOS has been framed in compliance with the SEBI SBEBSE Regulations. As on the date of this Draft Red Herring Prospectus, options have been granted by our Company under the Canarys ESOS. The details of the Canarys ESOS are as follows:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>1,917,000</td></tr>
<tr><td>Exercise price on options (in ₹)</td><td>₹ 2/- per employee stock option</td></tr>
<tr><td>Vesting period</td><td>Minimum vesting period is 1 year from the date of grant of options,</td></tr>
<tr><td>Options vested and not exercised</td><td>Nil</td></tr>
<tr><td>Options exercised</td><td>Nil</td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>1,917,000, assuming all grants are accepted and exercised. As on the date of Draft Red Herring Prospectus, no options have been exercised.</td></tr>
<tr><td>Options forfeited/lapsed</td><td>Nil</td></tr>
<tr><td>Variation of terms of options</td><td>Nil</td></tr>
<tr><td>Money realized by exercise of options</td><td>Nil</td></tr>
<tr><td>Total number of options in force as of August 21, 2023</td><td>1,917,000</td></tr>
<tr><td>Employee-wise detail of options granted to:</td><td></td></tr>
<tr><td>i. Key Managerial Personnel</td><td>Nil</td></tr>
<tr><td></td><td></td></tr>
<tr><td>ii. Senior Managerial Personnel</td><td><table><tr><th>Name of the SMP</th><th>No. of options</th></tr><tr><td>Mr. Mahesha Bangalore Ramalinga Pandit</td><td>2,00,000</td></tr><tr><td>Mr. Nagaraj B Bhairaji</td><td>2,50,000</td></tr><tr><td>Mr. Raghu Pavan T S</td><td>8,00,000</td></tr><tr><td>Total</td><td>12,50,000</td></tr></table></td></tr>
<tr><td></td><td></td></tr>
<tr><td>iii. 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.</td><td><table><tr><th>Name of the employee</th><th>No. of options</th><th>%</th></tr><tr><td>Mr. Mahesha Bangalore Ramalinga Pandit</td><td>2,00,000</td><td>10.43</td></tr><tr><td>Mr. Nagaraj B Bhairaji</td><td>2,50,000</td><td>13.04</td></tr><tr><td>Mr. Raghu Pavan T S</td><td>8,00,000</td><td>41.73</td></tr><tr><td>Total</td><td>12,50,000</td><td>65.21</td></tr></table></td></tr>
<tr><td></td><td></td></tr>
</table>

<table>
<tr><td>iv. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td><table><tr><th>Name of the employee</th><th>No. of options</th><th>%</th></tr><tr><td>Mr. Raghu Pavan T S</td><td>8,00,000</td><td>1.95</td></tr><tr><td>Total</td><td>8,00,000</td><td>1.95</td></tr></table></td></tr>
<tr><td>Fully diluted Earnings per Equity Share (face value ₹ 2/- per Equity Share) pursuant to issue of Equity Shares on exercise of options calculated in accordance with applicable Accounting Standard for ‘Earnings per Share’</td><td>Not Applicable since no options had been granted, vested or exercised as on March 31, 2023</td></tr>
<tr><td>Lock-in</td><td>None</td></tr>
<tr><td>Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and its impact on profits and on the Earnings per Equity Share – (face value ₹ 2/- per Equity Share)</td><td>Not Applicable, since no options had been granted, vested or exercised as on March 31, 2023. Further, the employee compensation cost will be calculated on the basis of fair value of stock options</td></tr>
<tr><td>Description of the pricing formula method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>Intrinsic Value Method</td></tr>
<tr><td>Impact on profit and Earnings per Equity Share – (face value ₹ 2/- per Equity Share) of the last 3 years if the accounting policies prescribed in the SEBI SBEBSE Regulations had been followed in respect of options granted in the last 3 years</td><td>Not Applicable since no options had been granted, vested or exercised as on March 31, 2023.</td></tr>
<tr><td>Intention of the Key managerial personnel and Whole Time Directors who are holders of Equity Shares allotted on exercise of options granted to sell their Equity Shares within 3 months after the date of listing of Equity Shares pursuant to the Issue</td><td>Not applicable, since no option have been vested as on the date of this DRHP.</td></tr>
<tr><td>Intention to sell Equity Shares arising out of an employee stock option scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)</td><td>Not applicable, since no option have been vested as on the date of this DRHP.</td></tr>
</table>

17. Neither the Book Running Lead Manager nor their associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.

18. There are no Equity Shares against which depository receipts have been issued.

19. Except for Equity Shares that may be allotted pursuant to the conversion of employee stock options granted under the Canarys ESOS the Equity Shares Allotted pursuant to the Issue, there will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of Equity Shares on the Designated Stock Exchange pursuant to this Issue.

20. Our Company presently does not have any intention or proposal and is not under negotiations or considerations to alter our capital structure for a period of 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 exchangeable, directly or indirectly, for our Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on rights issue basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Issue; and (b) any issuance, pursuant to the exercise of employee stock options under the Canarys ESOS. Provided further that if our Company enters into acquisition(s) or Joint Venture(s) or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such Joint Ventures or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by our Board to be in the interest of our Company.

21. There have been no financing arrangements whereby our Promoters, Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity / individual or otherwise, during the period of 6 months immediately preceding the date of filing of this Draft Red Herring Prospectus.

22. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.

23. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the Allotment subject to minimum Allotment, which is the minimum application size. Consequently, the actual Allotment may go up by a maximum of 10% of the Net 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 our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post-Issue paid-up capital is locked in.

24. Investors may note that in case of over-subscription, Allotment will be on proportionate basis as detailed under 'Basis of Allotment' in the section titled *'Issue Procedure'* beginning on page 305 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253(2) of SEBI ICDR Regulations.

25. Except employee stock options granted pursuant to the Canarys ESOS, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

26. All the Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus. Further, since the entire Issue Price in respect of the Issue is payable on Application, all the successful Applicants will be issued fully paid-up Equity Shares and thus all Equity Shares offered through this Issue shall be fully paid-up.

27. As per RBI regulations, OCBs are not allowed to participate in this Issue.

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

29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

30. Our Company shall comply with such accounting and disclosure norms as specified by NSE, SEBI and other regulatory authorities from time to time.

31. An Applicant cannot make an Application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

32. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Red Herring Prospectus.

33. We have 72 (seventy two) shareholders as on the date of filing of the Draft Red Herring Prospectus

34. Our Promoters and the members of our Promoter Group will not participate in this Issue.

35. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation.

36. Our Company has not revalued its assets since its incorporation.

37. This Issue is being made through the Book Building Method.

38. Except employee stock options granted pursuant to the Canarys ESOS, as on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights, that would entitle the existing Promoter or shareholders or any other person, any option to receive Equity Shares after the Issue.

39. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Designated Stock Exchange within 24 hours of such transaction.

For the details of transactions by our Company with our Promoter Group during the Financial Years ended March 31, 2023, 2022, and 2021 please refer to the paragraph titled *'Related Party Transactions'* in the section titled *'Financial Information'* beginning on page 209 of this Draft Red Herring Prospectus. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled *'Our Management'* beginning on page 174 of the Draft Red Herring Prospectus.

SECTION VII: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises the Fresh Issue aggregating to ₹ [•] Lakh and there is no offer for sale by the existing shareholders.

Fresh Issue

The net proceeds of the Fresh Issue, *i.e.*, gross proceeds of the Fresh Issue less the Issue related expenses ("**Net Proceeds**") are proposed to be utilized in the following manner:

1. Funding of expenditure relating to solutions development for digital transformation and water resources management solutions;
2. Creation of new delivery centre including infrastructure thereof and upgrading existing facilities;
3. Funding working capital requirements of our Company;
4. General corporate purposes (collectively, the "**Objects**").

In addition to the above Objects, we expect to receive the benefits of listing of the Equity Shares on the Stock Exchanges, and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake: (i) our existing business activities and other activities set out therein; and (ii) the activities proposed to be funded from the Net Proceeds. The objects clause and objects incidental and ancillary to the main objects clause of our Subsidiaries, enables each of them to undertake: (i) their existing business activities and other activities set out therein; (ii) the activities proposed to be funded from the Net Proceeds; and (iii) the activities towards which the loans proposed to be repaid/prepaid from the Net Proceeds were utilized.

Net Proceeds

The details of the Net Proceeds of the Fresh Issue are set out below:

Particulars	Estimated Amount
	(in ₹ Lakh)
Gross proceeds of the Fresh Issue	[●]
(Less) Issue-related expenses in relation to the Fresh Issue[(1)(2)]	[●]
Net Proceeds[(2)]	[●]

(1) For details of the expenses related to the Issue, see "Issue Expenses" given below.
(2) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

Utilization of Net Proceeds

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

(in ₹ Lakh)

S. No.	Particulars	Estimated Amount[(1)]
		(in ₹ Lakh)
1.	Funding of expenditure relating to solutions development for digital transformation and water resources management solutions	1,100.00
2.	Creation of new delivery centre including infrastructure thereof and upgrading existing facilities	894.00
3.	Funding working capital requirements of our Company	1,500.00

S. No.	Particulars	Estimated Amount[(1)]
		(in ₹ Lakh)
4.	General corporate purposes[(1)]	[●]
	Net Proceeds	[●]

[(1)] *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds, as set out in the table below:

Particulars	Total estimated cost[(1)]	Proposed Utilization from Net Proceeds	Estimated schedule of deployment of Net Proceeds in		
			Financial Year 2024	Financial Year 2025	Financial Year 2026
			(in ₹ Lakh)		
Funding of expenditure relating to solutions development for digital transformation and water resources management solutions	**1,100.00**	**1,100.00**	**137.50**	**550.00**	**412.50**
Creation of new delivery Centre including infrastructure thereof	**894.00**	**894.00**	**702.75**	**153.00**	**38.25**
Funding working capital requirements of our Company	**1,500.00**	**1,500.00**	**1,000.00**	**500.00**	**-**
General corporate purposes[(1)]	**[●]**	-	-	-	-
Net Proceeds		**[●]**	**[●]**	**[●]**	**[●]**

[(1)] *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds*

The above fund requirements are based on our current business plan, management estimates, other commercial and technical factors including interest rates and other charges, and the financing and other agreements entered into by our Company, quotations received from third-party vendors, which are subject to change in the future and have not been appraised by any agency. These are based on current conditions and are subject to revisions in light of changes in costs, our financial condition, our business operations or growth strategy or external circumstances which may not be in our control.

Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set out above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards any of the stated objects is lower than the proposed deployment, the balance remaining may be utilized towards future growth opportunities, and/or towards funding any other purpose, and/or general corporate purposes, subject to applicable laws to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations and in compliance with the objectives as set out under "*—Details of the Objects—General corporate purposes*" below and will be consistent with the requirements of our business. The estimated schedule of deployment of Net Proceeds is indicative and our management may vary the amount to be utilized in a particular Financial Year at its discretion.

For further information on factors that may affect our internal management estimates, see "Risk Factors - *Our Company's management will have flexibility in utilizing the Net Proceeds, subject to certain approvals. There is no assurance that the*

Objects of the Issue will be achieved within the timeframe expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution." on page 53.

Means of finance

The fund requirements for the Objects are proposed to be met from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

Details of the Objects

Our Board at its meeting held on August 21, 2023 approved the proposed objects of the Issue and the respective amounts proposed to be utilized from the Net Proceeds for each object.

1. ***Funding of expenditure relating to solutions development for digital transformation and water resources management solutions***

   We intend to develop new solutions for digital transformation and water resources management. Presently we have identified the following solutions for development:

   A. **<u>Modernization Framework Solution</u>**:

      Legacy modernization, also known as software modernization or platform modernization, refers to the conversion, rewriting or porting of a legacy system to modern computer programming languages, architectures (e.g., microservices), software libraries, protocols or hardware platforms. Legacy transformation aims to retain and extend the value of the legacy investment through migration to new platforms to benefit from the advantage of the new technologies.

      This solution will look to primarily address the following:
      - Non-Responsive UI
      - Spaghetti Code
      - Inflexible Architecture
      - Accumulated Technology Debt
      - Can't deploy on cloud
      - Inability to scale

   B. **<u>DevOps:</u>**

      DevOps combines development and operations to increase the efficiency, speed, and security of software development and delivery compared to traditional processes. A more nimble software development lifecycle results in a competitive advantage for businesses and their customers. We intend to develop solutions for assessment & strategy planning, technologically advanced, cloud-first IT environments that support high-

performance, expandable, and agile technology which will primarily look to address the following business challenges:

- Delay in making business decisions due to scattered data and lack of insights
- Hidden/Complex systemic problems
- Resources engaged in less productive, mundane, repetitive tasks
- Lower levels of operational efficiency
- Inability to compete in the neo-cognitive, digital world
- Inability to meet demands of dynamic business environment calling for data/insights driven decision making

C. **Automation & Migration Solution**:

The cloudification solution involves migrating on-premise workload to cloud. Cloudification is one of the application portfolio rationalization solution, with two additional strategies to handle two specific scenarios. Gartner defined five R strategies (Re-platform, Re-factor, Re-Architect, Replace) to follow while rehost, migrating application workloads to the cloud. A new framework defining different migration strategies that organizations can apply on applications before migrating them to cloud is called R-Lane.

This solution will look to primarily address the following:

- Applications and functionalities which are duplicated
- Applications that are not actively used
- Applications incurring high operational and management costs
- Applications which are legacy systems and are unable to scale

D. **Water Resource Management Solution**:

We design, integrate and commission real time automated measurement and data transmission system in the field of hydrology and meteorology. Helping traditional water management organizations, to alleviate the information delays; to congregate all stakeholders of large canal network/river basin on a common real time platform, and to provide decision worthy information with corrective actions in real time. We intend to build technologically advanced solutions to achieve the following

- Providing customers with access to real time Decision Support System in a canal network or a Sub-Basin.
- To enable conflict resolution on water volume sharing, conveyance and management between parties.
- To provide real time information on Water yield assessment in a basin and utilization of available water.
- Create a Common communication platform for Real time data distribution on the available volume of water

E. **Transformation Solution**:

Transformation solution aims at application portfolio rationalization. Such a rationalization can take place in applications running in on-premises environments or in the cloud. The solution involves modifying, refactoring, re-architecting, re-platforming and replacement activities and helps solving the following issues:

- Duplication of applications and functionalities
- redundancy of applications
- applications incurring high operational and management costs
- applications have become legacy and are unable to scale

For the above purpose, we intend to spend an estimated amount of ₹ 1,100.00 Lakh towards the hiring of appropriate skilled manpower for development of new solutions for digital transformation and water resource management. A detailed breakup of estimated cost of skilled manpower for the intended role which are proposed to be funded from the net issue proceeds is set forth below:

Solutions Development Cost					
Resource/Role	**Unit Cost PA (₹ in Lakh)***	**Units**	**Total (₹ in Lakh)**	**Period (years)**	**Grand Total (₹ in Lakh)**
Solution Head / VP – Solutions	60.00	1	60.00	2	120.00
Solution Architect	40.00	2	80.00	2	160.00
Technical Lead	30.00	2	60.00	2	120.00
Technical Manager	36.00	1	36.00	2	72.00
Sr. Developer	18.00	5	90.00	2	180.00
Jr. Developer	8.00	10	80.00	2	160.00
Quality Manager	20.00	2	40.00	2	80.00
Quality Assurance Engineers	8.00	3	24.00	2	48.00
Release Engineers	15.00	2	30.00	2	60.00
Business Analyst	15.00	2	30.00	2	60.00
Sr.Quality Assurance	20.00	1	20.00	2	40.00
	Total		**550.00**		**1,100.00**

** Based on the quotation received from **iGenZ Technologies Pvt Ltd** dated August 15, 2023 which is valid for a period of six months.*

The above estimates are based on skill force requirements, as per the job description and experience levels, roles and potential cost as per quotation received from head hunter firm and our own market research. Hiring and recruiting the intended manpower at different level for the expansion and development of our business activities may require substantial investments and requisite training. There could be a possible escalation in the above cost depending upon the market conditions, shortage of skilled personnel, place of work, cost of living, etc. at the actual time of recruitment, resulting in increase in the estimated cost. Such cost escalation would be met out of our internal accruals.

2. ***Creation of new delivery centre including infrastructure thereof and upgrading existing facilities***

We intend to set up new delivery centre in the State of Karnataka, India, to accommodate the envisaged expansion of up to 700 member team. The location of the new delivery centre will be decided considering scalability of the centre and availability of skilled manpower.

Our IT delivery centre will offer a variety of IT services, which will include software development, application maintenance, technical support, IT infrastructure management, data analytics, cybersecurity, cloud computing, and more. The centre will be staffed with skilled IT professionals such as software developers, system administrators, network engineers, data analysts, project managers, and other experts who collaborate to deliver the required services and ensure efficient service delivery. The centre will be equipped with the necessary hardware, software, and technology infrastructure to support various IT services and functions. The exact structure and function of an IT delivery centre can vary widely depending on the organization's size, industry, and specific business needs. The delivery centre will play a vital role in ensuring that our Company have access to the IT resources and solutions necessary for its operations and growth.

Creation of delivery centre includes expenses towards lease rental, civil and interior works, plumbing work and furniture work in an estimated carpet area of around 15,000 sq. ft. Further, we intend to acquire laptops, networking equipment, firewall mechanism and Server and Rack Infrastructure, electrical equipment and UPS facility for the purpose of operationalisation of the new delivery centre. We intend to utilize up to ₹ 894.00 Lakh from the proceeds of this Issue for this purpose

The detailed break-down of the estimated costs is as below:

S. No.	Particulars	Carpet Area (in sq.ft)	Total estimated costs (*in ₹ Lakh*)	Amount proposed to be funded from Net Proceeds (*in ₹ Lakh*)
1	Lease rental for delivery centre cost of ₹ 85 per sq. ft per month for 18 months (ref note1)	15,000	229.50	229.50
2	Civil and interior work including constructing glass partitions, ceiling works, carpet flooring store room, blinds for external glazing area, toilet works, plumbing works for cafeteria and toilets and supply of furniture including system furniture, chairs and loose furniture such as lounge chairs, sofa, centre table, bar stools, pouffes seating, etc. *Costs computed on basis cost of* ₹ 2,400 per sq. ft (refer note 2)	15,000	360.00	360.00
	TOTAL		**589.50**	**589.50**

S. No.	Particulars	Quantity	Total estimated costs (*in ₹ Lakh*)[(1)]	Amount proposed to be funded from Net Proceeds (*in ₹ Lakh*)
3	**IT Infrastructure (refer note 3)**			
	Laptops	**250**	172.50	172.50
	Networking Equipment	**-**	49.50	49.50
	Firewall mechanism	**-**	9.73	9.73
	Server and Rack	**-**	15.00	15.00
	Electrical Works	**-**	53.94	53.94
	UPS	**1**	3.83	3.83
	TOTAL	**-**	**304.50**	**304.50**

Note 1: Quotation received from **Madhur Enterprises** 27/21 3rd Cross, 24th Main J P Nagar, 7th Phase, Bangalore 560078 dated 16th August 2023

Note 2 : Quotation received from **Mercury Enterprises** #10, 'G' Street, Cleveland Town, Bangalore 560005 dated 16th August 2023 and valid for 6 months

Note 3 : quotation for IT equipment received from following vendors (all valid for 6 months)

TechPro Solutions First Floor, No. 7 & 7/A, 6th Cross, Hanumagirinagar, Chikkalasandra, Bengaluru – 560061 dated 16th August 2023

Suhan Enterprises #37 & 38, 2nd Cross, Kodichikkanahalli Main Road Bangalore – 560076 dated 14th August 2023

Moonpower No-06, 2nd Cross, Yamuna Nadhi Road, Bikasipura Main Road, JC Industrial Area, Yelachenahalli, Bangalore - 560062 dated 17th August 2023

The quotations relied upon by us in arriving at the above estimates are exclusive of taxes and are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of equipment proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty, if any. Such cost escalation would be met out of our internal accruals.

We have not entered into definitive agreements with any of the above vendors and there can be no assurance that the same vendors would be engaged. All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. Further, the intended investment is based on estimates and the decisions of the management. In order to leverage the market opportunities, our Company may also explore opportunities in other geographies. Expansion of business being the most crucial factor for the growth of the company, all avenues organic/ inorganic will be explored and thoughtfully executed.

3. ***Funding working capital requirements of our Company***

Our Company funds majority of its working capital requirements in the ordinary course of business from financing availed from banks and internal accruals. Our Company proposes to utilise ₹ 1,500.00 Lakh from the Net Proceeds towards funding our Company's incremental working capital requirements. Our Company proposes to utilise ₹ 1,000.00 Lakh and ₹ 500.00 Lakh to fund our Company's incremental working capital requirements in Financial Year 2024 and Financial Year 2025, respectively.

As on July 31, 2023, our total outstanding indebtedness in respect of our working capital facilities was ₹ [●] Lakh on a consolidated basis. For further details of the working capital facilities currently availed by our Company, see "*Financial Indebtedness*" and "*Restated Consolidated Financial Statements*" on pages 267 and 209, respectively. Further, for risks in relation to use of the Net Proceeds for funding working capital gap of our Company, see "*Risk Factors— Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*" on page 46. Our Board in its meeting dated August 21, 2023 took note that an aggregate amount of ₹ 1,500.00 Lakh is proposed to be utilized to fund the working capital requirements of our Company

Existing working capital

The details of our Company's working capital as of March 31, 2023, March 31, 2022, March 31, 2021, its projected working capital for fiscal 2024 and fiscal 2025 and source of funding, derived from the audited standalone financial statements of our Company, as certified by the Statutory Auditors, pursuant to their certificate dated August 21, 2023, are set forth below: [(1)]

Amount (*in ₹ Lakh*)

Particulars	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**
	Audited	*Audited*	*Audited*	*Projected*	*Projected*
Current Assets					
Inventories	104.36	458.88	272.07	371.74	483.26
Short Term Loans & Advances	126.99	311.72	491.96	684.93	890.41
Trade Receivables	1,053.19	2,633.33	4,209.66	4,931.51	5,342.47
Cash and Cash Equivalents	388.12	759.78	102.15	191.78	356.16
Other Current Assets	27.42	5.69	115.35	219.18	284.93
Total (I)	**1,700.08**	**4,169.40**	**5,191.19**	**6,399.13**	**7,357.23**
Current Liabilities					
Trade Payables	408.60	1,929.43	1,782.16	1,212.18	1,050.56
Other Current Liabilities	218.32	494.86	554.42	723.29	905.01
Short Term Provisions	121.57	215.89	334.24	438.36	548.49

Total (II)	**748.50**	**2,640.17**	**2,670.82**	**2,373.83**	**2,504.07**
Net Working Capital (I) – (II)	**951.58**	**1,529.23**	**2,520.37**	**4,025.31**	**4,853.16**
Internal Accruals/ Bank Borrowings	**951.58**	**1,529.23**	**2,520.37**	**3,025.31**	**4,353.16**
IPO Proceeds	**-**	**-**	**-**	**1,000.00**	**500.00**

(1) As certified by the Statutory Auditors pursuant to their certificate dated August 21, 2023.

Holding levels

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

Particulars	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**
	Audited	*Audited*	*Audited*	*Projected*	*Projected*
Current Assets					
Inventories	60	97	46	46	46
Short Term Loans & Advances	18	22	24	25	25
Trade Receivables	153	186	208	180	150
Cash and Cash Equivalents	56	54	5	7	10
Other Current Assets	4	0	6	8	8
Total (I)	291	358	289	266	239
Current Liabilities					
Trade Payables	234	408	299	150	100
Other Current Liabilities	36	39	33	33	33
Short Term Provisions	20	17	20	20	20
Total (II)	**290**	**463**	**352**	**203**	**153**
Net Working Capital (I) – (II)	**1**	**-105**	**-62**	**63**	**86**

(1) As certified by the Statutory Auditors pursuant to their certificate dated August 21, 2023.
*(2) Inventory days: Closing inventory for the current period / cost of goods sold for the current period * 365*
*(3) Trade receivable days: Closing trade receivables for the current / revenue from operations for the current period * 365*
*(4) Other Current Assets days: Closing of other current assets for the current period/ revenue from operations for the current period * 365*
*(5) Trade payable days: Closing of trade payables for the current period/ cost of goods sold for the current period \ * 365*
*(6) Other current assets days: Closing of other current assets for the current period / revenue from operations the current period * 365.*
*(7) Other current liabilities days: closing of other current liabilities for the current and previous period / total expenditure for the current period * 365.Key assumptions and justification for Holding Period Levels(1)*

Particulars	Assumptions and justifications
Current assets	
Inventory	Inventory mainly consists of equipment which are required for water resource management solutions business and solution development business. The Company's inventory holding period for Financial Year 2024 and Financial Year 2025 is in line with the holding period for Financial Year 2023 and has been projected within the range of 45 to 46. Total inventory levels are expected to increase in line with the projected business activity in the Financial Year 2024 and Financial Year 2025.
Trade receivables	The Company's trade receivables days for Financial Year 2021, 2022 and 2023 were 153 days, 186 days and 208 days. The increase was mainly attributable to increase in the total revenue from operations from 2,517.29 lakhs in FY2021 to 7,372.56 lakhs. The Company is now expecting the trade receivables days to cool down to a sustainable level of 150 days over the period of FY2024 and FY2025 i.e. 180 days and 150 days respectively which will be mainly because of increase in business, maintaining operating efficiency and getting business with less working capital requirement and faster payment processing.
Short Term Loans & Advances	Short Term Loans & Advances mainly consists of balances with statutory authorities and trade advances to vendors. As the business grows, the Company expects its growth as well. The Short Term Loans & Advances were 18 days, 22 days and, 24 days in FY2021, FY2022 and FY2023 respectively. The company has assumed a holding level of 25 days FY2024 and FY2025.
Cash and Cash Equivalents	The cash and cash equivalents levels were 4 and 6 days for Financial Year 2021 and 2023 respectively. For FY2022 it was 5.69 lakhs which was less than a day.
Other current assets	The category of "Other current assets" primarily includes Earnest Money Deposit and unbilled revenue. To align with the projected business activity, the company has projected the level of other current assets of 8 days for the Financial Years 2024 and 2025.
Current liabilities	
Trade payables	Our trade payable days for Financial Year 2024 and Financial Year 2025 are lower than our historical levels 234 days, 408 days and 299 days for Financial Year 2021, Financial Year 2022 and Financial Year 2023. Currently our Company has high amount of trade receivables due to which the payment to creditors is also pending which also includes CHAT, our joint venture company, to the tune of ₹ 1,413.19 lakh which is engaged in business of carrying out turnkey projects in the field of water resources management. in the anticipation of future business growth and maintain better operating cycle, our Company is estimating 150 days and 100 days of trade payables for FY2023 and FY2024 respectively.
Other current liabilities	The category of "Other current liabilities" primarily includes items such as Statutory dues, salary payable, advance from customers and other similar obligations. To align with the projected business activity, the Company has projected the level of other current liabilities 33 days for the Financial Years 2024 and 2025.
Short term provisions	The category of " Short term provisions" primarily includes items such as Provision for taxation and gratuity. To align with the projected business activity, the Company has projected the level of other current liabilities 20 days for the Financial Years 2024 and 2025.

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(1) As certified by the Statutory Auditors pursuant to their certificate dated August 21, 2023.

4. ***General corporate purposes***

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] Lakh towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, but are not limited to, funding any shortfall in any of the above mentioned Objects, funding growth opportunities, acquisitions or strategic initiatives, strengthening marketing capabilities, investment to expand our presence outside India, interest payments and other debt servicing costs and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable laws, incurred by our Company in the ordinary course of business, as may be applicable. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts, if any. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹[●] Lakh. The Issue related expenses primarily include fees payable to the BRLMs and legal counsel, fees payable to the Statutory Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs and CDPs, SCSBs' fees, Sponsor Banks' fees, the Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Issue related expenses are set out below:

Activity	**Estimated expenses[(1)(2)]**	**As a percentage of the total estimated Offer expenses[(1)]**	**As a percentage of the total Issue size[(1)]**
	(in ₹ Lakh)	*(%)*	*(%)*
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission/processing fee for SCSBs, Sponsor Banks and fee payable to the Sponsor Banks for Bids made by RIBs[(3)(4)(5)]	[●]	[●]	[●]
Brokerage and selling commission and bidding/uploading charges for members of the Syndicate	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to other parties, including but not limited to Statutory Auditors, market maker, etc	[●]	[●]	[●]
Others			
(i) Listing fees, SEBI filing fees, upload fees, NSE processing fees, book building software fees	[●]	[●]	[●]
(ii) Printing and stationery expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsels	[●]	[●]	[●]
(v) Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

(1) *Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price*

(2) *Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change*

(3) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

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

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(4) *No processing fees shall be payable by our Company or the Selling Shareholders to the SCSBs on the Bid cum Application Forms directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to the SCSBs for blocking, would be as follows: ₹ [●] per valid application (plus applicable taxes)*

(5) *The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:*

Sponsor Banks	*₹[●] per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

(6) *Selling commission on the portion for UPI Bidders and Non-Institutional Bidders which are procured by members of the Syndicate would be as follows:*

Portion for UPI Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹ 0.50 Lakh and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹ 0.50 Lakh will not be eligible for brokerage.

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 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Interim use of the Net Proceeds

Our Company, in accordance with applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described in this section, our Company may only invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Appraising entity

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 on available quotations and 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 but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and the SEBI ICDR Regulations, our Company shall not vary the Objects, without our Company being authorized to do so by its 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 and be published in accordance with the Companies Act. The notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, the Promoters and controlling Shareholders, as of the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the provisions of the Companies Act and the SEBI ICDR Regulations.

Other confirmations

None of our Promoters, members of the Promoter Group, Directors, KMPs, Senior Management or Group Companies will receive any portion of the Issue Proceeds and there are no material existing or anticipated transactions in relation to utilization of the Issue Proceeds with our Promoters, members of the Promoter Group, Directors, KMPs, Senior Management or Group Companies.

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 "**Financial Information**" beginning on page 33, 146 and 209 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.

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 the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 2/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer "*Risk Factors*", "*Our Business*" and "*Restated Consolidated Financial Statements* " beginning on 33, 146 and 209 respectively of this Draft Red Herring Prospectus

QUALITATIVE FACTORS

Our competitive strength include the following:



We believe the following business strengths allow us to successfully compete in the industry:

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "*Our Business*" beginning on page 146 of the Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements. For details, please refer section titled "*Financial Information*" on page 209 of this Draft Red Herring Prospectus.

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

1. EARNING PER SHARE ("EPS"):

As per Restated Consolidated Financial Statements (Post-Bonus):

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Year ended March 31, 2021	1.16	1.16	1
Year ended March 31, 2022	2.08	2.08	2
Year ended March 31, 2023	3.92	3.92	3
Weighted Average	**2.85**		

Notes:

(1) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India.

(2) 90% of the paid-up capital for preference shares, which is held by the shareholders, can be redeemed. The remaining 10% of the paid-up capital for preference shares will be converted into equity shares. This conversion will occur at the fair value that is established during the conversion process. Due to the current inability to determine the conversion rate as of the balance sheet date, it is not possible to ascertain the impact of anti-dilution for the calculation of diluted Earnings Per Share (EPS). Therefore, the calculation for diluted EPS has not been performed.

(3) The ratios have been computed as below:

- Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.
- Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.

(4) 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 the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.

(5) Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.

2. AVERAGE RETURN ON NET WORTH ("RoNW"):

As per Restated Consolidated Financial Statements:

Period	RoNW (%)	Weight
Year ended March 31, 2021	16.06	1
Year ended March 31, 2022	23.99	2
Year ended March 31, 2023	31.54	3
Weighted Average	**26.44**	

Notes:

i) 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.

ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period.

iii) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write- back of depreciation and amalgamation.

3. NET ASSET VALUE ("NAV") per Equity Share as per last balance sheet:

Net Asset Value Per Equity Share as at March 31, 2023:

As per Restated Consolidated Financial Statements:

a) On pre-bonus is Rupees 12.440 per share
b) On post-bonus is Rupees 12.440 per share

Notes:
Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Statements / Number of equity shares outstanding as at the end of year/period.

4. Price/Earning ("P/E") ratio in relation to Price of ₹ [●] per Equity Share:

Particulars	P/E Ratio (no. of times)
As per Restated Consolidated Financial Statements:	
Based on basic EPS for Fiscal 2023 (post bonus)	**[●]**
Based on diluted EPS for Fiscal 2023 (post bonus)	**[●]**

5. Comparison of Accounting Ratios with Listed Industry Peers

There comparison of Accounting Ratios with Listed industry peers are given below:

Name of the Company	CMP*	Basic EPS (Rs. per share)	Diluted EPS (Rs. per share)	P/E Ratio	RONW (%)	NAV (Rs. per share)	Face Value (Rs. per share)	Total Income (Rs. in lakhs)
Canarys Automations Limited	-	4.29	4.29	--	31.64%	12.401	2.00	7,547.28
Peer Group**								
All E Technologies Limited	87.15	6.95	6.95	12.53	12.01%	49.81	10.00	9,150
Happiest minds Limited.	767.85	16.13	16.01	47.95	27.25%	58.25	2.00	145,040

* CMP for our Company is considered as Issue Price

**Source: www.nseindia.com and www.bseindia.com

KEY PERFORMANCE INDICATORS OF OUR COMPANY

We use certain financial and operational performance indicators or key performance indicators ("**KPI**") as supplemental measures to review and analyse our financial and operating performance from period to period, and to evaluate our business. In addition to our management, such measures may also be frequently used by securities analysts, investors and others within the writing instruments industry to evaluate financial performance. Some of these KPI are not defined under Ind GAAP and are not presented in accordance with Ind GAAP. These KPI have limitations as analytical tools.

As a result, presentation of these KPI, should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Restated Consolidated Financial Statements set out in this Draft Red Herring Prospectus. These measures may differ from similar titled information used by other companies, including peer companies, who may calculate such information differently and hence their comparability with those used by us may be limited. Therefore, these KPI should not be viewed as substitutes for performance or profitability measures under Ind GAAP or as indicators of our operating performance, liquidity or profitability.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by our Board), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (b) complete utilisation of the proceeds of the Fresh Issue as disclosed in "*Objects of the Issue*" on page 115, or for such other duration as may be required under the SEBI ICDR Regulations.

For a description of the historic use of KPI by our Company to analyze, track or monitor the operational and/or financial performance of our Company and comparisons of Key Performance Indicators over time based on additions or dispositions to the business, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Discussion of our Key Performance Indicators*" on page 250.

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
Water Resource Management Solutions business			
No. of Projects	10	12	15
No. of Employees	11	14	14
No. of clients	10	19	22
Avg. Revenue per project *(₹ in Lakhs)*	114.52	198.88	191.82
Avg. Revenue per Employee (₹ in Lakhs)	104.11	170.47	205.52
Solution Development business			
No. of Projects	55	68	102
No. of Employees	180	297	337
No. of clients	62	74	110
Avg. Revenue per project (₹ in Lakhs)	25.69	40.49	41.86
Avg. Revenue per Employee (₹ in Lakhs)	12.10	17.21	15.25
Total Revenue (₹ in Lakhs)	2561.72	5150.90	7451.94
EBITDA (₹ in Lakhs)	333.72	706.47	1347.46
EBITDA(%)	13.03%	13.72%	18.08%
PAT (₹ in Lakhs)	210.42	455.81	852.51
PAT (%)	8.21%	8.85%	11.44%
Net Worth (₹ in Lakhs)	1258.17	1683.44	2537.91
Debt Service Coverage Ratio	-	-	-
Return on Net Worth	16.06%	23.99%	31.54%
Current Ratio	2.071	1.369	1.582
Total No. of countries served	6 to 7	6 to 7	6 to 7
No. of solutions framework developed	3 to 4	3 to 4	3 to 4

Particulars	Description
Water Resource Management Solutions business	Water Resource Management Solutions include automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.
No. of Projects	Calculated as total projects the Company has executed in Water Resource Management Solutions segment.
No. of Employees	Calculated as total employees employed in the projects relating to Water Resource Management Solutions business

No. of clients	Calculated as total clients for whom we are providing solutions relating to Water Resource Management Solutions business
Avg. Revenue per project	Calculated as total business in Water Resource Management Solutions division divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in Water Resource Management Solutions division by No. of employees employed in the projects.
Technology Solutions Development business	Technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence
No. of Projects	Calculated as total projects the Company has executed in solution development segment.
No. of Employees	Calculated as total employees employed in the software solution development projects
No. of clients	Calculated as total clients for whom we are providing solution development
Avg. Revenue per project	Calculated as total business in solution development business divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in solution development business divided by No. of employees employed in the projects.
Total Revenue	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
EBITDA	EBITDA provides a comprehensive view of our financial health as it considers all sources of our income.
EBITDA(%)	EBITDA margin (%) is financial ratio that measures our profitability as a percentage of its total revenue.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Net Worth	Networth represents the shareholders funds invested in the business.
Debt Service Coverage Ratio	Calculated as the sum of profit before tax, depreciation and amortization expense and finance cost divided by the sum of lease payments, principal repayments of secured and unsecured loans, and finance cost related to borrowings
Return on Net Worth	Return on Networth (%) is an indicator of our efficiency as it measures our profitability. It represents how efficiently we generate profits from our shareholders funds.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Total No. of countries served	Total number of countries where the Company has served the clients
No. of solutions development fr ameworks	No. of solutions or services provided to clients during the year

For details of our other KPI disclosed elsewhere in this Draft Red Herring Prospectus and a discussion of how the KPI disclosed in this Draft Red Herring Prospectus have been used by the management historically to analyze, track or monitor the operational and/or financial performance of our Company, see "*Our Business—Key Performance Indicators*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Discussion of our Key Performance Indicators*" on pages 146 and 250, respectively. The members of the Audit Committee have, by way of a resolution dated August 21, 2023, confirmed that no other key performance indicators pertaining to the Company have been disclosed to earlier investors of our Company at any point of time during the three year period preceding the date of this Draft Red Herring Prospectus and that verified and audited details for all KPI pertaining to our Company that have been disclosed to earlier investors at any point of time during the three year period prior to the date of this Draft Red Herring Prospectus have been disclosed.

Comparison of our key performance indicators with listed industry peers

The following table provides a comparison of our KPI with our listed peers for the last Financial Year, which has been determined on the basis of companies listed on the Indian stock exchanges operating in the same industry as our Company and whose business model is similar to our business model.

(Amount in ₹. Lakhs)

Particulars	**All E Technologies Limited**	**Happiest Minds Limited**
Total Revenue	9,150	1,45,040
EBITDA	1,596	37,997
EBITDA(%)	17.44%	26.20%
PAT	1,158	23,099
PAT (%)	12.66%	15.93%
Net Worth	10,059	83,882
Debt Service Coverage Ratio	Not available	4.39
Return on Net Worth	11.51%	27.54%
Current Ratio	5.48	1.86
Total No. of countries served*	30+	7
No. of solutions framework developed	IP Led Solutions 6 products	7

Note: Compared with the annual reports disclosed on their website
**Based on their website*

Weighted average cost of acquisition

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

Our Company has not issued any Equity Shares or convertible securities issued (excluding issuance of bonus shares), during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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 ("**Primary Issue**"):

B. The price per share of our Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)

No Equity Shares or convertible securities have been transacted (excluding by way of gifts) by the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) on our Board , during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue equity share capital before such transactions 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 ("**Secondary Transaction**").

C. Since there are no such transactions to report to under (A) and (B), therefore, information for the last five Primary Issue or Secondary Transaction, not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is set forth below:

Primary transactions:

Sr.	Date of allotment	Number of Equity Shares allotted	Face value per Equity Share	Issue price per Equity Share	Total Consideration (₹ in lakhs)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital
1.	March 24, 2021	1,73,880	10	30	52.16	Cash	Right Issue	19,12,685	1,91,26,850
2.	August 20, 2021	1,27,511	10[(2)]	30	19.13	Cash	Right Issue	20,40,196	1,97,64,405
3.	July 18, 2023	2,08,000	2	25	52.00	Cash	Conversion of Cumulative Preference Shares into Equity Shares	4,10,11,920	8,20,23,840

Secondary transactions:

Nature of transaction	Nature of consideration	Date of allotment/ Transfer	No. of equity shares allotted/ transferred	Face Value per Equity Share (₹)	Issue Price per Equity Share	Consideration	Percentage of the pre-Issue capital (%) #	Percentage of the post-Issue capital (%)
Transfer	Cash	June 09, 2022	2,88,680	2	4	11,54,720	0.7	[●]
Transfer	Cash	June 09, 2022	2,88,680	2	4	11,54,720	0.7	[●]

D. Weighted average cost of acquisition, floor price and cap price

Type of Transaction	WACA (₹)	Floor Price	Cap Price (₹ [●])(1)
Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities) (excluding Equity Shares issued under any employee stock option plan/scheme and issuance of bonus shares), during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities), where our Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) in our Board 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 our Company (calculated based on the pre-issue capital before such	N.A.	[●] times	[●] times

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			
Since there were no Primary Issuances or Secondary Transactions during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five Primary Issuances or Secondary Transactions where our Promoters, the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s), are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction.			
Based on Primary Issuances	8.18	[●] times	[●] times
Based on Secondary Transactions	4.00	[●] times	[●] times

E. Justification for Basis of Issue Price

1. The following provides a detailed explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoters, the Promoter Group or Shareholder(s) having the right to nominate director(s) by way of primary and secondary transactions as disclosed above, in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Financial Years 2023, 2022 and 2021.

[●][(1)]

(1) Note: This will be included on finalisation of Price Band

2. The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed above, in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any

[●][(1)]

(1)Note: This will be included on finalisation of Price Band

The Issue Price of ₹ [●] is [●] times of the face value of the Equity Shares and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in "*Risk Factors*" on page 33 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

Date: August 21, 2023

To
The Board of Directors
Canarys Automations Limited
(Formerly Known as Canarys Automations Private Limited)
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road,
Banagirinagara, Banashankari 3rd Stage,
Bengaluru 560085, Karnataka, India

Dear Sir/ Madam,

Ref: Proposed initial public offering of equity shares of face value of ₹2 each (the "Equity Shares") of Canarys Automations Limited (Formerly known as Canarys Automations Private Limited) (the "Company"/ "the "Issuer") comprising a fresh issue of the Equity Shares by the Company (the "Fresh Issue" / "Offer")

Sub: Statement of Special Tax Benefits ('The Statement') available to Canarys Automations Limited ("**The Company**") and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of Canarys Automations Limited (Formerly known as Canarys Automations Private Limited), states the special tax benefits available to the Company and the shareholders of the Company under the 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, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

We do not express any opinion or provide any assurance as to whether:

a) The Company or its shareholders will continue to obtain these benefits in future; or
b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our

prior written consent.

For **SURESH & CO.,**
Chartered Accountants
Firm's Registration No: 00425SS

Sd/-

Udupi Vikram
Partner
Membership No: 227984
UDIN: 23227984BGQSJR8142

Place: Bengaluru, Karnataka

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

DIRECT TAX LAWS

Lower corporate tax rate under section 115BAA of the Act:

As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21).

The Company has adopted the said tax rate with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). Such 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 subsection (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.

However, once opted for reduced rate of taxation under the said section, it cannot be subsequently withdrawn.

II. Special tax benefits available to the Shareholders of the Company

1. **Dividend taxation:**

   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 153 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.

INDIRECT TAX LAWS

Solely in relation to the issue, there are no special indirect tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS

Solely in relation to the issue, 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 prevalent as on the date of issuance of this certificate.

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.

4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

5. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

6. The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.

7. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

8. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.

9. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.

10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For **Canarys Automations Limited** ***(Formerly known as Canarys Automations Private Limited)***

Sd/-

Metikurke Ramaswamy Raman Subbarao
Managing Director
Date: August 21, 2023
Place: Bengaluru

SECTION VIII: ABOUT THE ISSUER

OUR INDUSTRY

Unless otherwise indicated, the industry and market data contained in this Draft Red Herring Prospectus is derived from the "NASSCOM_ 2023", which has been purchased and paid for by the BRLM. We have received the consents to use the extracts from this report vide email dated August 21, 2023. Unless otherwise indicated, all financial, operational, industry and other related information derived from the NASSCOM 2023 Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Further the information in this section has been extracted from the various websites, reports viz. International Monetary Fund, RBI, MOSPI and publicly available documents from various sources.

INDUSTRY OVERVIEW

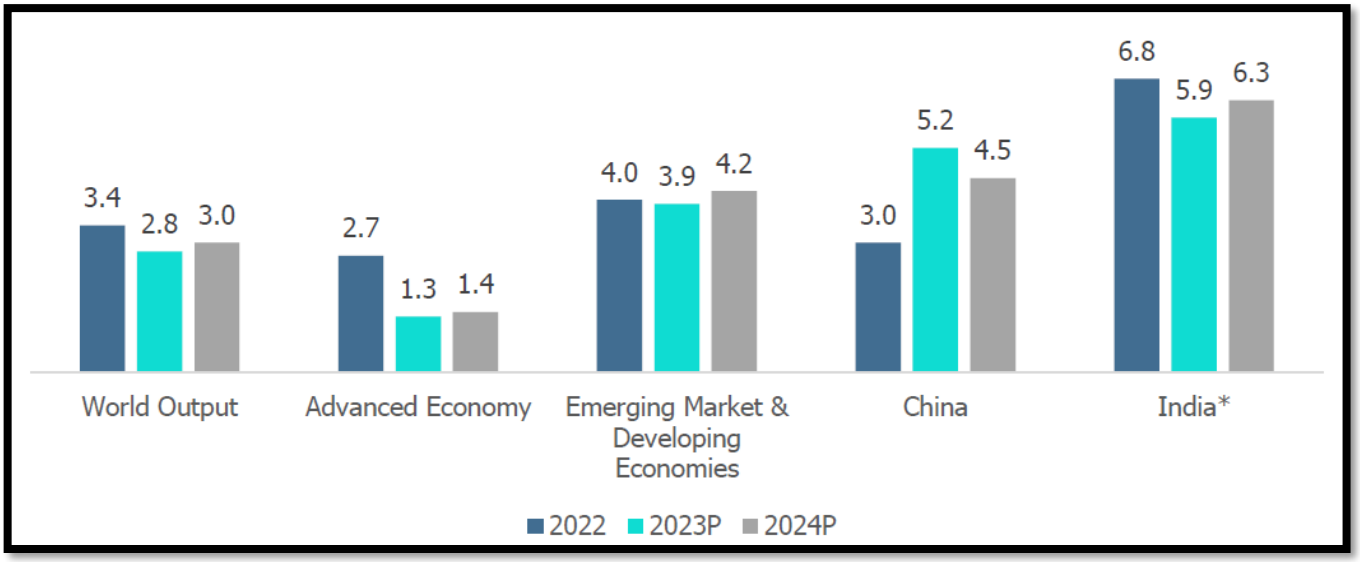
In FY2023, India's technology industry revenue including hardware is estimated to cross $245 Bn (8.4% y-o-y growth), an addition of $19 Bn over last year. Exports at $194 Bn, are expected to grow at 9.4% in reported currency terms and 11.4% in constant currency terms. Domestic technology sector is expected to reach $51 Bn, growing at 4.9% y-o-y. In rupee terms, domestic tech revenues is expecting a 13% y-o-y growth on the back of continued investments by enterprise and government. The Industry continues to be a net hirer, adding 290K employees, taking the total employee base to ~5.4 Mn (5.7% y-o-y growth), strengthening its position as the "Digital Talent Nation" for the world.

The Jal Jeevan Mission - Urban launched on 2nd February 2021 was rolled-out to provide a comprehensive and holistic approach to achieve a water-resilient future for India and tackle water risks which are more intense and frequently occurring. The main objective of Jal Jeevan Mission - Urban is universal coverage of water supply to all households through functional taps in all 4,378 statutory towns in accordance with SDG Goal- 6. However, it also prioritizes the rejuvenation of water bodies to augment sustainable fresh water supply, circular economy of water, technology Sub-Mission for water, IEC campaign about conservation of water. Central Water Commission has taken up a new initiative "Support for Irrigation Modernization Program (SIMP)" with technical assistance from the Asian Development Bank (ADB) to modernize Major / Medium Irrigation (MMI) projects in the country. Objective of the programme is to improve Water Use Efficiency, increase crop water productivity and ultimately increase farmer's income in the command area of the projects through application of national / international best practices

GLOBAL ECONOMIC OVERVIEW

As per the International Monetary Fund (IMF)'s World Economic Outlook growth projections released in April 2023, global economic growth for CY221 was estimated at 3.4% on year on year (y-o-y) basis, down from 6.3% in CY21 due to disruptions resulting from the Russia-Ukraine conflict and higher-than-expected inflation worldwide. The global economic growth for CY23 is projected to slow down further to 2.8% mainly due to tightening global financial conditions, expectations of steeper interest rate hikes by major central banks to fight inflation and spillover effects from the war between Russia and Ukraine with gas supplies from Russia to Europe expected to remain tightened. Growth in CY24 is projected to marginally improve to 3.0% with expected gradual recovery from the effects of the war and subsiding of inflation. For the next 5 years, the IMF projects world economic growth in the range of 3.0%-3.2% on a y-o-y basis.

Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Source: IMF – World Economic Outlook, April 2023

For major advanced economies, the GDP growth was estimated to be 2.7% in CY22, down from 5.4% in CY21, which is further projected to decline to 1.3% in CY23. This forecast of low growth reflects rise in central bank interest rates to fight inflation and the impacts of Russia- Ukraine war. About 90% of advanced economies are projected to see decline in growth in CY23. This growth is expected to increase slightly to 1.4% in CY24. One of the major countries from this group is United States. The growth for United States is estimated to be 2.1% for CY22 compared to 5.9% in CY21. Whereas, growth for CY23 and CY24 is projected at 1.6% and 1.1%, respectively. This is reflective of declining real disposable income impacting consumer demand with higher interest rates taking toll on spending.

The growth for CY22 in Euro Area is estimated to be 3.5% compared to 5.4% in CY21. However, the boost from reopening of economy after pandemic appears to be fading. For CY23 and CY24, the growth is projected at 0.8% and 1.4%, respectively. With inflation at about 7%-8% in several Euro Area countries and the United Kingdom, household budgets will remain stretched. Further, the accelerated pace of rate increases by the Bank of England and the European Central Bank is tightening financial conditions and cooling demand in the housing sector and beyond.

For the emerging market and developing economies group, GDP growth is estimated at 4.0% in CY22, compared to 6.9% in CY21. This growth is further projected at 3.9% in CY23 and 4.2% in CY24. This expected improvement in GDP growth in CY24 is on account of anticipation of gradual recovery.

In China, growth is expected to pick up to 5.2% with the full reopening in CY23. Whereas, India's GDP projection for CY23 and CY24 stand at 5.9% and 6.3%, respectively with resilient domestic demand despite external headwinds.

Policy Priorities

Ensuring a durable fall in inflation: With inflation still well above targets for most economies, the priority remains reducing inflation and ensuring that expectations stay anchored while containing financial market strains and minimizing the risk of further turbulence.

Safeguarding financial stability: Minimizing financial stability risks will require careful monitoring of risks, managing market strains, and strengthening oversight. This includes proactively employing the IMF's precautionary financial arrangements and focusing aid from the international community on low-income countries facing shocks, including through the rechannelling of special drawing rights and support from the Poverty Reduction and Growth Trust and the Resilience and Sustainability Trust.

Normalizing fiscal policy: As deficits and debts remain above pre-pandemic levels, fiscal efforts will be warranted in 2023. Fiscal policymakers should support monetary policy in getting inflation back to target.

Supporting the vulnerable: The surge in global energy and food prices in 2022 triggered a cost-of-living crisis in many countries, especially low-income countries, many of which are still suffering from food insecurity. Governments acted swiftly to extend support to households and firms, which helped cushion the effects on growth. Broad-based measures are costly and should be replaced by more targeted approaches.

Improving food security everywhere: Trade restrictions on food and fertilizers run the risk of pushing a large share of the global population into food insecurity. Restrictions on exports of food and fertilizers—particularly those most recently imposed—should be lifted to safeguard food supplies and their distribution globally.

Restoring debt sustainability: With lower growth and higher borrowing costs, public debt ratios are becoming unsustainable in many countries. Actions must be taken to put them on a credible downward path. For economies at high risk of debt distress, fiscal consolidation and structural reforms to create sound policy frameworks and revitalize growth remain the fundamental solution to sustainable debt.

Reinforcing supply: Well-designed supply-side policies could help address structural factors impeding medium-term growth and recoup some of the output losses accumulated since the pandemic. Policy actions could include structural reforms to reduce harmful market power and rent-seeking behavior as well as overly rigid regulation and planning processes. They could also involve stimulating investment in infrastructure improvements and productive digitalization initiatives and enhancing access to and quality of education.

Containing pandemic risks: Authorities should remain vigilant to the risks of a reemergence of the COVID-19 virus and new pandemics and their potential impacts on the global economy. This includes coordinated efforts to boost access to vaccines and medicines where immunity is low and greater public support for vaccine development and systematic responses to future epidemics.

Strengthening multilateral cooperation: Strengthening the multilateral trading system would help reduce the risks to growth and resilience from such fragmentation by providing fair and predictable rules for exchange. To achieve such strengthening, WTO rules in critical areas such as agricultural and industrial subsidies must be upgraded, new WTO-based agreements implemented, and the WTO dispute settlement system fully restored.

Speeding up the green transition: Progress in emission reductions needed to contain global warming at 2°C or less remains inadequate. International coordination on carbon pricing or equivalent policies would facilitate a faster decarbonization in a cost-efficient way. With declining investment in fossil fuels, a concerted push on alternative clean energy investment could help ensure sufficient energy supplies and achieve the needed decarbonization. This could be achieved through investment incentives for green materials and electricity grid upgrades, easing of permitting processes for renewables, and support for research and development, among other efforts.
(Source: International Monetary Fund | April 2023)

INDIAN ECONOMIC OVERVIEW

The Indian economy exhibited robust resilience in 2022-23 amidst a global turmoil following the war in Ukraine, and recorded a growth of 7.0 per cent, the highest among major economies in the world. Barring the Omicron wave scare early in the year 2022, COVID-19 was largely on the ebb for most part of the year helping in restoration of consumer and business confidence. Contact-intensive activity gradually resuscitated during the year and the release of pent-up demand bolstered domestic activity. Sound macroeconomic fundamentals, a resilient financial system reflected in healthy balance sheets of banks and non-banking financial companies (NBFCs), and a deleveraged corporate sector imparted resilience to counter the adverse global spillovers.

Headline CPI inflation, which was projected by the Reserve Bank before the war started in Ukraine to moderate to 4.5 per cent in 2022-23, surged to 6.7 per cent. The elevation in price pressures was broad based and sticky, exceeding the upper tolerance level of the inflation target in several months of the year. The Reserve Bank raised the policy repo rate cumulatively by 250 basis points (bps) and changed the monetary policy stance to withdrawal of accommodation, prioritising price stability while remaining mindful of growth. In view of the dominance of supply side factors in shaping the inflation trajectory, the government introduced several targeted item specific anti-inflationary measures. Fiscal policy demonstrated a commitment to consolidation while directing public expenditure towards a large increase in growth-supportive capex. Capital formation emerged as a lead driver of growth during 2022-23.

Domestic economic activity does face challenges from an uninspiring global outlook going forward, but resilient domestic macroeconomic and financial conditions, expected dividends from past reforms and new growth opportunities from global geo-economic shifts place India at an advantageous position. Taking into account softer global commodity and food prices, good rabi crop prospects, sustained buoyancy in contact-intensive services, the government's continued thrust on capex, higher capacity utilisation in manufacturing, double digit credit growth, receding drag on purchasing power from high inflation and rising optimism among businesses and consumers, real GDP growth for 2023-24 is projected at 6.5 per cent with risks evenly balanced.

Table 1: RBI's GDP Growth Outlook (Y-o-Y %)

FY24 (complete year)	Q1FY24	Q2FY24	Q3FY24	Q4FY24
6.5	8.0	6.5	6.0	5.7

Industry and Services sector leading the recovery charge

Agriculture sector: Agriculture and allied sector growth moderated marginally in 2022-23, for the third consecutive year. The GVA of the sector grew by 3.3 per cent during 2022-23 on record production of foodgrains (including rice, wheat, maize, barley and pulses), sugarcane and rapeseed and mustard. The sector's buoyancy during the year was generally supported by normal cumulative south-west monsoon (SWM) rainfall - despite its uneven distribution over time and across regions, and delayed withdrawal - and normal north-east monsoon rains.

Going forward, rising bank credit to the sector, increased exports and higher sowing of rabi crop will be the drivers for agriculture sector. However, performance of the sector will depend on the spatial and temporal distribution of rainfall. A downside risk exists in case the intensity of El Nino is significantly strong.

Industrial Sector: During 2022-23, the industrial sector's growth moderated amidst lingering global uncertainties. The organised manufacturing sector which benefitted from the lower base as well as softer raw material costs during 2021-22

faced the brunt of rising raw material costs in H1:2022- 23. The supply chain bottlenecks following the war in Ukraine coupled with elevated raw material costs, impacted the profitability of manufacturing companies. While increased sales in Q1:2022-23 cushioned the hike in raw material costs, the global slowdown impacted sales in Q2:2022-23 adversely, resulting in profit diminishing at an accelerated pace. In Q3:2022- 23, a moderation in input costs could only contain the decline in profits to some extent.

Industrial output measured by the index of industrial production (IIP) expanded by 5.1 per cent during 2022-23 as compared to 11.4 per cent last year. Manufacturing sector, which accounts for three-fourths of the industrial sector largely shaped the industrial sector recovery. The micro, small and medium enterprises (MSMEs) segment, which contributes about 29 per cent of India's GDP and employs over 11 crore workers, recorded a modest recovery. The revenue for the MSME sector is projected to exceed the pre-COVID level in 2022-23 by 25 per cent.4 With 99.8 per cent of MSMEs being unregistered, they account for a sizeable share of the unorganised sector output and employment [National Sample Survey Organisation (NSSO), 2015-16]. Various policy measures were introduced to support the sector from the onslaught of the COVID-19 pandemic, including the Emergency Credit Line Guarantee Scheme (ECLGS), which aimed at meeting their liquidity needs for sustaining business operations. As per the assessment of the Credit Information Bureau (India) Limited (CIBIL), the scheme assisted MSME borrowers in managing their businesses better with lower non-performing assets (NPAs) for borrowers availing the facility as compared to borrowers who were eligible but did not avail of it (across all categories of micro, small and medium industries). Overall, industrial sector is valued at Rs. 45.2 trillion registering 4.4% growth in FY23.

Services sector: Services sector, which being contactintensive faced the major brunt of COVID-19 pandemic, revived strongly in 2022-23. The high frequency indicators of services sector indicated strong growth in Q1:2022-23 supported by low base, but the momentum moderated in Q2 and Q3. In Q4:2022-23, three-wheeler sales, air passenger traffic and GST E-way bills improved while sales of passenger vehicles and construction sector moderated. Among sectors, construction, domestic trade and transport surpassed their pre-pandemic levels, while aviation, tourism and hospitality sectors, though recovering, are yet to reach the respective pre-pandemic levels. Overall, benefitting from the pent-up demand, service sector was valued at Rs. 20.6 trillion and registered growth of 9.5% y-o-y in FY23. Healthy growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections and retail credit is expected to support service sector going ahead.

Conclusion:

Despite the global growth uncertainties, Indian economy is relatively better placed. The major headwinds to economic growth are escalating geopolitical tensions, volatility in global commodity prices and shortages of key inputs. However, the bright spots for the economy are continued healthy domestic demand, support from government towards capital expenditure, moderating inflation and improving business confidence. Various high-frequency growth indicators including purchasing managers index, auto sales, bank credit, GST collections have shown improvement in the FY23. Moreover, normalizing employment situation after the opening up of economy is expected to improve and provide support to consumption expenditure.

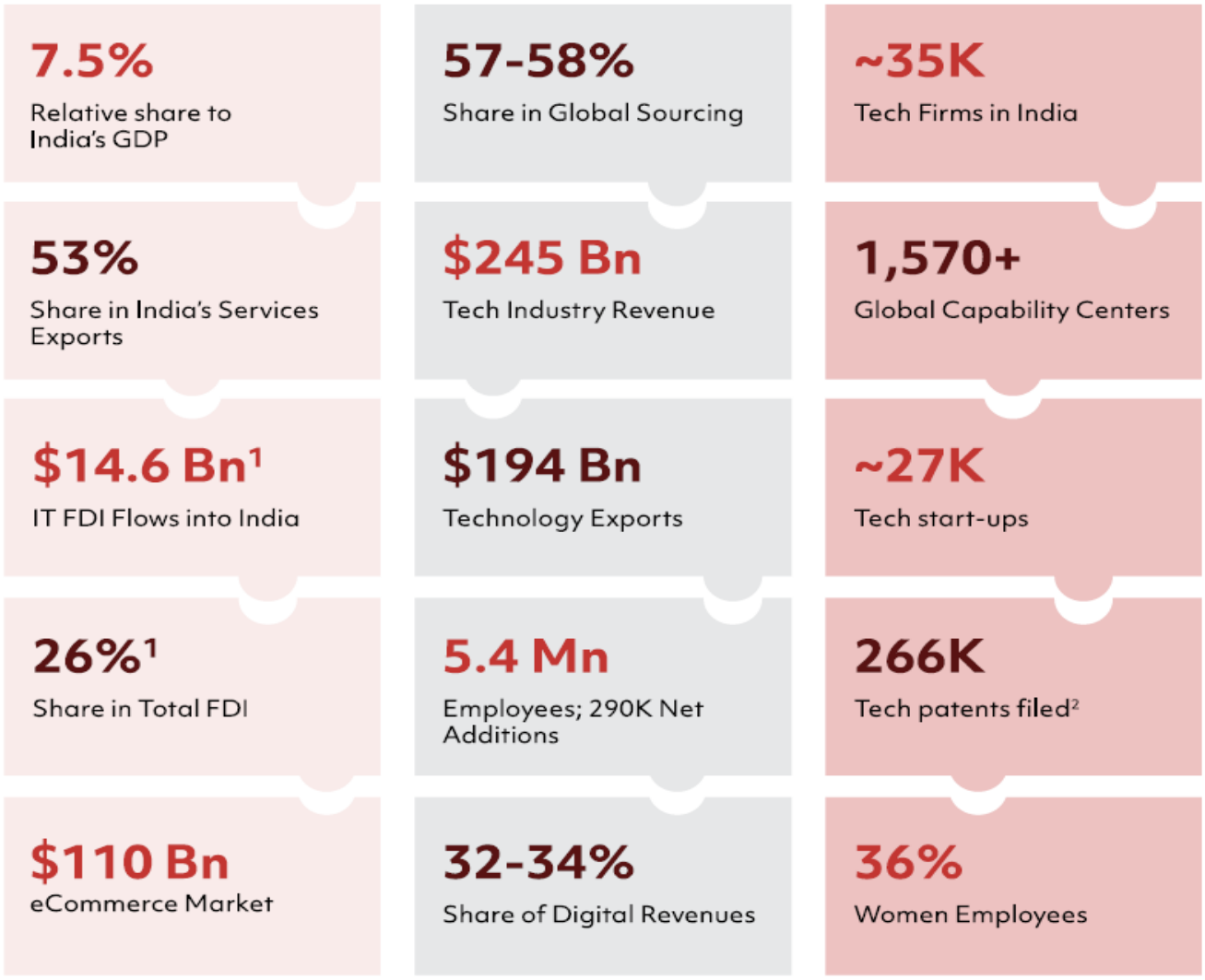
The IMD forecasts a normal monsoon despite El Nino which bodes well for the agricultural sector's outlook however, a lot will depend on the spatial and temporal distribution of rainfall. A downside risk exists in case the intensity of El Nino is significantly strong.

Public investment is expected to exhibit healthy growth as the government has budgeted for strong capital expenditure in FY24. Private sector's intent to invest is also showing improvement as per the data announced on new project investments. However, the volatility in commodity prices and the economic uncertainties emanating from global turbulence may slow down the improvement in private capex and investment cycle.

Among sectors, the industrial segment is expected to be perform better as the input costs are now moderating. With flagship programmes like 'Make in India' and the PLI schemes, the government is continuing to provide the necessary support to boost the industrial sector. Service sector is expected to see continued growth in FY24 with healthy economic growth.

(Source: RBI, MOSPI)

India's IT Market – A snapshot



[1] *Date for April to December 2022*
[2] *Patents filed during 2010 – 2022 in emerging technologies*

While FY 2022 was a year of milestone and resurgence-an outlier for the Indian technology Industry, FY 2023 has been the year of continued revenue growth with a focus on strengthening industry fundamentals and building trust and competencies. The volatile global economic and impending recession continues to support the demand for technology adoption and digital acceleration. Consequently, technology has become a strategic imperative that is a critical component of business innovation and transformation, as well as a source of improving operational and cost efficiencies.
In FY2023, India's technology industry revenue including hardware is estimated to cross $245 Bn(8.4% y-o-y growth), an addition of $19 Bn over last year. Exports at $194 Bn, are expected to grow at 9.4% in reported currency terms and 11.4% in constant currency terms. Domestic technology sector is expected to reach $51 Bn, growing at 4.9% y-o-y. In rupee terms, domestic tech revenues is expecting a 13% y-o-y growth on the back of continued investments by enterprise and government. The Industry continues to be a net hirer, adding 290K employees, taking the total employee base to ~5.4 Mn (5.7% y-o-y growth), strengthening its position as the "Digital Talent Nation" for the world.

Key Trends and Strategies

Trends

1. **IT services** is expected to grow to 8.3% in FY 2023 compared to last year. The key drivers of growth include Application Modernization, Cloud Migration, Platformization, and Cybersecurity

2. **Business Process Management (BPM)** is undergoing a drastic transformation, growing at ~8.7% in FY 2023. Digital CX, data driven transformation, as well the position of BPM industry as a key strategic partner to the customer is driving growth.

3. **ER&D** is expected to grow at a double-digit figure of 11.1% y-o-y backed by strong fundamentals and rising demand for Indian ER&D services. Key growth drivers include strategic long-term deals, widespread proliferation of digitalization and cloudification of engineering activities.

4. **Software products**, expected to grow at 7.8% y-o-y in FY2023, is drastically altering the landscape by creating world class products from India which are scalable, thereby showcasing India's entrepreneurial prowess, and a fast developing diverse and inventive DeepTech start-up ecosystem.

5. **Indian eCommerce** industry is expected to leapfrog achieving 40% y-o-y growth in FY2023, driven by newer business models, rising demand from tier 11/111 cities, and extensive use of technology in retail through platformization for customer engagement and experience enhancement.

Strategies

1. **India's Domestic technology adoption** driven by growing cloud adoption and deals focusing on digital transformation in existing and niche verticals. The Government is also playing a key role as an enabler of technology by building public platforms, digital public infrastructure and other projects, making the 'Digital India' initiative a reality.

2. **India strengthens its position as a GCC hub in 2022** with not only expanding centres in terms of scale and value but growing number of new GCCs setting-up base in India for the first-time. Global+ local market focus, location diversification, positioning as 'Research and Innovation Hub' were some of the distinct highlights for the sector.

3. **Business and leadership strategies** revisited to transform existing models and unlock new value from emerging and niche opportunities. Firms are focusing on capability building through strategic acquisitions, partnerships and robust deal pipelines.

4. **Re-Imagining the future of workplace and workforce** Workplaces are witnessing a shift towards hybrid working and satellite offices, following decentralised delivery models and rise of satellite offices across Tier II and Tier Ill cities.

5. **Strengthening the tech talent pipeline** Digital skilling and emphasis on re-skilling and learning and development are expected to emerge as the leading drivers to grow digital talent and retain key employees within the organizations.

6. **Emerging technology big bets and the India opportunity** 12 technology big bets (that include sensor tech, smart robots, autonomous driving, computer vision, deep learning, autonomous analytics, AR/VR, sustainability tech, edge computing, distributed ledger, spacetech, 5g/6G) are areas where enterprise spend is expected to grow 2X higher than average. With investments in India for these sectors growing at a 31% CAGR, India is already home to a large number of innovative start-ups in these areas, and hence well placed to benefit from the opportunities.

Conclusion

As such, for technology providers, CY2023 is expected to be a year of rationalization (improving utilization & lower attrition), as they consolidate and strengthen current expertise, while making early moves into new business opportunities. The growth areas of technology segments will continue to focus on digital CX, digitization, cloudification, building SaaS-enabled products, cybersecurity and platformization - digital components that are increasingly being built into all deals, partnerships and M&As.

An underlying theme that will emerge stronger is 'Focus on Quality Talent' - strengthening capabilities in niche and pure tech areas like cloud, AI/ML/NLP through reskilling/upskilling, improved and increased thrust on employee engagement,

culture, health and wellness.

Digital transformation will be the most critical transformation journey that enterprises will embrace to evolve into adaptive entities, capable of absorbing volatility and building sustainable growth models. In CY2023, the immediate focus may be on wins in cost control; however, the coming 6-7 years will test organizational agility to take on bolder risks and report practical gains.

Over this Techade, the playbook to thrive in a 'No Normal' future would converge around four key themes:

1. Adapt to a No Normal Future - Change is the Only Constant
2. Digital Transformation Partners - The Big Shift
3. Trust, Resilience, Inclusion & Sustainability - Redefining the Rules of Competition
4. Digital Mastery & Innovation - The Key Differentiators

Enterprises that adapt quickly and constantly are the ones that will lead in a "No Normal Future".

(Source: NASSCOM_ 2023)

OUR BUSINESS

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled "Risk Factors" and sections titled "Restated Consolidated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 33, 209 and 250 respectively, of this Draft Red Herring Prospectus.

Unless otherwise indicated, the Restated Consolidated Financial Statements included herein is based on our Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2023, 2022 and 2021 included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" beginning on page 209 of this Draft Red Herring Prospectus

OVERVIEW

Started in 1991, Canarys is a leading IT solutions provider with over 30 years of existence in the industry. Our expertise lies in enabling digital transformation for businesses through our comprehensive range of software solutions in the space of Digitalization, Modernization, Automation and Intelligence.

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1, 1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, pursuant to that our Company once again became a private limited company with effect from June 20, 2000. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on August 01, 2006, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007, and Consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant special resolution passed by the shareholders at the EGM held on May 19, 2023, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023.

Our business operates across two verticals.

- **Technology solutions**: Our technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence. Technology expertise includes DevOps Consulting (Azure, GitHub, Atlassian, GitLab, etc.), Cloud Consulting (Azure, AWS, GCP), Digital Enterprise Solutions using SAP, MS Dynamics 365, RPA, Digital Applications and Mobility Solutions.

- **Water Resource Management Solution:**. We offer automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.

At Canarys, we understand the evolving demands of the digital landscape, and we are dedicated to helping organizations harness the power of technology to drive growth and success. Our solutions span across various industry sectors, BFSI, Retail, Healthcare, Pharmaceutical, Manufacturing, Insurance and more.

With a strong focus on digital transformation, we empower businesses to optimize their operations, enhance customer experiences, and stay ahead of the competition. Our commitment to excellence has been recognized and rewarded by various customers, alliance partners and OEM's.

Our Company is promoted by Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas, Mr. Pushparaj Shetty and Mr. Nagaraju Vineeth.

KEY PERFORMANCE INDICATORS OF OUR COMPANY

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
Water Resource Management Solutions business			
No. of Projects	10	12	15
No. of Employees	11	14	14
No. of clients	10	19	22
Avg. Revenue per project *(₹ in Lakhs)*	114.52	198.88	191.82
Avg. Revenue per Employee (₹ in Lakhs)	104.11	170.47	205.52
Solution Development business			
No. of Projects	55	68	102
No. of Employees	180	297	337
No. of clients	62	74	110
Avg. Revenue per project (₹ in Lakhs)	25.69	40.49	41.86
Avg. Revenue per Employee (₹ in Lakhs)	12.10	17.21	15.25
Total Revenue (₹ in Lakhs)	2561.72	5150.90	7451.94
EBITDA (₹ in Lakhs)	333.72	706.47	1347.46
EBITDA(%)	13.03%	13.72%	18.08%
PAT (₹ in Lakhs)	210.42	455.81	852.51
PAT (%)	8.21%	8.85%	11.44%
Net Worth (₹ in Lakhs)	1258.17	1683.44	2537.91
Debt Service Coverage Ratio	-	-	-
Return on Net Worth	16.06%	23.99%	31.54%
Current Ratio	2.071	1.369	1.582
Total No. of countries served	6 to 7	6 to 7	6 to 7
No. of solutions framework developed	3 to 4	3 to 4	3 to 4

Particulars	Description
Water Resource Management Solutions business	Water Resource Management Solutions include automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.
No. of Projects	Calculated as total projects the Company has executed in Water Resource Management Solutions segment.
No. of Employees	Calculated as total employees employed in the projects relating to Water Resource Management Solutions business
No. of clients	Calculated as total clients for whom we are providing solutions relating to Water Resource Management Solutions business
Avg. Revenue per project	Calculated as total business in Water Resource Management Solutions division divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in Water Resource Management Solutions division by No. of employees employed in the projects.
Technology Solutions Development business	Technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence

No. of Projects	Calculated as total projects the Company has executed in solution development segment.
No. of Employees	Calculated as total employees employed in the software solution development projects
No. of clients	Calculated as total clients for whom we are providing solution development
Avg. Revenue per project	Calculated as total business in solution development business divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in solution development business divided by No. of employees employed in the projects.
Total Revenue	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
EBITDA	EBITDA provides a comprehensive view of our financial health as it considers all sources of our income.
EBITDA(%)	EBITDA margin (%) is financial ratio that measures our profitability as a percentage of its total revenue.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Net Worth	Networth represents the shareholders funds invested in the business.
Debt Service Coverage Ratio	Calculated as the sum of profit before tax, depreciation and amortization expense and finance cost divided by the sum of lease payments, principal repayments of secured and unsecured loans, and finance cost related to borrowings
Return on Net Worth	Return on Networth (%) is an indicator of our efficiency as it measures our profitability. It represents how efficiently we generate profits from our shareholders funds.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Total No. of countries served	Total number of countries where the Company has served the clients
No. of solutions development frameworks	No. of solutions or services provided to clients during the year

OUR LOCATIONS

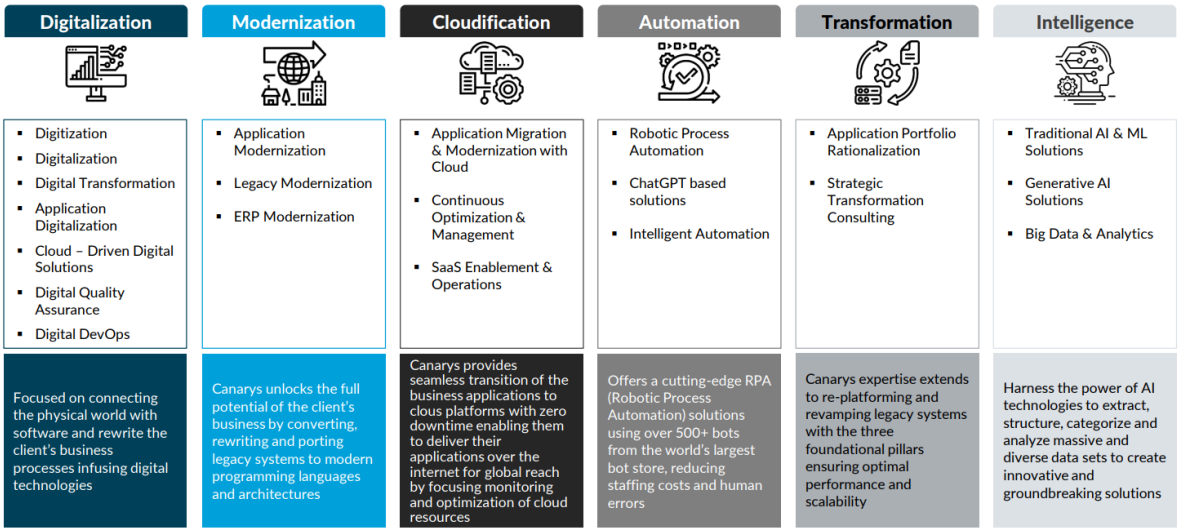
We currently operate from the following locations:

Registered Office	No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road Banagirinagara, Banashankari 3rd Stage, NA Bengaluru Bangalore Karnataka 560085
Units	Third floor, No.566 & 567, survey no.17, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Banashankari Extension Bengaluru – 560085
	No. 571, Survey no. 17, 1st floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085
	No. 571, Survey no. 17, 2nd floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085

OUR SOLUTIONS AND SERVICES

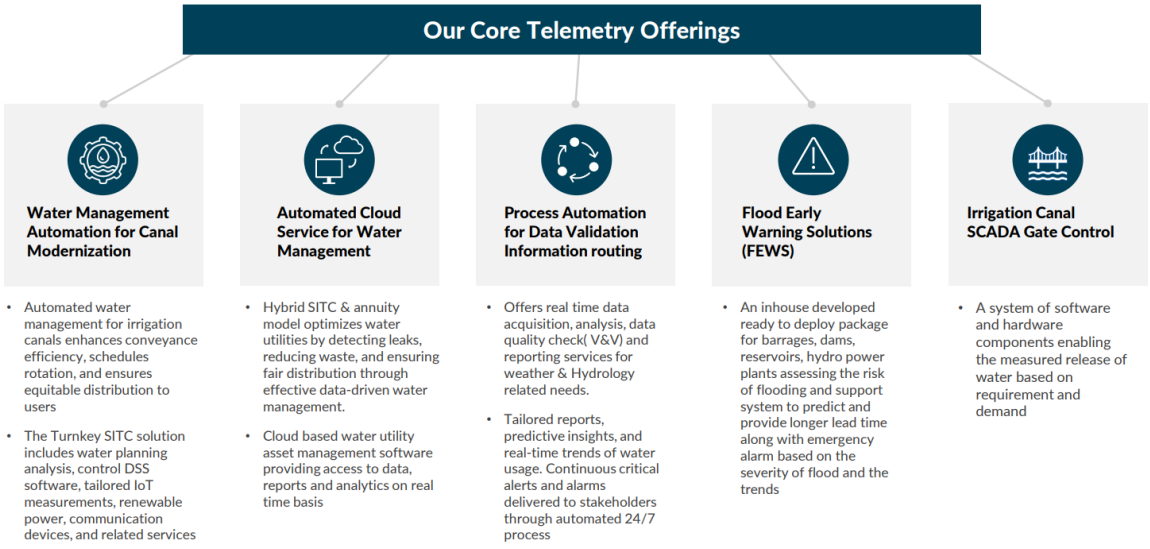
Our business operates across two verticals: Technology solutions and Water Resource Management solutions. A brief description of our solution offerings within these two verticals are given below.

TECHNOLOGY SOLUTIONS: Our technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence



WATER RESOURCE MANAGEMENT SOLUTIONS:.

We offer automation solutions to modernize irrigation water conservation, and improve water use efficiency. Turnkey flood risk assessment and mitigation. Cloud based, water utilisation process automation for water sharing in rivers and Canals. SCADA gate control systems.



INDUSTRIES WE SERVE:

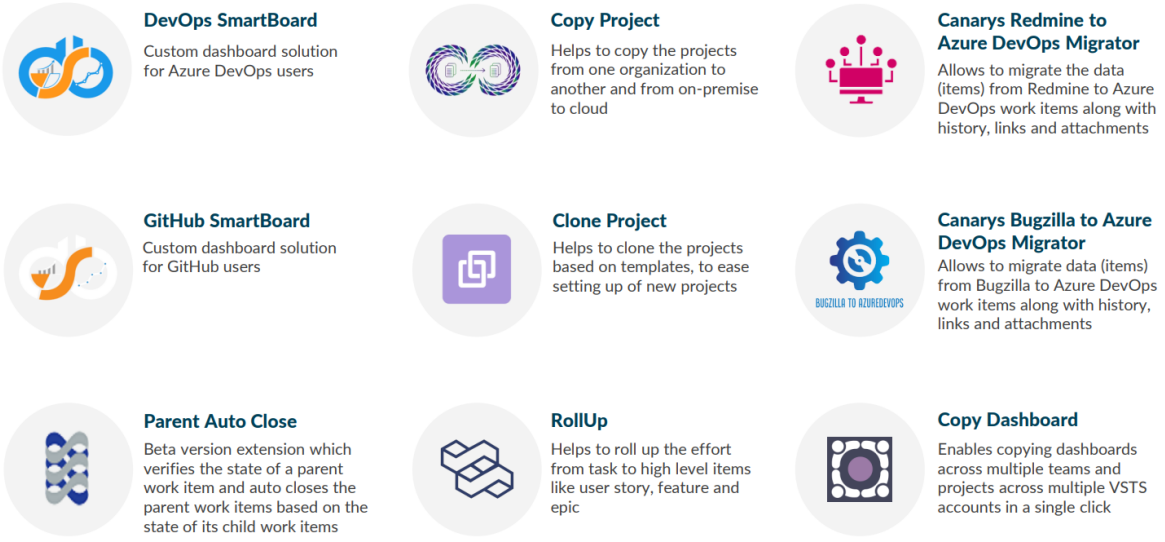
Over the past 3 decades we have provided business applications to ~ 1000 customers. Besides India, we have serviced customers from more than 10 countries. These include – USA, UK, Canada, Germany, Singapore, Malayasia, Brunei,

Australia, Srilanka and Indonesia. These customers come from diverse industries. This experience has enabled us to build experience and industry solutions for the following:



OUR PROPRIETORY SOLUTIONS

Our company has developed Industry specific and Technology specific solutions that showcase our technology capabilities to our current and prospective clients. These Intellectual Property assets given below are listed on our Partner stores.



OUR COMPETITIVE STRENGTHS



OUR GROWTH STRATEGY

Our future business growth will be primarily driven across the following 3 factors.

1. **International expansion**: Currently 50.54% of the Company's service revenue is currently from international customers. Besides working on strengthening the Sales & Marketing in US and APAC , we are also working on developing business in the geographies of Europe,

2. **Market specific technology offerings:** Across our customer landscape we intend to accelerate our solutions and service offering targeting specific needs of user community by identifying specific use cases which can accelerate the business growth.

	Global MNCs/Large Enterprises	**SME's**	**Startup**
Solutions	• DevOps & Digital transformation consulting • ODC/COE development	Focus on the solution-specific offering of our technology partnerships with Microsoft, GitHub, Atlassian, SAP, GitLab, etc.	Technology offerings in end-to-end application development & mobility support
Monetisation strategy	• Focus on increasing ticket sizes of Contracts • Focus on Multi Year Managed Solutions Contract	• Focus on building Annuity revenue streams • **Focus on increase in customer base across identified geographies**	• Partnering with high-potential startups of the future • Act as a technology partner by gaining equity in high potential startups

Expansion of Water Resource Management Solutions business:

The Jal Shakti Ministry of the Government of India, has a strategic mission to achieve a water-resilient future for India and tackle water risks which are more intense and frequently occurring. In addition, the Central Water Commission under the "Support for Irrigation Modernization Program (SIMP)" initiative with technical assistance from the Asian Development Bank (ADB) aims to modernize Major / Medium Irrigation (MMI) projects in the country. All such initiatives are leading to a significant investment in Water Resource Management and Automation projects in the country. Our extensive track record and project execution capabilities in this space allows us to gain a competitive advantage in terms of successfully bidding for

future projects. Canarys has successfully developed technologies such as flood early warning system, irrigation water distribution management automation system, transit time Volumetric flow measurement system for open channel flow etc which helps us win trust of existing and new customers and will continue to augment its capabilities in this segment to stay ahead of the competition.

CASE STUDY: Technology solutions

Cloudification of a French Network Operator and digital service integrator offering end to end services

Background: client had over 2,000 servers in three datacentres spread over different geo-locations. Client was looking for a reliable, repeatable, methodology driven solution to migrate servers to cloud without compromising security and operational efficiencies.

Constraints to be addressed:

1. Managing the analysis and migration of the complex datacentres spread over different geo-locations
2. Migrating legacy servers while refactoring their adaptability
3. Reducing the number of pre-requisites and determining cost modelling for migration

Solutions:

- Automated solution scanned and assessed datacentres to offer a deep understanding of deployable workloads with advisories for optimal placement into right sized Azure stack environment
- Modelled the Azure Stack with the knowledge base required to start secure assessment and migration planning
- Identified EOL workloads with AI powered engine. Issued an R-Lane refactoring advisory to finetune workloads
- Streamlined procedures by reducing the pre-requisites for migration, Also offered accurate TCO for all proposed deployment models
- Offered a highly configurable automated provisioning solution to scale migration with near zero downtime without any data loss.
- Achieved successful migration of clients information to Azure servers

CASE STUDY: Water Resource Management solution

Implemented Decision Support System for managing equitable water distribution for Cauvery Delta in India

Problem statement

The Cauvery Delta in south-east India suffers from several water-related issues. First and foremost is water scarcity which stems primarily from a lack of investment in water infrastructure, mainly due to water sharing disputes among neighbouring states for more than 50 years. Furthermore, dilapidated agriculture drainage systems and the flat delta terrain, especially in the Vennar Sub Basin, has led to recurrent flooding, These issues are exacerbated by high salinity and limited fresh groundwater due to malfunctioning of aged tail-end regulators which are intended to prevent seawater ingress into the lower reaches of the delta.

Solution

The comprehensive solution consist of following components

- **Canarys Integrated Field Stations** : integration of various IOT devices such as Radar Water-level sensor, velocity and volumetric flow measurement system, Automatic weather station, Gate position sensor were procured, designed, assembled– Supplied-Installed-Tested and Commissioned by Canarys

- **Canarys DSS Software**: data from IOT devices is captured using Global system for Mobile Communication / General Packet Radio Service connectivity for real-time transmission to DSS servers at Scheme operating Centre. To optimise project cost, also enabled the gate keepers and field staff to manually collect data transmitted using smart phones via a Canarys DSS Mobile App. The DSS software allows for

    - Planning seasonal demand forecasts of water based on crop and drinking water needs
    - understanding of stage-wise crop water planning, creating demand plan
    - Create viable water demand plans to match actual releases
    - Capture water demand requests and aggregate for analysis and decisions;

- Capture visual evidence (photographs) through the Mobile App
- Grievances submission from Water User Associations or farmers through the Mobile app;
- Capture maintenance requests and monitor progress of maintenance and works activities;
- Track whether instrumentation assets are reporting data or need maintenance

- Scheme Operating Center (SOC)

The Project features a Scheme Operations Center (SOC) that brings together all stakeholders both virtually (to use the DSS data) and physically (a space for project officers to interact, discuss and develop strategy/scenarios).

The fully furnished SOC provides users with;

- HPE based 3 node hyperconvergence servers, power supplies.
- Leased line and LAN network, Router, Firewall, core switch, management switch, cooled rack, etc.
- Data analysis centre equipped with workstations, and a training/discussion lounge adjoining the server room.
- A centralized portal for receiving and accessing all data/information, and software for processing large datasets on a 24/7 / 365 basis,
- Large screen monitoring and Video conferencing capability and a discussion area.
- Operational forecasts based on external data of weather and water releases in rivers.
- Dissemination (broadcast and communication) of routine reports and alerts both through mobile app and SMS

Contract Value: INR 909.00 Lakhs break up as follows

- INR 643.00 lakhs for Supply and Commissioning (SITC) of Decision support System, including the IoT field instruments and telemetry
- INR 266.00 for operation and maintenance over 5 years paid semi-annually

COLLABORATION & JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration agreements. Our Company has formed a joint venture in the name of 'Canarys-Hanuka Apo Technologies Private Limited' ("Joint Venture"/ "JV") by entering into a joint venture agreement dated July 1, 2021 with Hanuka Technology Solutions Private Limited. The JV has undertaken the project to address the Integrated Water Management System (IWMS) business. The JV is currently involved in the business of Carrying turnkey projects.

PLANT AND MACHINERY

For details on Plant and Machinery our Company, please refer "*Note 11 - Property, Plant and Equipment, Intangible assets and Depreciation Schedule*" under section titled "*Restated Consolidated Financial Statements*" beginning on Page 209 of this Draft Red Herring Prospectus.

CAPACITY AND CAPACITY UTILIZATION

Our company is not engaged in the manufacturing of goods and hence capacity and capacity utilization is not applicable to our company

COMPETITION

Our Industry comprises of both organized and unorganized players, therefore we face competition from both small players who belongs to unorganized sector and big players who have better resources availability.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As at August 21, 2023, we have 273 employees. We seek to maintain a culture of innovation by empowering our employees at all levels of our organization. Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. Our people management strategy is based on four key components: recruiting, training and development, compensation and retention.

Category	No. of Employees
Accounts and Finance	3
Adminstration	1
Technical	252
Other Non Technical	17
Total	**273**

INSURANCE

We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India. However, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and result of operations may be materially and adversely affected.

Sr. No.	Name of the Insurance company	Annual Premium (₹)	Property Cover	Amount Cover (₹)	Start Date	End Date
1. .	Bajaj Allianz General Insurance Company Limited	1,18,000/-	Comprehensive General Liability Insurance	7,50,00,000/-	April 21, 2023	April 20, 2024
2.	Bajaj Allianz General Insurance Company Limited	3,65,800/-	Bajaj Allianz Commercial Crime Insurance Policy	7,50,00,000/-	April 21, 2023	April 20, 2024
3.	ICICI Lombard General Insurance Company Limited	18,88,000/-	Cyber Liability Insurance	375,000,000/-	April 19, 2023	April 18, 2024
4.	Bajaj Allianz General Insurance Company Limited	1,39,240/-	Reimbursement Policy (Directors and Officers Liability Insurance Claim Made Basis)	7,50,00,000/-	April 21, 2023	April 20, 2024
5.	Bajaj Allianz General Insurance Company Limited	95,536/-	Employee's Compensation Insurance	270 Owned Employee: Rs. 23,99,99,760/- 230 Contractors Employee: Rs. 17,99,98,920/-	April 26, 2023	April 20, 2024
6.	Bajaj Allianz General Insurance Company Limited	2,95,000/-	Bajaj Allianz Professional Protect Insurance Policy	7,50,00,000/-	April 21, 2023	April 20, 2024
7.	Magma HDI General Insurance Company Limited	1,09,740/-	Group Personal Insurance Policy for 267 employees	5,00,00,000	June 30, 2023	June 26, 2024
8.	Magma HDI General Insurance Company Limited	2,887,468/-	Group Health Insurance	5,73,00,000/-	June 29, 2023	June 28, 2024
9.	New India Bharat Sookshma Udyam Suraksha Policy	7,080	Furniture & Fixtures, Fittings and	73,70,369	July 07, 2023	July 06, 2024

			Other equipment, Plant & Machinery etc.			

INTELLECTUAL PROPERTY RIGHTS:

Our Company has filed applications under class 42 for registration of our current corporate logo with the Trade Marks Registry, Government of India under the Trademarks Act, 1999. The details of the same are as follows:

Sr. No.	Trademark	Word mark/ Label	Applicant	Trade mark/ Application Number	Issuing Authority	Application Date	Class of Trade mark	Status	Period of Validity
1.		Device	Canarys Automations Limited	6062285	Trade Marks Registry, Chennai	August 11, 2023	42	Send To Vienna Codification	-
2.	CANARYS	CANARYS (Word mark)	Canarys Automations Limited	6065339	Trade Marks Registry, Chennai	August 14, 2023	42	Formalities Chk Pass	-

OUR PROPERTIES:

Details of our properties as follows:-

Owned Property

Sr. No.	Schedule of the property and area	Area	Date of Agreement	Seller
1	ALL that piece and parcel of Industrial Flat measuring North to South 19.77 Mtrs. and East to West 7.77 Mtrs. over all measuring 153.61 Sq.mtrs. bearing No. A-114 situated in Ground Floor of Block-Il at Industrial Estate, Electronic City, Bangalore, built a portion of Plot No. 71, 72, 75 & part 76 in the Electronic City within the village limits of Doddathogur, Begur Hobli, Bangalore South Taluk, Bangalore, bounded on: North by: Open Space Aerial Space South by: Open Space Aerial Space East by: Open space Aerial Space West by: Flat No.B- 113 Aerial Space	153.61 Sq. Mtrs	March 14, 2012	The Karnataka State Small Industries Development Corporation Limited represented by Assistance General Manager (IEs), Bangalore Urban division, Shri S. Kadaiah

Leave and License Property

The following table sets for the properties taken on rent by us:

Sr. No.	Location of the property and area	Purpose	Document and Date	Licensor	Rent/ License Fee (in ₹) per month	License period	
						From	To
1.	Second floor, No.566 & 567, survey no.17, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Banashankari Extention Bengaluru – 560085 Area: 2,700 Square Feet	Registered Office	Lease deed executed on March 18, 2016	Mr. K H Muniyappa	Rs. 90,000 per month, after completion of 3 years it will be increased by 15%.	March 18, 2016	March 18, 2025
2.	Third floor, No.566 & 567, survey no.17, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Banashankari Extention Bengaluru – 560085 Area: 2,700 Square Feet	Unit	Lease deed executed on March 18, 2016	Mr. K H Muniyappa	Rs. 90,000 per month, after completion of 3 years it will be increased by 15%.	March 18, 2016	March 18, 2025
3.	No. 571, Survey no. 17, 1st floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085 Area: 1,900 Square feet	Unit	Lease Deed Agreement dated December 01, 2019	Mr. Uday K M	Rs. 85,000/- per month after completion of 1 year, it will be increased by 5%.	December 01, 2019	December 01, 2024
4.	No. 571, Survey no. 17, 02nd floor, Katriguppe (BBMP ward no 54), BSK 3rd Stage, 30th Main Road, Bengaluru – 560085 Area: 1,900 Square feet	Unit	Lease Deed Agreement dated December 01, 2021	Mr. Uday K M	Rs.80,000/- per month after completion of 1 year, it will be increased by 5%.	December 01, 2021	December 01, 2026

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.

Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962 and the relevant goods and service tax legislation apply to us as they do to any Indian company. For details of government approvals obtained by our Company, see "Government and Other Approvals" beginning on page 276.

The information detailed in this section, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information in this section has been obtained from publications available in the public domain.

The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.

INDUSTRY-SPECIFIC LEGISLATIONS APPLICABLE TO OUR COMPANY

The Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines) Rules, 2011 ("**IT Intermediary Rules**") requiring intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

Shops and establishments legislations

The various State shops and establishments legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986

The Environment (Protection) Act, 1986 was enacted to act as an "umbrella" legislation, designed to provide a frame work for coordination of the activities of various central and state authorities as established under previous laws. The Environment (Protection) Act, 1986 authorises the Central Government to protect the environment by controlling and reducing pollution.

The Air (Prevention and Control of Pollution) Act, 1981, ("Air Act")

The Air Act was enacted and designed for the prevention, control, and abatement, of air pollution, and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions, must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any such activity.

The Water (Prevention and Control of Pollution) Act, 1974, ("Water Act") and the Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Cess Act")

The Water Act was enacted to provide for the prevention and control of water pollution. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purpose, and for conferring on and assigning to such boards, the powers and functions relating thereto. In addition, the Water Cess Act was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industrial activities, and by local authorities, with a view to augment the resources of the aforementioned central board and state boards, for the prevention and control of water pollution.

Solid Waste Management Rules, 2016

The Solid Waste Management Rules, 2016 shall apply to every authority responsible for collection, segregation, storage, transportation, processing and disposal of solid wastes. The operator of a facility involved in collecting, segregating, storing, transporting, processing and disposal solid wastes and any other agency appointed for the management and handling of solid wastes is required to obtain authorizations from the State Pollution Control Board. Any solid waste generated is required to be managed and handled in accordance with the procedures specified in the Solid Wastes Rules.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the "Hazardous Wastes Rules") impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of such waste at the facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of such facility are liable to the environment or third party resulting from the improper handling and disposal of such waste. The Hazardous Wastes Rules permit for aluminium and zinc scrap to be imported without the permission of the Ministry of Environment, Forest and Climate Change to users and traders, who have obtained the one-time permission from the applicable state pollution control board.

Coastal Regulation Zone Notification ("CRZ Notification")

The CRZ Notification was notified on January 6, 2011 by the Ministry of Environment and Forests. The CRZ Notification restricts the setting up and expansion of any industry, operations or processes and manufacture or handling or storage or disposal of hazardous substances as specified in the Hazardous Substances (Handling, Management and Transboundary Movement) Rules, 2009 in the Coastal Regulation Zone. The CRZ Notification provides for detailed classification of the Coastal Regulation Zones into different zones for the purpose of conserving and protecting coastal areas and marine waters, and accordingly permits or prohibits the specific activities within each zone.

Tax Laws

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its "Residential Status" and "Type of Income" involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

Goods and Service Tax ("GST")

Goods and Service Tax ("GST") GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India.

Central Goods and Services Tax Act, 2017 ("CGST Act")

CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

The Customs Act, 1962

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the Act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of customs duty is laid down under Chapter V of the Act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post

The Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

FOREIGN INVESTMENT LAWS

The foreign investment in our Company is governed by, inter alia, the Foreign Exchange Management Act ("**FEMA**"), as amended, the FEMA Rules, the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") effective from October 15, 2020, issued and amended by way of press notes, which prescribe certain requirements with respect to downstream investments by Indian companies that are owned or controlled by foreign entities and with respect to foreign investment into India and transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners, as well as such transactions between foreigner. These requirements currently include restrictions on pricing, issue, transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice to or approval of the Government of India. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited

sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which the foreign investment is sought to be made.

The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder ("FTA")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2015-20 (extended till March 31, 2023) provides that no person or company can make exports or imports without having obtained an importer exporter code ("**IEC**") number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

LABOUR LAW LEGISLATION

Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (hereinafter referred to as the 'EPF Act') and the Employees Provident Fund Scheme, 1952.

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under Section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

The Employees' State Insurance Act, 1948

The Employees' State Insurance Act, 1948 (the "ESI Act") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. 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 Employee State Insurance department.

Employee's Compensation Act, 1923

It is common knowledge that many of the tasks for which labourers or workmen are employed involve great physical hardships, risks of loss or injury to the employees which may even result in death. This Act assures that the employee or his dependents are to be compensated for injury or death caused to him during his employment. The Employee's Compensation (Amendment) Act, 2017 (hereinafter referred to as "the amendment") received the President's assent in 12th April 2017.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity. The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. 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.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

Minimum Wages Act, 1948 (hereinafter referred to as the 'MWA')

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 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. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the Company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes*:

a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.
b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

** The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

PROPERTY LAWS

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 was intended to define and amend the existing laws and not to introduce any new principle. It applies only to voluntary transfers. The Transfer of Property Act, 1882 provides a clear, systematic and uniform law for the transfer of immovable property. Transfer of property means an act by which a person conveys the property to one or more persons, or himself and one or more other persons. The act of transfer may be done in the present or for the future. The person may include an individual, company or association or body of individuals, and any kind of property may be transferred, including the transfer of immovable property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The Transfer of Property Act, 1882 recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

Sale	The transfer of ownership in property for a price, paid or promised to be paid.
Mortgage	The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Property Act recognizes several forms of mortgages over a property.
Charges	Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
Leases	The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
Leave and License	The transfer of a right to do something upon immovable property without creating interest in the property. Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

Registration Act, 1908

The Registration Act, 1908 has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act, 1908 is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act, 1908 identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the Property Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899 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 Indian Stamp Act, 1899 at the rates specified in the schedules to the Indian Stamp Act, 1899. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Indian Stamp Act, 1899, 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.

Karnataka Stamp Act, 1957

The purpose of Indian Stamp Act, 1899 was to streamline and simplify transactions of immovable properties and securities by the State Government. The Indian Stamp Act, 1899 provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Indian Stamp Act, 1899. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

INTELLECTUAL PROPERTY LEGISLATIONS

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

• The Patents Act, 1970;

• Indian Copyright Act, 1957;

• The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, interalia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999 (hereinafter referred to as the 'TM Act')

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

COMMERCIAL LAWS

Indian Contract Act, 1872

The Indian Contract Act, 1872 occupies the most important place in the commercial law. Without Indian Contract Act, 1872, it would have been difficult to carry on trade or any other business activity and in employment law. It is not only the business community which is concerned with the Indian Contract Act, 1872, but it affects everybody. The objective of the Indian Contract Act, 1872 is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Competition Act, 2002

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstance as mentioned under the act. The prima facie duty of the Competition Commission established under the act I to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade.

Negotiable Instruments Act, 1881

Negotiable Instruments Act, 1881 was enacted to legalize the system by which instruments contemplated by it could pass from hand to hand by negotiation like any other goods. The purpose of the act was to present an orderly and authoritative statement of leading rules of law relating to the negotiable instruments. To achieve the objective of the act, the legislature thought it proper to make provision in the act for conferring certain privileges to the mercantile instruments contemplated under it and provide special procedure in case the obligation under the instrument was not discharged.

Specific Relief Act, 1963

The Specific Relief Act, 1963 is complimentary to the provisions of the Indian Contract Act, 1872 and the Transfer of Property Act, 1882, as the act applies both to movable property and immovable property. The act applies in cases where the court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

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 October 05, 1963 and which came into force from January 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.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019 will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services and unlawful pricing. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attract criminal penalties. The Consumer Protection Act, 2019, will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers and provides for mediation cells for the early settlement of disputes between the parties. It places liability on a product manufacturer / product service provider / product seller to compensate for the harm caused due to a defective product or deficiency in services. The Consumer Protection Act also enables the Central Government to take measures for preventing unfair trade practices in e-commerce

The Micro, Small And Medium Enterprises Development Act, 2006 (The "MSME Act")

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act") In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Corporate Profile and Brief History of our Company

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1, 1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, pursuant to that our Company once again became a private limited company with effect from June 20, 2000. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on August 01, 2006, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007, and Consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant special resolution passed by the shareholders at the EGM held on May 19, 2023, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023.

Mr. Metikurke Ramaswamy Raman Subbarao and Mr. B. N. Ravi were the initial subscribers to the Memorandum of Association of our Company. As on the date of this Draft Red Herring Prospectus, Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas, Mr. Pushparaj Shetty and Mr. Nagaraju Vineeth are the Promoters of our Company. For further capital built-up information, please refer to the section titled *'Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus.

Our business operates across two verticals.

- **Technology solutions**: Our technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence. Technology expertise includes DevOps Consulting (Azure, GitHub, Atlassian, GitLab, etc.), Cloud Consulting (Azure, AWS, GCP), Digital Enterprise Solutions using SAP, MS Dynamics 365, RPA, Digital Applications and Mobility Solutions.

- **Water Resource Management Solution:**. We offer automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.

For information on our Company's business profile, activities, services, managerial competence, customers, growth, technology, marketing strategy, competition, our clients, the standing of our Company with reference to prominent competitors refer to the sections titled, **'***Our Business',* **'***Our Industry', 'Financial Information', 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and 'Government and Other Approvals'* beginning on pages 146, 139, 209, 250 and 276 respectively of this Draft Red Herring Prospectus.

Changes in Registered Office

Our Registered Office is currently situated at No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road Banagirinagara, Banashankari 3rd Stage, Bengaluru, 560085, Karnataka, Indian.

Except as mentioned below, there is no change in the Registered Office address as on the date of this Draft Red Herring Prospectus.

From	To	Effective Date	Reason	Type of Meeting
242, Manashanthi, Canara Bank Colony Vijayanagar, Bengaluru - 560072	A114, Block II, Multi Storeyed Electronic Complex, Keonics Electronic city, Hosur Road, Bengaluru – 562158, Karnataka, India	December 16, 1991	For administrative convenience	Board Resolution dated December 16, 1991

A114, Block II, KSSIDC Complex Electronic City, Hosur Road, Bengaluru – 561229, India	#135, 7th Main, 4th Block, Jayanagar, Bengaluru, Karnataka-560011, India	February 10, 2001	For administrative convenience	Board Resolution dated February 05, 2001
#135, 7th Main, 4th Block, Jayanagar, Bengaluru, Karnataka-560011 India	No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India	August 01, 2016	For administrative convenience	Board Resolution dated July 29, 2016

Main Objects of our Company

The main objects of our Company, as contained in the Memorandum of Association are as follows:

1. *To carry on the business of Manufacturing, Assembling, Importing, Exporting, Trading, Developing and to undertake Repairs, servicing contracts of Electronics Test and measuring Equipments, including Microprocessor and PC based products for Computer Aided Testing & Automatic testing of equipments.*

2. *To carry on the business of Software and Hardware development and maintenance and Consultancy Services and the training of personnel in Software & Hardware and operation of the Electronic Equipments.*

3. *To carry on the business of Manufacturing, Assembling, Importing, Exporting, Trading, Development and to undertake repairs, servicing contracts of all kinds of industrial Electronics Equipments.*

4. *To carry on the business of manufacturing, dealing, trading, buying, selling, importing, exporting, extracting, installation, commissioning, handing over, maintaining, servicing, repairing of telemetry based products/items like hydrological, hydrometer, meteorology instruments and industrial automation instruments, pollution measurement instruments, equipments, canal & dam automations, acoustic flow meters, electronic data transmitter & receiver, data logger, telemetric equipments and to enter in to works contract, job contract, service contract, sub-contract including undertaking complete turnkey projects, establishing all types of communication net work including servicing of all such products as detailed herein above including surveying of installation sites, designing, installation, calibration and commissioning of instruments including civil structure or steel fabrication work in connection with installation of above contract products including undertaking AMC contract in respect of these products with government, semi government authorities, other local authorities and private parties for the attainment of the above objects.*

5. *To carry on the distribution & service of cloud hosting for websites on virtual servers which pull their computing resource from extensive underlying networks of physical web servers including infrastructure as a Service (laaS) and Platform as a Service (PaaS) classifications, and further provide services in respect of sharing computer processing resources and data to computers and other devices on demand and services to provide/place the required technical man power to customers including web hosting.*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Meeting	AGM/ EGM	Particulars of Changes in Memorandum of Association
June 30, 2017	EGM	Clause III(A) of the MoA was amended by addition of the following new sub clauses after the existing sub-clause 3): *4) To carry on the business of manufacturing, dealing, trading, buying, selling, importing, exporting, extracting, installation, commissioning, handing over, maintaining, servicing, repairing of telemetry based products/items like hydrological, hydrometer, meteorology instruments and industrial automation instruments, pollution measurement instruments, equipments, canal & dam automations, acoustic flow meters, electronic data transmitter & receiver, data logger, telemetric equipments and to enter in to works contract, job*

Date of Shareholders' Meeting	AGM/ EGM	Particulars of Changes in Memorandum of Association
		contract, service contract, sub-contract including undertaking complete turnkey projects, establishing all types of communication net work including servicing of all such products as detailed herein above including surveying of installation sites, designing, installation, calibration and commissioning of instruments including civil structure or steel fabrication work in connection with installation of above contract products including undertaking AMC contract in respect of these products with government, semi government authorities, other local authorities and private parties for the attainment of the above objects. *5) To carry on the distribution & service of cloud hosting for websites on virtual servers which pull their computing resource from extensive underlying networks of physical web servers including infrastructure as a Service (laaS) and Platform as a Service (PaaS) classifications, and further provide services in respect of sharing computer processing resources and data to computers and other devices on demand and services to provide/place the required technical man power to customers including web hosting.*
June 30, 2017	EGM	Clause III(B) of the MoA was amended to reflect the following changes: In the heading of Clauses III(B), the words ***"THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS"*** *were deleted and substituted by the words* ***"Matters which are necessary for furtherance of the objects specified in clause III(A) are:"***
June 30, 2017	EGM	The following Clause III (C) of the MoA was deleted: "(C) ***THE OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE****:* *1. To carry on the business of manufacturers, Importers, Exporters, Retailers, buyers, Sellers, Distributors, Dealers, agents, representatives in all kinds of electronic items, gadgets & Consumer durables."*
June 30, 2017	EGM	Clause IV of the MoA was deleted and substituted by the following: *"IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."*
November 13, 2020	EGM	Clause V of MoA of our Company was amended to reflect increase and reclassification in authorised share capital of our Company from ₹ 2,25,00,000 divided 22,50,000 Equity Shares of ₹ 10 each to ₹ 8,25,00,000 divided into 22,50,000 Equity Shares of ₹ 10/- each and 60,00,000 Preference Shares of ₹ 10/- each.
March 21, 2022	EGM	Clause V of MoA was amended to reflect the sub-division of face value of equity share capital of our Company from ₹ 8,25,00,000 consisting of 22,50,000 Equity Shares of ₹ 10/- each and 60,00,000 Preference Shares of ₹ 10/- each to ₹ 8,25,00,000 consisting of 1,12,50,000 equity shares of face value of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.
March 21, 2022	EGM	Clause V of MoA of our Company was amended to reflect increase in authorised share capital of our Company from ₹ 8,25,00,000 divided 1,12,50,000 of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each to ₹ 11,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each.
May 19, 2023	EGM	Amendment in Clause I of MoA pursuant to conversion of our Company from private limited to public limited and the name of our Company was changed from "Canarys Automations Private Limited" to "Canarys Automations Limited" and a fresh Certificate of incorporation dated June 27, 2023 bearing CIN U31101KA1991PLC012096 was issued by Registrar of Companies, Bengaluru, Karnataka
May 19, 2023	EGM	Clause V of MoA of our Company was amended to reflect increase and reclassification in authorised share capital of our Company from ₹ 11,00,00,000/- consisting of 2,50,00,000 Equity Shares of ₹ 2/- each and 60,00,000 Preference Shares of ₹ 10/- each to ₹ 11,00,00,000/- consisting of 2,90,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each.

Date of Shareholders' Meeting	AGM/ EGM	Particulars of Changes in Memorandum of Association
May 19, 2023	EGM	Clause V of MoA of our Company was amended to reflect increase in authorised share capital of our Company from ₹ 11,00,00,000/- consisting of 2,90,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each to ₹ 17,60,00,000/- consisting of 6,20,00,000 Equity Shares of ₹ 2/- each and 52,00,000 Preference Shares of ₹ 10/- each.

ADOPTING NEW ARTICLES OF ASSOCIATION OF OUR COMPANY

Our Company has adopted a new set of Articles of Association of our Company in accordance with applicable provisions of the Companies Act 2013, in an EGM of our Company dated May 19, 2023.

MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
1991	Incorporation of our Company as "Canarys Automations Private Limited" under the Companies Act, 1956.
1992	Obtained funding from CanBank Financial Services Limited, Trustee of Canbank Venture Capital Fund.
1996	Entered into Partnership with large Multinational Software Company having Bengaluru Operations
2002	• Incorporated the Canarys Corp., wholly owned subsidiary company in USA • Won a Contract from large Indian Software Company
2004	ISO Certification Successfully Accredited
2005	Entered in Partnership with a Large US Based Product Company
2010	Foray into Hydrology and Meteorology Business
2012	WRDO (Water Resources Development Organization) Works Over the Years
2020	• Incorporated a Canarys APAC Pte Ltd, a foreign wholly owned-subsidiary of our Company in Singapore. • National Hydrology Projects secured for Real Time Data Acquisition Systems in West Bengal, Madhya Pradesh, Orissa, Punjab states, created nationwide recognition for Canarys in Hydro-Met business
2021	Increased the revenue of the Company from Rs. 18 cr in financial year 2019-20 to Rs.25 Cr. in financial year 2020-21.
2022	• Increased the revenue of the Company from Rs. 25 cr in financial year 2020-21 to Rs.50 Cr. in financial year 2021-22. • Entered into partnership with SAP.

Key awards, accreditations or recognition

Calendar Year	Particulars
1999	Certificate of Recognition- from ESSC Hewlett Packard- ISO-Delivering Chanakya Metrics Tool
2017	DevOps partner of the year award from Microsoft
2018	DevOps partner of the year award from Microsoft
2022	• Win Karnataka Innovation Leadership Award • Recognition from Microsoft for delivering innovative customer solutions and services based on Microsoft technologies. • Certificate of Appreciation from Ministry of Finance for Prompt Payment of GST
2023	• Won Award-CEO Highest Quality from World Quality Congress & Awards • Most Innovative DevOps Company • Leader in DevOps Solutions • Best DevOps Solution Provider • ISO 9001:2015 Certification

HOLDING COMPANY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

SUBSIDIARY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has two subsidiaries companies.

1. Canarys Corp (USA)

Corporate Information

Canarys Corp. is a foreign wholly owned-subsidiary of our Company and was incorporated as a private company on June 24, 2002, under the State of Florida at Tallahassee, the Capital. Its corporate identification no. is P02000069267 and its present principal place of business address is situated at 17888, 67th Court North, Loxahatchee, Florida 33470.

Nature of business

Canarys Corp. (USA) can carry any and all lawful business and is currently engaged in the business of software development and providing various software services.

Capital Structure and shareholding

The capital structure of Canarys Corp. (USA) as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	**No. of shares of face value of USD 1 each**
Share Capital	57,000

Shareholding pattern

The shareholding pattern of Canarys Corp. (USA) as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	**Name of the shareholder**	**No. of fully paid-up and non-assessable shares of face value of USD 1 each as per paid up capital**	**Percentage of total share capital (%)**
1.	Canarys Automations Limited	57,000	100
	Total	**57,000**	**100**

2. Canarys APAC Pte Ltd

Corporate Information

Canarys APAC Pte Ltd is a foreign wholly owned-subsidiary of our Company and was incorporated as a private company on November 14, 2019, under the Accounting and Corporate Regulatory Authority (ACRA), Singapore. Its corporate identification no. is 201938591Z and its present principal place of business address is situated at 71, Choa Chu Kang Loop, #05-18, Northvale, Singapore 689673.

Nature of business

Canarys APAC Pte Ltd can carry Information Technology Consultancy business. Currently the Company is engaged in the business of Software development and providing various software services.

Capital Structure and shareholding

The capital structure of Canarys APAC Pte Ltd as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	**No. of Ordinary shares of face value of SGD 1 each**
Issued, subscribed and paid-up equity share capital of **SGD 1**	10,000

Shareholding pattern

The shareholding pattern of Canarys APAC Pte Ltd as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	No. of Ordinary shares of face value of SGD 1 each as per paid up capital	Percentage of total share capital (%)
1.	Canarys Automations Limited	10,000	100
	Total	**10,000**	**100**

Common pursuits with the Subsidiaries

Our Subsidiaries are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries and our Company because our subsidiaries are wholly owned subsidiaries. However, there is no conflict of interest amongst our Subsidiaries and our Company. If required, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

ASSOCIATE COMPANY

As on the date of this Draft Herring Prospectus, our Company does not have any associate company.

JOINT VENTURE OF OUR COMPANY

Canarys-Hanuka Apo Technologies Private Limited

Canarys-Hanuka Apo Technologies Private Limited was originally incorporated on July 19, 2021, as a private company under the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Its corporate identification number is U41000KA2021PTC149620. Its registered office is situated at Ground Floor, No. 71, EPIP Industrial Area Road No. 3, Whitefield, Bengaluru 560066, Karnataka, India. Our Company entered into a joint venture agreement dated July 1, 2021 in relation to Canarys-Hanuka Apo Technologies Private Limited. For details, see "– Other Agreements" below.

Nature of Business

Canarys-Hanuka Apo Technologies Private Limited is currently involved in the business of Carrying turnkey projects.

Capital Structure

The capital structure of Canarys-Hanuka Apo Technologies Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised equity share capital of ₹ 10 each	150,000
Issued, subscribed and paid-up equity share capital of ₹ 10 each	100,000

Shareholding pattern

The shareholding pattern of Canarys-Hanuka Apo Technologies Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹ 10 each	Percentage of total equity share capital (%)
1.	Hanuka Technology Solutions Private Limited	51000	51
2.	Canarys Automations Limited	49,000	49

ACCUMULATED PROFITS OR LOSSES

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries and Joint Venture that have not been accounted for by our Company.

CAPACITY OR FACILITY CREATION AND LOCATIONS OF PLANTS

For details pertaining to capacity / facility creation, location of plant refers section "*Our Business*" on page 146 of this Draft Red Herring Prospectus.

TIME AND COST OVER-RUNS IN SETTING UP PROJECTS

Our Company have not implemented any projects and therefore have not experienced any time or cost overruns in relation thereto.

DEFAULTS OR RE-SCHEDULING OF BORROWINGS

As on the date of this Draft Red Herring Prospectus, there has been no default or re-scheduling/ re-structuring of borrowings availed by our Company from any financial institutions or banks.

SIGNIFICANT STRATEGIC PARTNERS

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant strategic partner.

SIGNIFICANT FINANCIAL PARTNERS

Apart from the various arrangements with the bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Red Herring Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details regarding key products or services launched by our Company, entry into new geographies or exit from existing markets, please refer the section titled '*Our Business*' beginning on page 146 of this Draft Red Herring Prospectus.

DETAILS REGARDING MATERIAL ACQUISITIONS OR MERGERS, AMALGAMATIONS IN THE LAST 10 YEARS

As on date of this Draft Red Herring Prospectus, our Company has neither made any material acquisitions nor entered into any scheme of merger, amalgamations in the last 10 years.

DETAILS REGARDING DIVESTMENTS OF BUSINESS/ UNDERTAKINGS IN THE LAST 10 YEARS

As on date of this Draft Red Herring Prospectus, our Company has not divested any business/ undertaking in the last 10 years except as mentioned below.

Our Company has divested its stake from PARTS2BUILD Technologies Private Limited bearing CIN number U74900KA2015PTC080478 in the year 2020 due to internal discussion and change in capital structure. Prior to divestment, the company held 1,94,990 of equity share capital of ₹10 of the company. The stake sale was made to Mr. Nagaraju Vineeth by way of transfer of shares brought in effect with share transfer deed (Form SH-4)dated March 11, 2019 and March 24, 2020 respectively.

Our Company has divested its stake from Nootpam Innovation Labs Private Limited (formerly known as Canarys Telements Private Limited) bearing CIN number U29100KA2012PTC062087 in the year 2014 in order to save the recurring cost since the subsidiary could not generate progress as anticipated. Prior to divestment, the company held 16,060 of equity share capital of ₹10 of the company. The stake sale was made to Mr. D. Shanmuga Kumara Swamy by way of transfer of shares executed on April 14, 2014.

ANY REVALUATION OF ASSETS, IN THE LAST 10 YEARS

As on date of this Draft Red Herring Prospectus, our Company has not re-valued its assets in the last 10 years.

COLLABORATION AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration agreements.

SHAREHOLDERS' AGREEMENTS AND OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any shareholders' agreements nor is aware of any such agreement subsisting between the shareholders to which our Company is not a party.

MATERIAL AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company.

For details on business agreements of our Company, please refer to the section titled *'Our Business'* beginning on page 146 of this Draft Red Herring Prospectus.

OTHER AGREEMENTS:

Joint Venture Agreement:

Joint venture agreement dated July 1, 2021 between our Company (formerly Canarys Automations Private Limited) ("Canarys"), and Hanuka Technology Solutions Private Limited ("Hanuka") (Collectively referred to as "Parties").

Our Company has formed a joint venture in the name of 'Canarys-Hanuka Apo Technologies Private Limited' ("**Joint Venture**"/ "**JV**") by entering into a joint venture agreement dated July 1, 2021 with Hanuka. The JV has undertaken the project to address the Integrated Water Management System (IWMS) business. The shareholding of Canarys-Hanuka Apo Technologies Private Limited is 49% and 51% held by Canarys and Hanuka respectively. The agreement has been effective since July 1, 2021 and shall be in force from the date of execution unless terminated prematurely. For details, see "**- Joint venture of our Company**" above.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTER OR ANY OTHER EMPLOYEE

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

MATERIAL GUARANTEES GIVEN BY OUR PROMOTERS WITH RESPECT TO THE EQUITY SHARES

Our Promoters have not given any material guarantee to any third party in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

DETAILS OF CHANGES IN MANAGEMENT

For details of change in management please refer to the section titled "*Our Management*" beginning on page 174 of this Draft Red Herring Prospectus.

NUMBER OF SHAREHOLDERS

As on the date of this Draft Red Herring Prospectus, the total number of members of our Company is 72 (Seventy Two). For further details, please refer the section titled "*Capital Structure*" beginning on page 80 of this Draft Red Herring Prospectus.

OUR MANAGEMENT

1. Board of Directors

Pursuant to the requirements of the Companies Act, 2013 and the AoA, our Company is required to have not less than three Directors and not more than fifteen Directors, provided that our shareholders' may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As of the date of this Draft Red Herring Prospectus, our Company comprises of 8 (eight) Directors on our Board, including 5 (five) Executive Directors, and 3 (three) Non-Executive Independent Directors (including 1 (one) Woman Director). Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

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

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
1.	**Mr. Metikurke Ramaswamy Raman Subbarao** ***Designation:*** Chairman and Managing Director ***Address:*** 36, Kerekodi Road, New PG Dsouza Nagar, Hosakerehalli, Bengaluru South, Bengaluru, Karnataka-560085, India. ***Date of Birth:*** July 19, 1962 ***Age:*** 61 years ***Experience:*** 32 Years ***Occupation:*** Business ***Qualification:*** Bachelor of Engineering (Electronics) from B. M. S. College of Engineering, Bengaluru, Karnataka. ***Nationality:*** Indian ***Current Term:*** For a period of five years, with effect from September 1, 2022, liable to retire by rotation. ***Period of Directorship:*** Since *July 01 1991*. ***DIN:*** 00176920	Indian Companies: NIL Foreign Companies: NIL

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
2.	**Mr. Danavadi Krishnamurthy Arun** ***Designation:*** Whole-time Director ***Address:*** 27 and 28 Abheeshta, 2nd Cross, Kerekodi Road, Hosakerehalli, PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India ***Date of Birth:*** February 26, 1965 ***Age:*** 58 years ***Experience:*** 32 years ***Occupation:*** Business ***Qualification:*** Bachelor of Engineering (Mechanical) from Gulbarga University. ***Nationality:*** Indian ***Current Term:*** Appointed for a period of 5 years, with effect from September 1, 2022, liable to retire by rotation. ***Period of Directorship:*** Since September 29, 1999. ***DIN:*** 01064990	**Indian Companies:** Canarys-Hanuka Apo Technologies Private Limited **Foreign Companies:** NIL
3.	**Mr. Raghu Chandrashekhariah** ***Designation:*** Whole-time Director and Chief Financial Officer ***Address:*** 38 Suraksha, 2nd Cross, Kerekodi Road, Hosakerehalli, New PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India. ***Date of Birth:*** May 15, 1958 ***Age:*** 65 years ***Experience:*** 31 years ***Occupation:*** Business ***Qualification:*** Bachelor of Engineering in Electronics & Communication from University of Mysore. ***Nationality:*** Indian ***Current Term:*** Appointed for a period of 5 years, with effect from September 01,2022, liable to retire by rotation. ***Period of Directorship:*** Since September 29, 1999. ***DIN:*** 01065269	**Indian Companies:** NIL **Foreign Companies:** NIL

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
4.	**Mr. Sheshadri Yedavanahalli Srinivas** ***Designation:*** Executive Director and Chief Executive Officer ***Address:*** B-102, Vishnu Residency, 1st Cross Sarvaboumanagar, Chikkallasandra, Vasanthapura, Bengaluru, Karnataka-560061, India. ***Date of Birth:*** July 18, 1977 ***Age:*** 46 years ***Experience:*** 20 years ***Occupation:*** Business ***Qualification:*** Master of Business Administration from Indian Institute of Technology, Bombay and Washington University in St.Louis ***Nationality:*** Indian ***Current Term:*** Appointed w.e.f. September 01, 2022; liable to retire by rotation ***Period of Directorship:*** Since April 30, 2012. ***DIN:*** 03367545	**Indian Companies:** Ibotomate Private Limited **Foreign Companies:** Canarys Corp. (USA)
5.	**Mr. Pushparaj Shetty** ***Designation:*** Executive Director ***Address:*** C-404, Chartered Beverly Hills, 4th Main, Gubbalala, Bengaluru South, Bengaluru, Karnataka-560061, India. ***Date of Birth:*** November 19, 1970 ***Age:*** 52 Years ***Experience:*** 24 years ***Occupation:*** Business ***Qualification:*** Bachelor of Engineering (Industrial & Production) from University of Mysore and Post Graduate Degree in Management Sciences from Shri Dharmasthala Majunatheswara -Institute of Management Development – Mysore ***Nationality:*** Indian ***Current Term:*** Appointed w.e.f. May 19, 2023; liable to retire by rotation ***Period of Directorship:*** Since May 19, 2023. ***DIN:*** 03333417	**Indian Companies:** Canarys-Hanuka Apo Technologies Private Limited **Foreign Companies**: NIL

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
6.	**Mrs. Asha Sivashankar** ***Designation:*** Independent Director ***Address:*** #603, Vithola Apartments, Bannerghatta Road, Opp. Decathlon, Kalena Agrahara, Bengaluru South, Mount St Joseph, Bengaluru, Karnataka-560076, India. ***Date of Birth:*** August 28, 1959 ***Age:*** 63 Years ***Experience:*** 20 years ***Occupation:*** Professional ***Qualification:*** Bachelor of Science (Honours Course) in Physics, Master of Science in Physics both from Delhi University, Degree of Bachelor of Education from Annamalai University, and Master of Arts in.- Applied and Professional Ethics from the University of Leeds, United Kingdom ***Nationality:*** Indian ***Current Term:*** *Appointed for a period of 5 years, with effect from July 14, 2023, not liable to retire by rotation.* ***Period of Directorship:*** *5 years with effect from July 14, 2023.* ***DIN:*** 10184245	**Indian Companies:** NIL **Foreign Companies:** NIL
7.	**Mr. Ramesh Bhaskar Phatak** ***Designation:*** Independent Director ***Address:*** 814, Dr. Rajendra Prasad Road, 1st E Main, Girinagar 2nd Phase, Banashankari III Stage, Bengaluru-560085. ***Date of Birth:*** March 25, 1962. ***Age:*** 61 Years ***Experience:*** 28 Years ***Occupation:*** Professional ***Qualification:*** Master of Science in System Science from Louisiana State University and Agricultural and Mechanical College ***Nationality:*** Indian ***Current Term:*** Appointed for a period of 5 years, with effect from July 14, 2023, not liable to retire by rotation. ***Period of Directorship:*** *5 Years with effect from July 14, 2023.* ***DIN:*** 07981182	**Indian Companies:** 1. Conttext Research Private Limited 2. FYGY Health Private Limited **Foreign Companies:** NIL

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
8.	**Mr. Muralikrishnan Gopalakrishnan** ***Designation:*** Independent Director ***Address:*** #502, Vars Fantasy. 1st Main, Kodihalli, Indiranagar, Bengaluru North, HAL 2nd Stage, Bengaluru, Karnataka – 560008, India. ***Date of Birth:*** May 22, 1960 ***Age:*** 63 Years ***Experience:*** 32 Years. ***Occupation:*** Professional ***Qualification:*** Bachelor of Engineering in Electrical Technology and Electronics form Indian Institute of Science- Bengaluru and Bachelor of Science form University of Calicut. ***Nationality:*** Indian **Current Term:** Appointed for a period of 5 years, with effect from July 14, 2023, not liable to retire by rotation. ***Period of Directorship:*** 5 Years with effect from July 14, 2023. ***DIN:*** 07059037	**Indian Companies:** 1. LGRS Solutions Private Limited 2. HEKASINAHU Private Limited 3. SOUNDINGBOARD Business Solutions Private Limited (OPC) **Foreign Companies:** NIL

2. Brief Biographies of Directors

Mr. Metikurke Ramaswamy Raman Subbarao, is one of the Promoter and currently the Chairman and Managing Director of our Company. He holds a Bachelor of Engineering in Electronics from B. M. S. College of Engineering, Bengaluru, Karnataka. He has work experience of more than 32 years in Software development, IEEE-488 based Test & Measuring instruments, Design & development of Microprocessor/Microcontroller based Controllers, vast programming expertise Spanning Machine, Assembly and High-Level Languages, Web based tools for data capturing, monitoring and analysing data. He has been driving technological innovations all throughout, with major accomplishment of becoming the very few early companies to be funded by Venture Capital in 1992 from "Canbank Venture Capital Fund" of Canara Bank for developing Microprocessor based programmable instruments compatible to IEEE-488 standards with PC based controllers for the first time in the country. He has received multiple certificates of recognition for his exceptional performance. He has awarded with Silver Award from HP Invent for being instrumental in providing Analysis & Reports from various tools and an active participant in the ESSC Quality march. He has awarded from HP Hewlett Packard for managing the Flexis Implementation (Phase I) project for STL during the period September – December 1999. He has awarded from HP Invent on May 09, 2002 for his contribution towards planning and leveraging ESSC Process tools (Audit tools & Peer review tool) to OEO Labs. He has awarded from HP Hewlett Packard for getting Chanakya II metrics tool done while following good software engineering practices during the period April- July 1999. He has awarded from HP Invent for his contribution towards ESSC Quality March Program that successfully reached CCM level 5 Capability in the CBA-IPI Assessment of January 2002. He has been also awarded by the Certificate of Appreciation from HP Invent for being flexible to modify the tools and generating baseline. He has been associated with our Company since July 01,1991. He has been actively involved in the day-to-day operations and currently overseeing & controlling the overall administration and finance.

Mr. Danavadi Krishnamurthy Arun, is one of the Promoter and Whole-time Director of our Company. He holds a Bachelor of Engineering in Mechanical from Gulbarga University. He has work experience of more than 32 years in IT Industry. He has worked on different technology domains starting from assemble language programming, managing production & testing, deployment of IEEE -488 based equipment's for Telecom & Defence industry. Currently managing operations by providing directions in implementing systems for business operations, overseeing operations of the company, taking care of legal & statutory compliance, customer & vendor contracts, accounts receivable & accounts payable & interacting with bank & other institutions. He has been associated with our Company since July 01,1991.

Mr. Raghu Chandrashekhariah, is one of the Promoter, Whole-time Director and Chief Financial Officer of our Company. He holds a Bachelor of Engineering in Electronics and Communications from University of Mysore. He has work experience of more than 31 years in Business Development, Customer and Talent acquisition. He has been associated with our Company since April 1, 1992.

Mr. Sheshadri Srinivas Yedavanahalli, is one of the Promoter, Executive Director and CEO of the Company. He holds a Master's degree in Business Administration from Indian Institute of Technology, Bombay and Washington University in St.Louis. He has work experience of more than 20 years in strategy setting, leadership, and business transformation. He has successfully scaled the Company's Business, created markets, and fostered growth through innovative solutions. He has been associated with the company since May 05, 2003.

Mr. Pushparaj Shetty, is one of the Promoter and Executive Director of the Company. He holds a Bachelor's degree in Enginerring in Industrial Production from University of Mysore and a Post Graduate Degree in Management Sciences from Shri Dharmasthala Manjunatheshwara-Institute for Management Development, Mysore. He has work experience of more than 24 years in Water Resource Business including postive relationships with top water managers, Bid and Contract management. He leads the Water Resource Business of the Company. In addition to above, he has had 4 years of experience in Markteing as an Assistant Manager at Samsung India Electronics Pvt Limited, Bengaluru. He has been asscociated with the Company from April 1, 2003.

Mrs. Asha Sivashankar, is an Independent Director of our Company. She holds a bachelor of Scince (Honours Course) in Physics from University of Delhi. She is a Master of Science in Physics from Delhi University and also holds degree of Master of Arts in Applied and Professional Ethics from the University of Leeds, United Kingdom. She is also holds the degree of Bachelor of Education from Annamalai University. She is an experienced Human Resource professional with over 20 years in diverse industries. She has worked in NIIT Ltd on the position of Group Consultant. She also worked as consultant in Indian Istitute of Management, Bengaluru. She also have worked experience of more than 11 years in Hewlett Packard India Sales Private Limited (HP invent). She has been associated with the Company from July 14, 2023.

Mr. Ramesh Bhaskar Phatak, is an Independent Director of our Company. He holds a Degree of Master of Science in System Science from Louisiana State University and Agricultural and Mechanical College. He has over 28 years of work experience. He has worked in Computer Science Department, Indian Institute of Science, Bengaluru. He worked in Motorola India Electronics Limited as Program Manager. He worked as R&D Vice President in Schneider-Electric India Private Limited. He has also worked in Intel India Private Limited. He has been associated with the Company from July 14, 2023.

Mr. Muralikrishnan Gopalakrishnan, is an Independent Director of our Company. He holds a Bachelor of Engineering degree in Electrical Technology and Electronics from Indian Institute of Science, Bengaluru and also holds a Bachelor of Science in Physics from University of Calicut. He has over 32 years of work experience. In the past, he has acted in the capacity of a Chief Operating Officer to Sasken Network Engineering Ltd. Program Manager at Centre of Development of Telematics and Vice President of Communication Business Unit at Tata Elxsi Limited. He is currently the founder and Chief executive officer of Sounding board Business Solution Private Limited (OPC). He has been associated with the Company from July 14, 2023.

Confirmations

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.
- Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.
- As on the date of this Draft Red Herring Prospectus, none of our Directors are on the RBI list of wilful defaulters.
- As on date of this Draft Red Herring Prospectus, none of our Directors are declared as Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Director is or was a director of any listed company during the last 5 years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the stock exchange(s), during the term of their directorship in such Company.
- None of our Director is or was a director of any listed company which has been or was delisted from any recognized stock exchange during the term of their directorship in such company.
- None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or persons 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.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also

comprises any of the Directors of our Company.

3. Borrowing powers of our Board

Pursuant to a special resolution passed by our shareholders at EGM held on May 19, 2023, our Board is authorised to borrow any sum of monies from time to time notwithstanding that the sum so borrowed together with the monies, if any, already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeding the paid up capital and free reserves of our Company provided that such amount does not exceed ₹ 5,000 Lakhs.

4. Remuneration/ compensation/ commission paid to our Managing Director, Executive Directors and Whole-Time Director:

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director, Executive Directors and Whole-Time Director

Particulars	Mr. Metikurke Ramaswamy Raman Subbarao	Mr. Danavadi Krishnamurthy Arun	Mr. Raghu Chandrashekhariah	Mr. Sheshadri Srinivas Yedavanahalli	Mr. Pushparaj Shetty
Appointment / Change in Designation	Originally appointed as Director w.e.f. July 01, 1991. Designated as Managing Director w.e.f September 01, 2022 vide Board Resolution dated August 25, 2022. He has also appointed as Chairman of our Company.	Originally appointed as Director w.e.f. September 29, 1999 in the AGM held on September 29, 1999. Designated as Whole-Time Director w.e.f September 01, 2022 vide of Board Resolution dated August 25,2022	Originally appointed as Director w.e.f. September 29, 1999 in the AGM held on September 29, 1999. Designated as Whole-Time Director w.e.f September 01, 2022 vide of Board Resolution dated August 25,2022 Designated as Chief Financial Officer ('CFO') w.e.f. July 3, 2023 vide Board Resolution dated July 3, 2023	Originally appointed as additional Director w.e.f. April 30, 2012. Designated as Whole-Time Director w.e.f September 28, 2012 in AGM held on September 28, 2012. Further, re-designated as Executive Director & Chief Executive Officer ('CEO') w.e.f September 01, 2022 vide Board Resolution dated August 25,2022	Originally appointed as additional director w.e.f. December 16, 2019. Designated as Executive Director w.e.f. September 07, 2020. Resigned w.e.f February 24, 2021 due to resignation under section 168 of the Companies Act, 2013 Re-appointed as Executive director vide shareholders resolution dated May 19, 2023.

Current Designation	Managing Director and Chairman	Whole-Time Director	Whole-Time Director & CFO	Executive Director & CEO	Executive Director
Term of Appointment	5 years Liable to retire by rotation	5 years Liable to retire by rotation	5 years Liable to retire by rotation	Liable to retire by rotation	Liable to retire by rotation
Remuneration & Perquisites*	Maximum of Rs.160 lakhs p.a.	Maximum of Rs.160 lakhs p.a.	Maximum of Rs.160 lakhs p.a.	Maximum of Rs.160 lakhs p.a.	Maximum of Rs.160 lakhs p.a.
Compensation paid in the year 2022-23	₹ 68.48 lakhs	₹ 68.48 lakhs	₹ 70.28 lakhs	₹ 100.28 lakhs	₹ 68.48 lakhs

** Vide Shareholders resolution dated July 14, 2023, the Company has revised the remuneration to ₹ 160 lakhs p.a.*

5. Payments or benefits to Directors by our Company

Except as disclosed below, our Company has not paid any compensation or granted any benefit to any of our Directors (including contingent or deferred compensation) in all capacities in the financial year ended March 31, 2023:

Remuneration paid to our Directors in the financial year ended March 31, 2023:

(₹. In Lakhs)

Sr. No.	Name of Director	Remuneration Paid
1.	Mr. Metikurke Ramaswamy Raman Subbarao	68.48
2.	Mr. Danavadi Krishnamurthy Arun	68.48
3.	Mr. Raghu Chandrashekhariah	70.28
4.	Mr. Sheshadri Yedavanahalli Srinivas	100.28
5.	Mr. Ikkandamparambil Shekaran Sanjeev Kumar (Resigned as whole time director on June 09, 2022)	7.26

6. Terms of appointment of Directors

1. Executive Directors

Name	Mr. Metikurke Ramaswamy Raman Subbarao
Designation	Chairman and Managing Director
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	Maximum of ₹ 160 Lakhs p.a.
Tenure of his appointment	5 years w.e.f. 1st September, 2022

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Metikurke Ramaswamy Raman Subbarao in relation to his appointment.

Name	Mr. Danavadi Krishnamurthy Arun
Designation	Whole-Time Director
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	Maximum of ₹ 160 Lakhs p.a.
Tenure of his re-appointment	5 years w.e.f. 1st September,2022.

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Danavadi Krishnamurthy Arun in relation to his appointment.

Name	Mr. Raghu Chandrashekhariah
Designation	Whole-Time Director and Chief Financial Officer
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	Maximum of ₹ 160 Lakhs p.a.
Tenure of his re-appointment	5 years w.e.f. 1st September,2022.

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Raghu Chandrashekhariah in relation to his appointment.

Name	Mr. Sheshadri Srinivas Yedavanahalli
Designation	Executive Director & Chief Executive Officer
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	Maximum of ₹ 160 Lakhs p.a.
Tenure of his re-appointment	-

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Sheshadri Srinivas Yedavanahalli in relation to his appointment.

Name	Mr. Pushparaj Shetty
Designation	Executive Director
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	Maximum of ₹ 160 Lakhs p.a.
Tenure of his re-appointment	-

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Pushparaj Shetty in relation to his appointment.

The termination clause of the appointment letter includes a condition for termination or discontinuation of service after giving a notice of a specified period and any deficiency on notice period will be compensated proportionately to the compensation cost at that point and time. Accordingly, no separate agreement providing for benefits upon termination of employment is executed.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the last 2 years. The above said remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by our Board upon the recommendation of the Nomination and Remuneration Committee and subject to the compliance of the applicable provisions, if any.

Sitting fees

Our AOA provides for payment of such amount of sitting fees, as the Directors may determine, from time to time, for attending every meeting of our Board or any committee of our Board, subject to the ceiling prescribed under the Companies Act 2013 Our Board of Directors have resolved in their meeting dated July 18, 2023 for payment of not exceeding ₹ 1 lakh per meeting to all the Non-Executive Directors of our Company for attending such meeting of our Board or committees thereof.

Further no sitting fees has been paid by our Company to our Non-Executive Non-Independent Directors and Non-Executive Independent Director for the Financial Year ended March 31, 2023.

Bonus or profit-sharing plan for our Directors

As on the date of this Draft Red Herring Prospectus, our Company does not have any bonus or profit-sharing plan for our Directors.

Shareholding of Directors in our Company

Our AOA does not require our Directors to hold qualification shares.

The shareholding of our Directors in our Company as of the date of filing this Draft Red Herring Prospectus, on a fully diluted basis, is set forth below:

Sr. No	Name	No. of Equity Shares	Percentage of the pre-Issue capital on a fully diluted basis (%)
1.	Mr. Metikurke Ramaswamy Raman Subbarao	10,085,980	24.59

2.	Mr. Danavadi Krishnamurthy Arun	7,186,560	17.52
3.	Mr. Raghu Chandrashekhariah	7,480,640	18.24
4.	Mr. Sheshadri Yedavanahalli Srinivas	2,350,700	5.73
5.	Mr. Pushparaj Shetty	2,610,480	6.37
6.	Mrs. Asha Sivashankar	Nil	Nil
7.	Mr. Ramesh Bhaskar Phatak	1,76,000	0.43
8.	Mr. Muralikrishnan opalakrishnan	Nil	Nil

Except Mr. Ramesh Bhaskar Phatak, none of the Independent Directors of the Company hold any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

Interest of our Directors

a) Interest by way of Remuneration from our Company

All the Directors may be deemed to be interested to the extent of remuneration, sitting fees and reimbursement of expenses payable to them under the AOA, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors are interested to the extent of unsecured loans or personal guarantee, if any, given by them to our Company or by their relatives or by the companies / firms in which they are interested as directors/members/partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as directors/members/partners and for the details of Personal Guarantee given by Directors towards financial facilities of our Company please refer to section titled '*Financial Indebtedness*' and '*Financial Information' beginning* on page 267 and 209 respectively of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding 2 years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly.

Except as stated in this section titled '*Our Management*' or the section titled '*Financial Information - Related Party Transactions'* beginning on pages 174 and 209 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

For details, refer '*Our Management - Remuneration/ Compensation/ Commission paid to our Directors'* as beginning on page 174 of this Draft Red Herring Prospectus.

b) Interest as Members of our Company

Our Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and/ or trustees pursuant to this Issue. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

c) Interest in promotion of our Company

Except, Mr. Metikurke Ramaswamy Raman Subbarao, Mr. Danavadi Krishnamurthy Arun, Mr. Raghu Chandrashekhariah, Mr. Sheshadri Yedavanahalli Srinivas and Mr. Pushparaj Shetty, none of our Directors have any interest in the promotion or formation of our Company. For further details, please refer to section titled *'Our Promoters and Promoter Group'* as beginning on page 197 of this Draft Red Herring Prospectus.

d) Interest in the property of our Company

Our Directors have no interest in any property acquired by our Company, or proposed to be acquired by our Company.

For further details, please refer *'Our Properties'* as described in section title *'Our Business'* beginning on page 146 and *'Related Party Transaction'* as described on page 206, of this Draft Red Herring Prospectus.

e) Interest in the business of our Company

Except as stated in *'Financial Information'* beginning on page 209, our Directors do not have any interests in our business.

f) Interest as creditors of our Company

Our Directors are interested to the extent of unsecured loans or personal guarantee, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ members/ partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as directors/ members/ partner. For the details of personal guarantee given by Directors towards financial facilities of our Company please refer to *'Financial Indebtedness'* and *'Financial Information'* beginning on pages 267 and 209 respectively of this Draft Red Herring Prospectus.

g) Interest as Key Managerial Personnel of our Company

Mr. Metikurke Ramaswamy Raman Subbarao, Chairman and Managing Director, and Mr. Danavadi Krishnamurthy Arun, Whole-Time Director, Mr. Raghu Chandrashekhariah, Whole-Time Director and Chief Financial Officer, Mr. Sheshadri Yedavanahalli Srinivas, Chief Executive Officer, and Mrs. Nagashree Hegde, Company Secretary and Compliance Officer of our Company are the Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013 and AOA of our Company and to the extent of Equity Shares that may be held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than disclosed above, no other Director is interested as Key Managerial Personnel of our Company. For further details, please refer to section titled *'Related Party Transactions'* and section titled *'Financial Information'* beginning on page 209 and of this Draft Red Herring Prospectus.

h) Other indirect interest

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

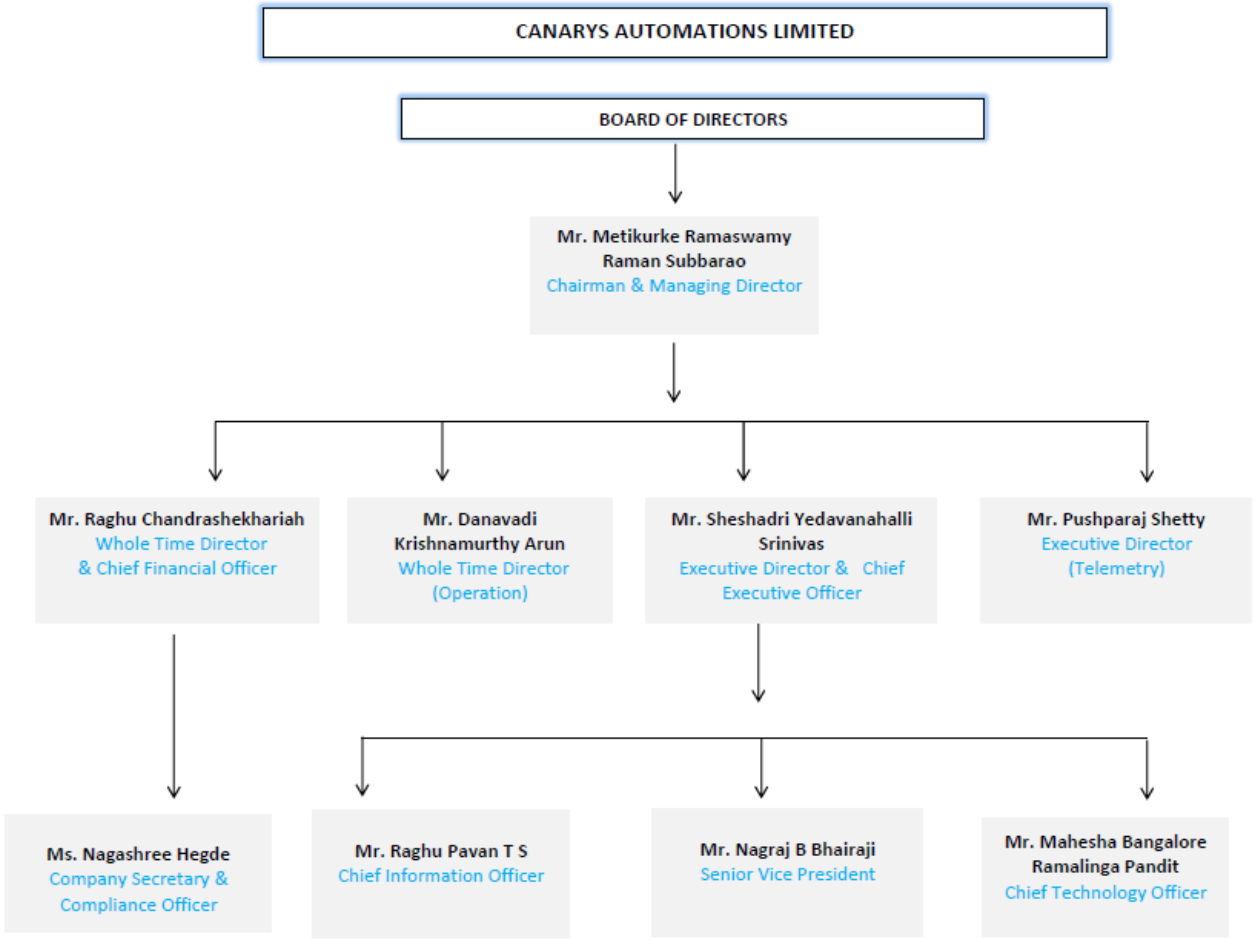
All the Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Changes in our Board during the last 3 years

Except as disclosed below, there have been no changes in our Board during the last 3 years.

Name	Date of Appointment/ Change/ Cessation w.e.f.	Reason
Mr. Metikurke Ramaswamy Raman Subbarao	September 01, 2022	Designated as Managing Director
Mr. Danavadi Krishnamurthy Arun	September 01, 2022	Designated as Whole-Time Director
Mr. Raghu Chandrashekhariah	September 01, 2022	Designated as Whole-Time Director
Mr. Sheshadri Srinivas Yedavanahalli	September 01, 2022	Change in designation from Whole-time Director to Executive Director & Chief Executive Officer
Mr. Ikkandamparambil Shekaran Sanjeev Kumar	June 09, 2022	Resigned as a Director due to personal reason
Mr. Pushparaj Shetty	September 07, 2020	Change in designation from additional director to Director
	February 24, 2021	Resigned as a Director due to personal reason.
	May 19, 2023	Appointed as Executive Director
Mrs. Asha Sivashankar	July 14, 2023	Appointed as an Independent Director
Mr. Ramesh Bhaskar Phatak	July 14, 2023	Appointed as an Independent Director
Mr. Muralikrishnan Gopalakrishnan	July 14, 2023	Appointed as an Independent Director

ORGANISATION STRUCTURE



Corporate governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations and SEBI ICDR Regulations, as may be applicable, will also be complied with to the extent applicable to our Company immediately upon the listing of the Equity Shares on the Designated Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof.

The Corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are 8 (eight) Directors on our Board out of which 3 (three) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, SEBI ICDR Regulations, the Listing Agreement and the Companies Act, 2013.

Committees of our Board

Our Board has constituted committees to delegate certain powers as permitted under the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees

a) Audit Committee
b) Stakeholders' Relationship Committee
c) Nomination and Remuneration Committee
d) IPO Committee
e) Internal Complaints Committee

The details of the committees constituted are as follows:

a. Audit Committee

Our Company has constituted an Audit Committee, as per section 177 of the Companies Act, 2013 vide resolution passed at the meeting of our Board held on July 18, 2023.

The committee presently comprises the following 3 Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Muralikrishnan Gopalakrishnan	Chairman	Independent Director
Mr. Ramesh Bhaskar Phatak	Member	Independent Director
Mr. Raghu Chandrashekhariah	Member	CFO and Whole Time Director

The Company Secretary of our Company shall act as the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of the Audit Committee in accordance with Section 177 of the Companies Act, 2013.

The role and responsibility of the Audit Committee not limited but shall include the following:

i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
iii. examination of the financial statement and the auditors' report thereon;
iv. approval or any subsequent modification of transactions of the company with related party;
v. scrutiny of inter-corporate loans and investments;
vi. valuation of undertakings or assets of the company, wherever it is necessary;
vii. evaluation of internal financial controls and risk management systems;
viii. monitoring the end use of funds raised through public offers and related matters.
ix. Such other role as specified by the Board of Directors from time to time;
x. To investigate any activity within its terms of reference;
xi. To seek information from any employee;
xii. To obtain outside legal or other professional advice; and
xiii. To secure attendance of outsiders with relevant expertise, if it considers necessary.
xiv. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
xv. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
xvi. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;
g. Qualifications in the draft audit report.

xvii. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

xviii. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

xix. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

xx. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

xxi. 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.

xxii. Discussion with internal auditors any significant findings and follow up there on.

xxiii. 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.

xxiv. 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.

xxv. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

xxvi. To review the functioning of the Whistle Blower mechanism.

xxvii. Approval of appointment of chief financial officer (or 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.

xxviii. Approval or any subsequent modification of transactions with related parties.

xxix. Valuation of undertakings or assets of our Company, whenever necessary.

xxx. Evaluation of internal financial controls and risk management systems.

xxxi. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc.

xxxii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

xxxiii. Committee shall mandatorily review the following information:
i. Management discussion and analysis of financial condition and results of operations;
ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
iv. Internal audit reports relating to internal control weaknesses; and
v. The appointment, removal and terms of remuneration of the chief internal auditor, peer review auditor, if any.
vi. Statement of deviations:
a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

xxxiv. Such other role and responsibilities as stipulated under the Companies Act, 2013 and with Part-C Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The chairman of the Audit Committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

Tenure

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

b. Stakeholders' Relationship Committee

Our Company has constituted a *"Stakeholders' Relationship Committee"* to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of our Board held on July 18, 2023.

The Stakeholders' Relationship Committee comprises:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Ramesh Bhaskar Phatak	Chairman	Independent Director
Mrs. Asha Sivashankar	Member	Independent Director
Mr. Metikurke Ramaswamy Raman Subbarao	Member	Managing Director

The Company Secretary of our Company shall act as the secretary of the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

i. Tenure

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

ii. Role of the Stakeholders' Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
ii. Review of measures taken for effective exercise of voting rights by shareholders.
iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
iv. 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.
v. Review statutory compliances relating to all shareholders.
vi. Review of movements in shareholding and ownership structure of our Company.
vii. Recommend measures for improvement of quality of investor services.
viii. Conduct a Shareholder Satisfaction Survey to assess shareholders' views.
ix. Suggest and drive implementation of various shareholder-friendly initiatives.
x. Such other role and responsibilities as stipulated under the Companies Act, 2013 read with Part-D Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any.

c. Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved at a Meeting of our Board held on July 18, 2023. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mrs. Asha Sivashankar	Chairman	Independent Director
Mr. Ramesh Bhaskar Phatak	Member	Independent Director
Mr. Muralikrishnan Gopalakrishnan	Member	Independent Director

The Company Secretary of our Company shall act as the secretary of the Nomination and Remuneration Committee.
The scope and function of the Committee and its terms of reference shall include the following:

i. Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

ii. Role of the Nomination and Remuneration Committee not limited to but includes:

1. shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
4. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Formulation of criteria for evaluation of performance of independent directors and Board of Directors.
6. Devising a policy on diversity of Board of Directors.
7. Deciding on, 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.
8. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
9. Define and implement the Performance Linked Incentive Scheme (including ESOP of our Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
10. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
11. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of our Company, standards prevailing in the industry, statutory guidelines etc.
12. To formulate and administer the Employee Stock Option Scheme.
13. Such other role and responsibilities as stipulated under the Companies Act, 2013 and with Part-D Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any.

d. IPO Committee

The IPO Committee was constituted by our Board on August 11, 2023.

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Raghu Chandrashekhariah	Chairman	CFO and Whole Time Director
Mr. Metikurke Ramaswamy Raman Subbarao	Member	Managing Director
Mr. Danavadi Krishnamurthy Arun	Member	Whole Time Director

The Company Secretary of our Company shall act as the secretary to the IPO Committee.

The IPO Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on August 11, 2023.

The terms of reference of the IPO Committee include the following:

i. To make applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Registrar of Companies, Karnataka at Bengaluru ("RoC") or to any other statutory or governmental authorities in connection with the Issue as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus.

ii. To finalise, settle, approve, adopt and file the draft red herring prospectus with the Stock Exchange and SEBI, the red herring prospectus and prospectus with the Stock Exchange and SEBI, Registrar of Companies, Karnataka at Bengaluru (the "RoC"), and other regulatory authorities (including the preliminary and final international wrap, and amending, varying, supplementing or modifying the same, or providing any notices, clarifications, reply to observations, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Issue as finalised by the Company, and take all such actions in consultation with the book running lead manager (the "BRLM") as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, respective stock exchange where the Equity Shares are proposed to be listed, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;

iii. To decide in consultation with the BRLM on the timing, pricing and all the terms and conditions of the Issue, including the price band, Issue price, Issue size, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors and to accept any amendments, modifications, variations or alterations thereto, and/or reservation on a competitive basis, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws, and/or any discount to be offered to retail individual bidders participating in the Issue;

iv. To appoint, instruct and enter into arrangements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection bankers to the Issue, auditors, independent chartered accountants, refund bankers to the Issue, public Issue account bankers to the Issue, sponsor bank, registrar, grading agency, industry expert, legal advisors, advertising agency(ies), monitoring agency and any other agencies or persons or intermediaries to the Issue, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the mandate letters and Issue agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;

v. To authorise the maintenance of a register of holders of the Equity Shares;

vi. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLM' mandate or fee/ engagement letter, Issue agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar of the Issue and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments, legal advisors, auditors, Stock Exchange, BRLM and other agencies/ intermediaries in connection with Issue and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Issue, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;

vii. To open with the bankers to the Issue such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened separate in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Issue, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

viii. To seek, if required, the consent of the lenders to the Company and/or lenders to the subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, all concerned governmental and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Issue;

ix. To approve any corporate governance requirements, if applicable that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the stock exchange, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);

x. To authorise and approve, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and expenses in connection with the Issue;

xi. To determine and finalise, in consultation with the BRLM, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Issue and minimum bid lot for the purpose of bidding, (including anchor investors Issue price), any revision to the price band and the final Issue price after bid closure, total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Issue;

xii. To issue receipts/allotment letters/confirmation 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 stock exchange, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

xiii. To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Issue, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013;

xiv. To do all such acts, deeds, matters and things and execute all such other documents, agreements, forms, certificates, undertakings, letters and instruments, as may deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

xv. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;

xvi. To withdraw the draft red herring prospectus, red herring prospectus and the Issue at any stage, if deemed necessary, in accordance with the SEBI ICDR Regulations and Applicable Laws and in consultation with the BRLM;

xvii. To negotiate, finalise, sign, execute, deliver and complete the Issue agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue and the advertising agency(ies)and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto), in relation to the Issue.

xviii. To make in-principle and final applications for listing of the Equity Shares in recognised stock exchange in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange;

xix. To authorize and empower any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue and to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares, 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(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange, the registrar agreement and memorandum of understanding, the depositories' agreements, the Issue agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the share escrow agreement, the escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, 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 by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

xx. To determine the utilization of proceeds of the fresh Issue and accept and appropriate proceeds of the fresh Issue in accordance with the Applicable Laws;

xxi. To determine the price at which the Equity Shares are offered, allocated, and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;

xxii. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;

xxiii. all actions as may be necessary in connection with the Issue, including extending the Bid/Issue period, revision of the Price Band, in accordance with the Applicable Laws;

e. Internal Complaints Committee

The Internal Complaints Committee was constituted by our Board on July 18, 2023. The Internal Complaints Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on July 18, 2023.

Name of Members	Status in Committee	Nature of Directorship
Ms. Anita Balagopal	Presiding Officer/Chairperson	Nil
Ms. Kavitha Subramani	Member	Nil
Ms. Nagalakshmi S	Member	Nil
Ms. Vidya Yedavalli	Member	Nil
Mr. Nagaraj Bhimashankar Bhairaji	Member	Nil

The Company Secretary of our Company shall act as the secretary to the Internal Complaints Committee.

Role & Duties of the Internal Complaints Committee

The role and duties of the committee will be following:

1) Redressal of complaints filed with fairness and without bias,
2) Redressal of complaints filed within the time period of 90 days
3) Awareness workshops/activities to educate all employees of the Company about: Sexual harassment at workplace, its effects and laws against it, Filing a complaint with the ICC.
4) Drafting and reviewing of Sexual Harassment Policy

Policy on disclosures and internal procedure for prevention of insider trading

The provisions of Regulation 9 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Designated Stock Exchange. We shall comply with the requirements of the Insider Trading Regulations on listing of Equity Shares on Designated Stock Exchange. Further, our Board at their meeting held on , 2023 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Mrs. Nagashree Hegde, Company Secretary and Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

I.Key Managerial Personnel and Senior Management

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel and Senior Management of our Company as prescribed under the Companies Act, 2013. For details of our Managing Director and Whole Time Directors, please refer to the section titled ***'Our Management'*** beginning on page 174 of this Draft Red Herring Prospectus.

Key Managerial Personnel:

Mr. Metikurke Ramaswamy Raman Subbarao, Chairman and Managing Director

Mr. Metikurke Ramaswamy Raman Subbarao, a Chairman and Managing Director of our Company. For details, see ***'Brief Biographies of Directors'*** beginning on page 178 of this Draft Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ***'Terms of appointment of Directors'*** beginning on page 181 of this Draft Red Herring Prospectus.

Mr. Danavadi Krishnamurthy Arun, Whole Time Director

Mr. Danavadi Krishnamurthy Arun, a Whole Time Director of our Company. For details, see ***'Brief Biographies of Directors'*** beginning on page 178 of this Draft Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ***'Remuneration/ compensation/ commission paid to our Directors'*** beginning on page 181 of this Draft Red Herring Prospectus.

Mr. Sheshadri Yedavanahalli Srinivas, Chief Executive Officer (CEO)

Mr. Sheshadri Yedavanahalli Srinivas, a Chief Executive Officer of our Company. For details, see ***'Brief Biographies of Directors'*** beginning on page 178 of this Draft Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ***'Remuneration/ compensation/ commission paid to our Directors'*** beginning on page 181 of this Draft Red Herring Prospectus.

Mr. Raghu Chandrashekhariah, Whole-time Director & Chief Financial Officer

Mr. Raghu Chandrashekhariah, a Whole-time Director & Chief Financial Officer of our Company. For details, see ***'Brief Biographies of Directors'*** beginning on page 178 of this Draft Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ***'Remuneration/ compensation/ commission paid to our Directors'*** given above of this Draft Red Herring Prospectus.

Mrs. Nagashree Hegde, Company Secretary and Compliance Officer

Mrs. Nagashree Hegde, aged **29** years is a Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and an Associate Member of the ICSI holding membership number A66166 and has been appointed as Company Secretary and Compliance Officer in our Company w.e.f. July 3, 2023. She is having about 2 years of work experience in secretarial and legal matters.

SENIOR MANAGEMENT PERSONNEL:

Mr. Mahesha Bangalore Ramalinga Pandit, aged 50 years is theChief Technology Officer of the Company. He holds a Bachelor's degree in Engineering in Computer Science from the University of Bangalore, Karnataka and Master of Science (MS) in Software Systems from Birla Institute of Technology and Science, India. He also holds Executive Program in General Management, Massachusetts Institute of Technology, USA. He has more than 18 years' experience. He has experienced in the field of Leading innovation, implementing technology strategy, developing solution suite, supporting business development for the company. Designed AI center of excellence and Enterprise Cloud Solutions business units. He has been associated with our Company since July 14, 2021.

Mr. Nagaraj Bhimashankar Bhairaji, aged 39 years is Senior Vice President of DevOps Consulting Business of the Company. He holds a Bachelor's degree in Mechanical Engineering from Visveswaraiah Technological University, Belgaum, Karnataka. He has 14 years of experience in our Company. His core areas of expertise include Setting Azure DevOps Account. Creation of Build and Release Pipeline for .Net, .Net Core, PHP, Java, Enabling Project Management using Azure Boards, Kanban and Scrum process, Installation, Migration, Upgradation, Customizing Work flow, Work items templates, Integration with third party tools etc. for various versions like 2012, 2013, 2015, 2017 and 2018. He has experience in various capacity in DevOps division of Canarys, DevOps Consultant, Lead, Manager and now Senior Vice President of DevOps Consulting Business in our company. He has been associated with our Company since July 06, 2009.

Mr. Raghu Pavan T S, aged 43 years is Chief Information Officer (CIO) of the Company. He holds a Bachelor's degree in Industrial Engineering and Management from Visveswaraiah Technological University, Belgaum, Karnataka. He has more than 9 years of diverse experience in software Engineering and IT solution industry. He is specialized in building and leading high performing global, multi technology team to deliver complex work across Digital Transformation, Systems Integration, Application development and Maintenance. His core expertise of work includes client portfolio management & Business

solutions- Transformation Strategy, Client relationship & Account Management, Startup Advisor. He has been associated with our Company since February 01, 2021.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Relationship between Key Managerial Personnel and Senior Management Personnel

None of the above-mentioned Key Managerial Personnel and Senior Management Personnel are related to each other within the meaning of Section 2(77) of the Companies Act, 2013 and neither are they related to our Directors.

Relationship of our Directors/ and Promoters with Key Managerial Personnel or Senior Management Personnel

None of our Key Managerial Personnel or Senior Management Personnel of our Company are related to our Directors/ and Promoters within the meaning of Section 2 (77) of the Companies Act, 2013.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

Except as disclosed below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares of our Company as on date of this Draft Red Herring Prospectus. Further, some of our Key Managerial Personnel and Senior Management have been provided employee stock options under the Canary ESOS. For details of our employee stock options, please refer to the section titled ***'****Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus.

Sr. No	Name of Key Managerial Personnel and Senior Management Personnel	No. of Equity Shares
1.	Mr. Metikurke Ramaswamy Raman Subbarao	10,085,980
2.	Mr. Danavadi Krishnamurthy Arun	7,186,560
3.	Mr. Raghu Chandrashekhariah	7,480,640
4.	Mr. Sheshadri Yedavanahalli Srinivas	2,350,700
5.	Mr. Pushparaj Shetty	2,610,480
6.	Mrs. Nagashree Hegde	Nil
7.	Mr. Mahesha Bangalore Ramalinga Pandit	Nil
8.	Mr. Nagaraj B Bhairaji	Nil
9.	Mr. Raghu Pavan T S	2,000

Remuneration/ compensation paid to our Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company has not paid any remuneration / compensation to the Key Managerial Personnel's and Senior Management Personnel during the last Financial Year for year ended March 31, 2023.

Sr. No.	Name of KMP/SMP	Remuneration paid *(₹ in Lakhs)*
1.	Mr. Metikurke Ramaswamy Raman Subbarao	₹ 68.48
2.	Mr. Danavadi Krishnamurthy Arun	₹ 68.48
3.	Mr. Raghu Chandrashekhariah	₹ 70.28
4.	Mr. Sheshadri Yedavanahalli Srinivas	₹ 100.28
5.	Mr. Ikkandamparambil Shekaran Sanjeev Kumar (Resigned as whole time director on June 09, 2022)	₹ 7.26
6.	Mrs. Nagashree Hegde	Nil
7.	Mr. Mahesha Bangalore Ramalinga Pandit	₹ 48.99
8.	Mr. Nagaraj B Bhairaji	₹ 41.03
9.	Mr. Raghu Pavan T S	₹ 94.37
	Total Managerial Remuneration	**₹ 499.17**

Bonus or profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, our Company does not have any performance linked bonus or profit-

sharing plan with any of our Key Managerial Personnel and Senior Management Personnel.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel has received or is entitled to any contingent or deferred compensation.

Loans given/ availed by Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel and Senior Management Personnel.

Service contracts with Key Managerial Personnel and Senior Management Personnel

Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Key Managerial Personnel and Senior Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Our Key Managerial Personnel and Senior Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held in our Company, if any. Further, some of our Key Managerial Personnel and Senior Management Personnel have been provided employee stock options under the Canarys ESOS. For details of our employee stock options, please refer to the section titled ***'****Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus.

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the section titled *'Related Party Transactions'* and the section titled *'Financial Information'* beginning on pages 206 and 209 of this Draft Red Herring Prospectus and described herein above, Our Key Managerial Personnel and Senior Management Personnel do not have any other interest in the business of our Company.

Changes in Key Managerial Personnel and Senior Management in the last 3 years

Other than as mentioned below, there has been no change to our Key Managerial Personnel and Senior Management Personnel since the incorporation of our Company.

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Draft Red Herring Prospectus:

Name	**Date of Appointment/ Change/ Cessation w.e.f.**	**Reason**
Mr. Metikurke Ramaswamy Raman Subbarao	September 01, 2022	Designated as Managing Director
Mr. Danavadi Krishnamurthy Arun	September 01, 2022	Designated as Whole-Time Director
Mr.Raghu Chandrashekhariah	September 01, 2022	Designated as Whole-Time Director
	July 03, 2023	In addition to Whole-Time Director also designated as Chief Financial Officer.
Mr. Sheshadri Srinivas Yedavanahalli	September 01, 2022	Change in designation from whole-time director to Executive Director & Chief Executive Officer
Mrs. Nagashree Hegde	July 03, 2023	Appointed as Company Secretary and Compliance Officer of the Company.
Mr. Mahesha Bangalore Ramalinga Pandit	July 14, 2021	Appointed as Delivery Head-Engineering and Solution in Service Department
	September 01, 2022	Promoted as Senior Vice President

	August 08, 2023	Promoted as Chief Technology Officer.
Mr. Nagaraj B Bhairaji	August 30, 2021	Promoted from Software Engineer to Senior Vice President-DevOps Consulting Business
Mr. Raghu Pavan T S	February 01, 2021	Appointed as Practice Head- ERP
	August 18, 2021	Promoted as Chief Information Officer.

Payment of benefit to officers of our Company

Except as stated in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in preceding 2 years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the section titled ***'****Financial Information'* beginning on page 209 of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, our Key Managerial Personnel and Senior Management personnel or our Promoters.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel or members of senior management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer to section titled '*History and Certain Other Corporate Matters*' beginning on page 166of this Draft Red Herring Prospectus.

Employees Stock Option Scheme for employees

Our Company pursuant to the resolutions passed by our Board on August 11, 2023 and shareholders on August 14, 2023, adopted the Canarys ESOS and approved to issue and grant an aggregate number of up to 43,50,000 employee stock options under the Canarys ESOS i.e. 10.61% of the existing paid-up Equity Share capital of our Company, which is in accordance with the SEBI SBEBSE Regulations.

For details of our employee stock options, please refer to the section titled ***'****Capital Structure*' beginning on page 80 of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

A. OUR PROMOTERS:

The Promoters of our Company are:

1. Mr. Metikurke Ramaswamy Raman Subbarao,
2. Mr. Danavadi Krishnamurthy Arun,
3. Mr. Raghu Chandrashekhariah,
4. Mr. Sheshadri Yedavanahalli Srinivas,
5. Mr. Pushparaj Shetty and
6. Mr. Nagaraju Vineeth.

As on the date of this Draft Red Herring Prospectus, our Promoters, together hold 3,03,24,360 Equity Shares, representing 73.94% of the issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer to the section titled *'Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus.

Brief Profile of Our Promoters

1. Mr. Metikurke Ramaswamy Raman Subbarao	
	**Mr. Metikurke Ramaswamy Raman Subbarao,** aged 61 years, is the Promoter and Chairman and Managing Director of our Company. He has been associated with our Company as a Director since Incorporation of the Company.
	Age: 61 years
	Date of Birth: July 19, 1962.
	Personal Address: 36, Kerekodi Road, New PG Dsouza Nagar, Hosakerehalli, Bengaluru South, Bengaluru, Karnataka-560085, India.
	PAN: ACFPR1859R
	Driving License: KA05 19850000658
	Nationality: Indian
	Passport No: L7172283
	For the complete profile of Mr. Metikurke Ramaswamy Raman Subbarao, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see '*Our Management*' on page 174.

2. Mr. Danavadi Krishnamurthy Arun.	
	**Mr. Danavadi Krishnamurthy Arun,** aged 58 years, is one of the Promoter of our Company and is also a Whole-Time Director of our Board. He has been associated with our Company as a Director since September 29, 1999.
	Age: 58 years
	Date of Birth: February 26, 1965.
	Personal Address: 27 and 28 Abheeshta, 2nd Cross, Kerekodi Road, Hosakerehalli, New PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India.
	PAN: ABYPA5125H
	Driving License: KA15 19850000224
	Nationality: Indian
	Passport No: U5758039

	For the complete profile of Mr. Danavadi Krishnamurthy Arun, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see '*Our Management*' on page 174.

3. Mr. Raghu Chandrashekhariah.	
	**Mr. Raghu Chandrashekhariah,** aged 65 years, is one of the Promoter of our Company and is also a Whole-Time Director of our Board. He has been associated with our Company as a Director since September 29, 1999.
	Age: 65 years
	Date of Birth: May 15, 1958.
	Personal Address: 38 Suraksha, 2nd Cross, Kerekodi Road, Hosakerehalli, New PG Dsouza Layout, Bengaluru South, Bengaluru, Karnataka-560085, India.
	PAN: AAOPR8198L
	Driving License: KA05 19950001201
	Nationality: Indian
	Passport No: Z5887465
	For the complete profile of Mr. Raghu Chandrashekhariah, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see 'Our Management' on page 174.

4. Mr. Sheshadri Yedavanahalli Srinivas.	
	**Mr. Sheshadri Yedavanahalli Srinivas,** aged 46 years, is one of the Promoter of our Company and is also an Executive Director and Chief Executive Officer of our Board. He has been associated with our Company as a Director since April 30, 2012.
	Age: 46 years
	Date of Birth: July 18, 1977.
	Personal Address: B-102, Vishnu Residency, 1st Cross Sarvaboumanagar, Chikkallasandra, Vasanthapura, Subramanyapura, Bengaluru, Karnataka-560061, India.
	PAN: ARSPS9311F
	Driving License: KA05 20010023894
	Nationality: Indian
	Passport No: V4648937
	For the complete profile of Mr. Sheshadri Yedavanahalli Srinivas, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see 'Our Management' on page 174.

5. Mr. Pushparaj Shetty.	
	Mr. Pushparaj Shetty, aged 52 years, is one of the Promoter of our Company and is also an Executive Director of our Board. He has been associated with our Company as a Director since May 19, 2023.
	Age: 52 years
	Date of Birth: November 19, 1970.
	Personal Address: C-404, Chartered Beverly Hills, 4th Main, Gubbalala, Bengaluru South, Bengaluru, Karnataka-560061, India.
	PAN: ADTPS0367A
	Driving License: KA02 19990003504
	Nationality: Indian
	Passport No: T4516075

	For the complete profile of Mr. Pushparaj Shetty, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see '*Our Management*' on page 174.

6. Mr. Nagaraju Vineeth.	
	**Mr. Nagaraju Vineeth,** aged 46 years, is one of the Promoter of our Company
	Age: 46 years
	Date of Birth: September 23, 1976.
	Personal Address: 20, 16th Cross, 34th Main, J. P. Nagar, 6th Phase, Bengaluru South, Bengaluru, Karnataka-560078, India.
	PAN: ABXPV0599F
	Driving License: KA05 19960012198
	Nationality: Indian
	Passport No: T4568305
	Mr. Nagaraju Vineeth is one of the promoters of our Company. He holds a Bachelor's degree in Engineering in Computer Science and Engineering from Bangalore University. He started his career with our Company as a director from March 19, 1999 and resigned on September 30, 2016. He has 24 years' of experience. Additionally, he is also currently serving as a director in Parts2build Technologies Private Limited from May 21, 2015 and as a director of Kritidev Developmental Solutions Private Limited from May 21, 2018.

Confirmations/ Declarations:

We declare and confirm that the details of PAN, passport, driving license, Aadhaar card and bank account number of our Promoters will be submitted to the NSE Emerge where the Equity Shares are proposed to be listed at the time of filing this Draft Red Herring Prospectus.

Interests of Promoters

Interest in promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their respective equity shareholding and the shareholding of their relatives in our Company, for which they are entitled to receive the declared dividend, and other distribution in respect of the Equity Shares held by them or their relatives that may be made by our Company in the future, to the extent that our Company have undertaken transactions or business arrangements with our Promoters, or their relatives or entities in which our Promoters hold shares or entities in which our Promoters are members of the board of directors or firms in which relatives of our Promoters hold interest; or to the extent that their relatives are employees of our Company and are paid remuneration by our Company and to the extent reimbursement of expenses payable by our Company. For details pertaining to our Promoters' shareholding, please refer the sections titled '*Capital Structure*' and '*Our Management*' on pages 80 and 174, respectively of this Draft Red Herring Prospectus.

Our Promoters are also interested in our Company to the extent of the unsecured loans extended by our Promoters and other related parties to our Company. For further details, see section titled "*Financial Information - Restated Consolidated Financial Statements Note 31"* on page 209.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, promoters or otherwise for services rendered by such Promoters or by such firm or company, in

connection with the promotion or formation of our Company.

Interest in the property, land, construction of building, supply of machinery, etc.

Except as mentioned in the section titled '***Our Business***', our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 years before the date of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

As on the date of this Draft Red Herring Prospectus, none of our Promoters have given material guarantees to the third party(ies) with respect to the Equity Shares of our Company.

Payment or Benefits to Promoters or Promoter Group in the Last 2 Years

Except as stated in the sections titled *'Our Management*' and in *'Related Party Transactions' forming part of "Financial Information of the Company"* beginning on pages 174 and 206, respectively, there has been no amounts paid or benefits granted by our Company to our Promoters or any of the members of the Promoter Group in the preceding 2 years nor there are any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Litigation Involving Our Promoters

For details relating to legal and regulatory proceedings involving the Promoters, please refer to the section titled ***'****Outstanding Litigations and Material Developments'* beginning on page 272 of this Draft Red Herring Prospectus.

Change in the Control of our Company

Except as disclosed in *"Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company"* on page 80, there has not been any change in the management or control of our Company in five years immediately preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Except as disclosed above and in *"Our Management"* beginning on page 174, our Promoters are not involved in any other venture.

B. Our Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations are set out below:

(a) Natural persons who are part of the Promoter Group

Name of the Promoter	Name of the relative	Relationship with the Promoter
Mr. Metikurke Ramaswamy Raman Subbarao	Kanakapura Nagabhushana Kalpana	Spouse
	M R Krishnaswamy	Brother
	Metikurke Ramaswamy Srinivasa Murthy	Brother
	Vijayashankar Ramaswamy Metikurke	Brother
	Metikurke Ramaswamy Prabhakar	Brother
	Metikurke Ramashwamy Sathyanarayanarao	Brother
	Rathna Anantha Krishna	Sister
	Saroja M R	Sister
	M R Hemalatha	Sister
	Metikurke Ramaswamy Kamala	Sister

Name of the Promoter	Name of the relative	Relationship with the Promoter
	Kanaada Metikurke Raman Subbarao	Son
	Veena Girish	Spouse's Sister
	Srinivasa Prasad K N	Spouse's Brother
Mr. Danavadi Krishnamurthy Arun	Shylaja Arun	Spouse
	Danavadi Krishna Murthy Sanjaya	Brother
	Rachana Danavadi A	Daughter
	Ruchira Danavadi Arun	Daughter
	Prabha Gopal	Spouse Mother
	Mamatha Kaushik	Spouse Sister
	Sathish T Gopalrao	Spouse Brother
Mr. Raghu Chandrashekhariah	Saraswathi Raghu	Spouse
	Shankar Chandrashekariah,	Brother
	Chanbrashekaraiah Krishna	Brother
	Uma V Krishna	Sister
	Usha Narayan	Sister
	Jyothi Prasad	Sister
	Akshara Raghu	Son
	Sowbhagya M V	Spouse's Mother
	M R Gangothri,	Spouse's Sister
	Yamuna M R	Spouse's Sister
Mr. Sheshadri Yedavanahalli Srinivas	Rajeswari	Spouse
	Subhadra	Mother
	Ramprasad Y S	Brother
	Manjula Y S	Sister
	Saanhvi Y S	Daughter
	Stuthi Y S	Daughter
	Padmavathi	Spouse Mother
	Rajeev	Spouse's Brother
	C Prakash	Spouse's Brother
Mr. Pushparaj Shetty	Bhavya	Spouse
	Kusuma S Shetty	Mother
	Hunthrike Shekar Shetty	Father
	Nandini Prasad Shetty	Sister
	Rishidevrath Shetty	Son
	Bhavani B Shetty	Spouse's Mother
	Bharath Raj Shetty	Spouse's Brother
Mr. Nagaraju Vineeth	Ramya Vineeth	Spouse
	Sarala Nagaraju	Mother
	Vijay Nagaraju (NRI)	Brother
	Lavithesh Ramya Vineeth	Son
	Vimala Ram Mohan	Spouse Mother
	Ram Mohan Ananthapai	Spouse Father

Note: Certain relatives of our Promoters viz. Miss Saanhvi Y Sheshadri, Miss Stuthi Y Sheshadri are not holding PAN since they are minor and Mr. Vijay Nagaraju does not have PAN as he is NRI:

Name of the Promoter	Name of the relative	Relationship with the Promoter	No. of Shares held in the Company	Year of Birth
Mr. Sheshadri Yedavanahalli Srinivas	Miss. Saanhvi Y Sheshadri	Daughter	NIL	2007
	Miss. Stuthi Y Sheshadri	Daughter	NIL	2012

(b) ***Bodies corporate / Entities forming part of the Promoter Group***

Sr. No.	Nature of Relationship	Name of the Promoter Entities/Company
1.	Any body corporate in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	• iBotOmate Private Limited • Parts2build Technologies Private Limited • Kritidev Developmental Solutions Private Limited
2.	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	Nil
3.	Any HUF or trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 20% of the total	• M R Raman Subba Rao HUF • Prabhakar Metikurke Ramashwamy HUF • Sramesh and Son HUF • Chandana Beauty Parlour (Proprietor - Rathna Anantha Krishna) • Design Desk (Proprietor - Srinivasa Prasad K N)

Relationship of our Promoters with our Directors

None of our Promoters are related to any of our Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST 3 YEARS

Except as stated below, Our Promoters have not disassociated themselves from any companies or firms during the preceding 3 years from the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Promoter	Name of entity from which disassociated.	Date of disassociation	Reason/ circumstances and terms of disassociation
1.	Mr. Metikurke Ramaswamy Raman Subbarao	Parts2build Technologies Private Limited	December 10, 2020	Resignation due personal reasons.
2.	Mr. Danavadi Krishnamurthy Arun	Nil		
3.	Mr. Raghu Chandrashekhariah			
4.	Mr. Sheshadri Yedavanahalli Srinivas			
5.	Mr. Pushparaj Shetty			
6.	Mr. Nagaraju Vineeth			

Common Pursuits/Conflict of Interest

Other than as disclosed in the section titled *'Our Group Companies'* beginning on page 204 of this Draft Red Herring Prospectus, our Promoters do not have any interests in any venture that is involved in any activities similar to those conducted by our Company.

Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Confirmations

Our Promoters, members of our Promoter Group, Promoter Group entities/ companies confirm that:

- They have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or governmental authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;
- They have not been declared as a Fugitive Economic Offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- They are not a promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority;
- They have not been identified as a wilful defaulter by RBI or any other Government authority; and
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against them.
- Except as disclosed in section titled '*Outstanding Litigations and Material Developments*' beginning on page 272 of this Draft Red Herring Prospectus, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of the Issue against our Promoters.
- Except as disclosed in section titled *'Financial Information*' beginning on page 209 of this Draft Red Herring Prospectus, we are not related to any of the sundry debtors or are not beneficiary of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Promoters and Subsidiaries) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind GAAP), as per the Restated Consolidated Financial Statements, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, for the purposes of (ii) above, a company (other than our Promoters, Subsidiaries and companies categorized under (i) above) have been considered material and shall be disclosed as a group company in this Draft Red Herring Prospectus if: (i) such company is a member of the Promoter Group; and (ii) our Company has entered into one or more transactions with such company during the Fiscal 2023, Fiscal 2022 and 2021 which individually or cumulatively in value exceeds 10% of the total consolidated income of our Company for the latest fiscal year derived from the Restated Consolidated Financial Statements.

1. Canarys-Hanuka Apo Technologies Private Limited *(a Joint Venture)*
2. iBOTOmate Private Limited

Details of our Group Companies

1. Canarys-Hanuka Apo Technologies Private Limited *(a Joint Venture)*

Canarys-Hanuka Apo Technologies Private Limited was incorporated on July 19, 2021 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre**.**

CIN: U41000KA2021PTC149620

PAN: AAJCC6290N

Registered Office

The registered office of Canarys-Hanuka Apo Technologies Private Limited is located at Ground Floor, No. 71, EPIP Industrial Area Road No. 3, Whitefield, Bengaluru 560066, Karnataka, India.

2. iBOTOmate Private Limited

iBOTOmate Private Limited was incorporated on September 16, 2022 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre**.**

CIN: U72900KA2022PTC166147

PAN: AAGCI8514G

Registered Office

The registered office of iBOTOmate Private Limited is located at #571, 3rd Floor, 30th Main, Attimabbe Road, Banagiri Nagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the limited review of latest financial statements available of Canarys-Hanuka Apo Technologies Private Limited and iBOTOmate Private Limited, for the Fiscals 2023 and 2022 are available on https://ecanarys.com/Investors-Subsidiary-and-Group-Companies.pdf

Litigation which has a material impact on our Company

There are no pending litigation involving our Group Companies which will have a material impact on our Company.

Nature and extent of interest of Group Company

a. Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b. Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are not interested in the properties acquired by our Company in the three preceding years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

c. Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits

Our Group Companies are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Group Companies and our Company. However, there are no conflict of interest amongst our Group Companies and our Company. If required, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

Related Business Transactions within the group and significance on the financial performance of our Company

Other than the transactions disclosed in the sections titled *"Financial Information"* and *"Related Party Transaction"* on pages 64 and 206, respectively, there are no other business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

Business interests or other interests

Except as disclosed in section titled *"Related Party Transactions"* on page 206, our Group Companies does not have any business interest in our Company.

Other Confirmations

Our Group Companies do not have any securities listed on a stock exchange. Further, our Group Companies have not made any public or rights issue of securities in the three years preceding the date of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details on related party transactions of our Company, please refer "*Note 31- Related party disclosures under accounting standard (AS-18)*" under section titled "*Restated Consolidated Financial Statements*" beginning on Page 209 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013 a company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The AoA of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by our Board of Directors.

The AoA of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous Financial Year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The dividend distribution policy of our Company was approved and adopted by our Board of Directors on August 11, 2023.

Final Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

The declaration and payment of dividend will depend on a number of internal and external factors. Some of the internal factors on the basis of which our Company may declare dividend shall *inter alia* include profits, past dividend trends, cost of borrowings, capital expenditure plans including organic and inorganic growth opportunities and the Company's liquidity position. The external factors on the basis of which our Company may declare the dividend shall *inter alia* include the state of economy and capital markets, applicable taxes and regulatory changes which include the introduction of new or changes in existing tax or regulatory requirements.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time.

For details in relation to risks involved in this regard, see "*Risk Factors – Internal Risk Factors – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition*" on page 33.

Details of dividends distributed on the Equity Shares are as follows:

Particulars	**Period**		
	Financial year ended March 31, 2023	**Financial year ended March 31, 2022**	**Financial year ended March 31, 2021**
No of Equity Shares	2,04,01,960	204,01,960	19,12,685
Face Value of equity shares	2	2	10
Interim Dividend	-	-	-
Final Dividend *(₹ in Lakhs)*	-	24.48	19.13
Total Dividend	**-**	**24.48**	**19.13**
Dividend per equity share	-	₹ 0.12	Re.1/-
Dividend rate[$]	-	6%	10%
Mode of distribution of dividend	-	RTGS/NEFT	RTGS/NEFT
Dividend distribution Tax	-	Nil	Nil
Date of declaration		September 30, 2022	September 30, 2021

Dividend per equity share = Total dividend/ Number of equity shares

Pursuant to a resolution passed by our Board on March 10, 2022 and a resolution passed by the Shareholders on March 21, 2022, each equity share of face value of ₹10 each has been split into 5 Equity Shares of face value of ₹ 2 each

$ Rate of dividend = Dividend per equity share/ Face value per equity share

Details of dividends distributed on the Preference Shares are as follows:

Particulars	**Period**		
	Financial year ended March 31, 2023	**Financial year ended March 31, 2022**	**Financial year ended March 31, 2021**
No of Preference Shares	52,00,000	52,00,000	52,00,000
Face Value of Preference shares	10	10	10
Interim Dividend	52.00	52.00	8.41
Final Dividend			
Total Dividend	**52.00**	**52.00**	***8.41**
Dividend per Preference share	₹ 1.00	₹ 1.00	₹ 1.00
Dividend rate[$]	10%	10%	10%
Mode of distribution of dividend	RTGS/NEFT	RTGS/NEFT	RTGS/NEFT
Dividend distribution Tax	-	Nil	Nil
Date of declaration	September 30, 2022 March 31, 2023	September 30, 2021 March 31, 2022	March 31, 2021

$ Rate of dividend = Dividend per equity share/ Face value per preference share
**Dividend paid for the period from 1st February, 2021 to 31st March, 2021.*

SECTION IX: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

The separate audited financial statements for the past financials years immediately preceding the date of the Draft Red Herring Prospectus of our Company have been made available on the website of the Company at https://ecanarys.com/Investors-Company.pdf

SURESH & CO.
Chartered Accountants

'SRINIDHI', #43/61, 1st Floor,
Surveyors Street, Basavanagudi,
Bengaluru - 560 004

Tele: 080-26623610/11
email: info@sureshandco.com
website: www.sureshandco.com

Independent Auditor's Report on Restated Consolidated Financial Information of Canarys Automations Limited (formerly known as Canarys Automations Private Limited)

To,
The Board of Directors,
Canarys Automations Limited
(formerly known as Canarys Automations Private Limited)
566 & 567, 2nd Floor,
30th Main, Attimabbe Road,
Banashankari 3rd Stage,
Bengaluru - 560 085

Dear Sirs,

We have examined the attached Restated Consolidated Financial Information of **Canarys Automations Limited** (formerly known as Canarys Automations Private Limited) (hereinafter referred to as "the Company" or "the Issuer"), its subsidiaries (the company and its subsidiaries together referred to as the "Group"), its associates and its joint ventures, comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2023, as at March 31, 2022 and as at March 31, 2021, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Cash Flow Statement for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies and other explanatory information (collectively the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 21 August 2023 for the purpose of inclusion in the Draft Red Herring Prospectus and/or Prospectus, prepared by the Company in connection with its proposed Initial Public Offer of equity shares (IPO) on SME platform NSE Limited and prepared in terms of the requirement of :-

a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended (ICDR Regulations") and related amendments/clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Consolidated Financial Information

The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus and/or Prospectus to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 on the basis of preparation stated in Annexure-D to the Restated Consolidated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors is also

responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

We have examined such Restated Consolidated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 25 May 2023 in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

Restated Consolidated Financial Information

These Restated Consolidated Financial Information have been compiled by the management from:

Audited Consolidated Financial Statements of the Group and its associates and joint ventures as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021, as amended, and other accounting principles generally accepted in India.

We have audited the special purpose consolidated financial information of the Group and its subsidiaries and joint ventures for the year ended March 31, 2023 prepared by the Company in accordance with the Accounting Standards for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 21 August 2023 on this special purpose consolidated financial information to the Board of Directors who have approved these in their meeting held on 21 August 2023.

For the purpose of our examination, we have relied on:

a) Auditor's report issued by us dated 21 August 2023 on the consolidated financial information of the Group as at and for the year ended March 31, 2023; and

b) The unaudited financial statements furnished to us by the management with respect to the subsidiaries. Our opinion in so far as it relates to the amounts included in the consolidated financial information are based solely on the reports shared by the management.

c) Auditor's reports issued by Mukunda Shiva & Associates, Chartered Accountants (the auditors of Joint Venture), dated July 28, 2023 and September 02, 2022 for the financial years ended 31st March 2023 and 31st March 2022 respectively.

d) Auditor's reports issued by the previous auditor, i.e., Hegde & Co., Chartered Accountants (the "Previous Auditors") dated September 08, 2022 and September 06, 2021 for the financial years ended March 31, 2022 and March 31, 2021 respectively.

The audit was conducted by the Company's previous auditor, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the significant accounting

policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years.

They have also confirmed that the 2022 and 2021 Restated Consolidated Financial Information have been prepared:

a) after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassification retrospectively, if any, in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

b) after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;

c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;

d) There were no qualifications in the Audit Report issued by us for the financial year ended March 31, 2023 and in the Audit Reports issued by previous auditor for the financial years ended March 31, 2022 and 2021 which would require adjustments in this Restated Consolidated Financial Information;

e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts;

f) Adjustments in Restated Consolidated Financial Information have been made in accordance with the correct accounting policies;

g) There are changes in accounting policies, which has been adjusted in the Restated Consolidated Financial Information;

h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Financial Consolidated Statement;

i) The Company has paid dividend since its incorporation.

Opinion

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

a) The "Restated Consolidated Statement of Assets and Liabilities" as set out in Annexure – A to this report, of the Company as at March 31, 2023, 2022 and 2021 is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure – D to this Report.

b) The "Restated Consolidated Statement of Profit and Loss" as set out in Annexure – B to this report, of the Company for the years ended March 31, 2023, 2022 and 2021 is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure – D to this Report.

c) The "Restated Consolidated Cash Flow Statement" as set out in Annexure – C to this report, of the Company for the years ended March 31, 2023, 2022 and 2021 is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Cash Flow Statement, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure – D to this Report.

Audit for the financial years ended on March 31, 2022 and March 31, 2021 was conducted by Hegde & Co., Chartered Accountants, and accordingly reliance has been placed on the financial statement examined by Hegde & Co., Chartered Accountants, for the said years. Financial Reports included for said years are solely based on report submitted by them.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial years ended March 31, 2023, 2022 and 2021 proposed to be included in the Draft Prospectus / Prospectus ("Offer Document") for the proposed IPO.

Annexure E - Notes to the Restated Summary Financial Information;

1) Statement of Share Capital, Reserves and Surplus – Note 2 & 3
2) Statement of Deferred tax Liability (Net) – Note 4
3) Statement of Other long-term liabilities – Note 5
4) Statement of long-term provisions – Note 6
5) Statement of Short-Term Borrowings – Note 7
6) Statement of Trade Payables – Note 8
7) Statement of Other Current Liabilities – Note 9
8) Statement of Short-Term Provisions – Note 10
9) Statement of Property, Plant & Equipment and Intangible Assets - Note 11
10) Statement of Non-Current Investments – Note 12
11) Statement of Long-term loans and advances – Note 13
12) Statement of Other non-current assets – Note 14
13) Statement of Inventories – Note 15
14) Statement of Trade Receivables – Note 16
15) Statement of Cash & Cash Equivalent – Note 17
16) Statement of Short-Term Loans and Advances – Note 18
17) Statement of Other Current Assets – Note 19
18) Statement of Revenue from Operations – Note 20
19) Statement of Other Income – Note 21
20) Statement of Purchases – Note 22
21) Statement of Increase/(Decrease) in inventory – Note 23
22) Statement of Employee Benefit Expenses – Note 24
23) Statement of Finance Cost – Note 25
24) Statement of Other Expenses – Note 26
25) Statement of Contingent liabilities and capital commitments – Note 27
26) Statement of Earnings and expenditure in foreign currency – Note 28
27) Statement of Disclosure under MSMED, 2006 – Note 29
28) Statement of Payment to auditors – Note 30
29) Statement of Related party disclosures under accounting standard (AS-18) – Note 31
30) Statement of Earnings per Share (EPS) – Note 32
31) Statement of Capitalisation – Note 33
32) Statement of Leases – Note 34
33) Statement of Impairment of assets – Note 36
34) Statement of Retirement Benefit plan – Note 38
35) Material Adjustments to the Restated Consolidated Financial Information – Note 39
36) Statement of Mandatory accounting ratios – Note 40

37) Statement of Summarised Financial Position – Note 41
38) Statement of Segment Report – Note 42
39) Statement of Ratio Analysis – Note 43
40) Statement of Corporate Social Responsibility (CSR) expenditure – Note 46
41) Statement of Additional information as required under Schedule III – Note 47

In our opinion and to the best of information and explanation provided to us, the Restated Consolidated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure – D are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, SURESH & CO., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI. The preparation and presentation of the Restated Consolidated Financial Information referred to above are based on the audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations.

The Restated Consolidated Financial Information referred to above is the responsibility of the management of the Company.

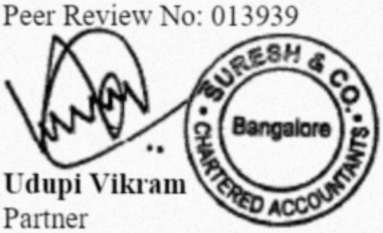
The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in Annexure – A to E of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure – D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

for **SURESH & CO.**
Chartered Accountants
FRN: 004255S
Peer Review No: 013939



Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
UDIN: 23227984BGQSJQ6396
21 August 2023

Canarys Automations Limited
(Formerly known as: Canarys Automations Private Limited)
566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085
CIN: U31101KA1991PLC012096

Annexure - A

Restated Consolidated Statement of Assets and Liabilities **(Amount in Rs. Lakhs)**

Particulars	Note no.	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES				
1) Shareholders' funds				
a) Share capital	2	928.04	928.04	711.27
b) Reserves and surplus	3	1,609.87	755.40	546.90
2) Non - current liabilities				
a) Deferred tax liabilities (Net)	4	8.38	6.99	8.58
b) Other long -term liabilities	5	3.30	3.30	3.30
c) Long term provisions	6	26.60	22.79	17.80
3) Current liabilities				
a) Short term borrowings	7	1,415.61	879.33	-
b) Trade payables	8			
- Dues to micro enterprises and small enterprises		720.73	830.90	-
- Due to creditors other than micro and small enterprises		687.91	538.91	408.60
c) Other current liabilities	9	643.21	628.34	222.98
d) Short-term provisions	10	334.24	159.57	83.61
TOTAL		**6,377.89**	**4,753.57**	**2,003.04**
II. ASSETS				
1) Non-current assets				
a) Property, Plant and Equipment and Intangible assets				
i) Property, Plant and Equipment	11	86.85	86.48	75.64
ii) Intangible assets	11	3.27	0.11	-
b) Non-current investments	12	122.34	12.21	119.17
c) Long-term loans and advances	13	12.61	12.61	5.73
d) Other non current assets	14	139.95	484.50	321.61
2) Current Assets				
a) Inventories	15	406.29	431.65	104.36
b) Trade receivables	16	4,263.74	2,590.60	1,036.79
c) Cash and bank balances	17	560.33	553.38	109.08
d) Short-term loans and advances	18	660.02	453.51	154.41
e) Other current assets	19	122.49	128.52	76.25
TOTAL		**6,377.89**	**4,753.57**	**2,003.04**

Significant accounting policies 1

The accompanying notes form an integral part of the Restated Consolidated Financial Information

As per our report of even dated attached
for SURESH & CO.
Chartered Accountants
Firm Registration Number: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram
Partner
Membership Number: 227984
Bengaluru

Raman SubbaRao M R
Managing Director
DIN:00176920
Bengaluru

Sheshadri Y S
Director & CEO
DIN: 03367545
Bengaluru

Raghu C
Whole-time Director & CFO
DIN: 01065269
Bengaluru

Nagashree Hegde
Company Secretary
M. No.: A66166
Bengaluru

Canarys Automations Limited
(Formerly known as: Canarys Automations Private Limited)
566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085
CIN: U31101KA1991PLC012096

Annexure - B

Restated Consolidated Statement of Profit and Loss **(Amount in Rs. Lakhs)**

Particulars	Note no.	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
I. Income				
a) Revenue from operations	20	7,451.94	5,150.90	2,561.72
b) Other income	21	95.35	49.03	16.50
Total Income		**7,547.28**	**5,199.93**	**2,578.22**
II. Expenses				
a) Purchases	22	1,897.24	1,944.31	546.93
b) (Increase)/decrease in inventory	23	98.45	(327.29)	129.91
c) Employee benefits expenses	24	3,045.31	1,976.05	1,206.51
d) Finance costs	25	149.95	66.81	9.63
e) Depreciation and amortization expenses	11	39.73	38.41	34.65
f) Other expenses	26	1,136.26	878.64	351.52
Total Expenses		**6,366.94**	**4,576.93**	**2,279.15**
III. Profit/(loss) before exceptional items and tax (I-II)		1,180.35	623.00	299.07
IV. Exceptional items		-	-	-
V. Profit/(loss) before tax (I-II)		1,180.35	623.00	299.07
VI. Tax expenses				
a) Current tax		326.46	168.77	80.06
b) Deferred tax		1.38	(1.59)	8.58
VII. Profit/(loss) for the year (III-IV)		**852.51**	**455.81**	**210.42**
VIII.Restated Earnings per share : (Face value of Rs.2/- each)				
Basic		3.92	2.08	1.16
Diluted		3.92	2.08	1.16

Significant accounting policies 1

The accompanying notes form an integral part of the Restated Consolidated Financial Information

As per our report of even dated attached
for SURESH & CO.
Chartered Accountants
Firm registration number: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram
Partner
Membership Number: 227984
Bengaluru

Raman SubbaRao M R
Managing Director
DIN:00176920
Bengaluru

Sheshadri Y S
Director & CEO
DIN: 03367545
Bengaluru

Raghu C
Whole-time Director & CFO
DIN: 01065269
Bengaluru

Nagashree Hegde
Company Secretary
M. No.: A66166
Bengaluru

Canarys Automations Limited
(Formerly known as: Canarys Automations Private Limited)
566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085
CIN: U31101KA1991PLC012096

Annexure - C

Restated Consolidated Cash Flow Statement **(Amount in Rs. Lakhs)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
(A) Cash Flows from Operating Activities			
Net Profit/(loss) before tax and extraordinary items	1,180.35	623.00	299.07
Adjustments for :			
Depreciation	39.73	38.41	34.65
Gain/Loss on sale of Investments	0.37	0.52	2.12
Provision for deferred tax	1.38	(1.59)	8.58
Adjustment on account of rent reserve	-	-	(14.43)
Assets discarded/Loss on sale of asset	(13.33)	(0.30)	-
Adjustment on account of gratuity	-	-	12.78
Adjustment in respect of Investment property	-	-	8.01
Adjustment in respect of Intangible assets	-	-	(2.97)
Dividend / Interest income	37.73	31.55	7.91
Adjustment on FCTR	5.36	2.33	(3.06)
Adjustment on account of unrealised profit in opening stock	73.08	-	-
Operating Profit before Working Capital change	1,324.67	693.91	352.66
(Increase) / Decrease in Trade receivables	(1,673.14)	(1,553.81)	(654.75)
(Increase) / Decrease in Inventory	25.37	(327.29)	129.91
(Increase) / Decrease in Loans and advances	(206.50)	(305.99)	(52.84)
(Increase) / Decrease in Other Current Assets	6.02	(52.25)	(22.54)
Increase / (Decrease) in Trade Payables	38.83	961.21	77.02
Increase / (Decrease) in Provisions	178.48	80.95	38.29
Increase / (Decrease) in Other Current Liabilities	14.87	405.37	60.67
Cash Generated from/ (used in) Operating Activities	(291.41)	(97.92)	(71.58)
Less: Income taxes paid	(327.84)	(167.18)	(88.65)
Net cash from / (used in) Operating Activities	**(619.25)**	**(265.10)**	**(160.23)**
(B) Cash Flows from Investing Activities			
Purchase of fixed assets	(29.92)	(49.06)	(13.29)
Changes in Non-current Investments	(148.24)	74.89	(124.75)
Net cash from / (used in) Investing Activities	**(178.15)**	**25.83**	**(138.03)**
(C) Cash Flows from Financing Activities			
Issue of Share Capital/Share application money received	-	12.75	537.39
Premium received during the year	-	25.50	34.78
Net Proceeds from borrowings	536.28	879.33	0.07
Less: Dividend paid	(76.48)	(71.13)	(8.41)
Net cash from / (used in) Financing Activities	**459.80**	**846.46**	**563.83**
(D) Total Increase/(Decrease) in Cash and bank balances	(337.60)	607.19	265.57
(E) Cash and bank balances at the beginning of the year	1,037.88	430.69	165.12
(F) Closing Cash and bank balances	**700.28**	**1,037.88**	**430.69**

Notes to Cash Flow Statement

1. Cash and bank balances consist of cash on hand and balances with banks.

Cash and bank balances			
a) Cash on hand	0.07	0.03	0.04
b) Balance with banks			
-In current accounts	49.19	148.81	88.21
-In Fixed deposits (Includes both current and non current)	651.02	889.04	342.44
	700.28	**1,037.88**	**430.69**

As per our report of even date attached
for SURESH & CO.
Chartered Accountants
FRN: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram	**Raman SubbaRao M R**	**Shehsadri Y S**	**Raghu C**	**Nagashree Hegde**
Partner	Managing Director	Director & CEO	Whole-time Director & CFO	Company Secretary
Membership Number: 227984	DIN:00176920	DIN: 03367545	DIN: 01065269	M. No.: A66166
Bengaluru	Bengaluru	Bengaluru	Bengaluru	Bengaluru

Canarys Automations Limited
(Formerly known as: Canarys Automations Private Limited)
566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085
CIN: U31101KA1991PLC012096

Annexure - D

Notes forming part of Restated Consolidated Financial Information

Company Overview

Canarys Automations Limited (Formerly known as Canarys Automation Private Limited) was incorporated on 1st July, 1991 to carry on the business of Software and Hardware development and maintenance and Consultancy Services and the training of personnel in Software & Hardware and operation of the Electronic Equipments. The company also undertakes execution of Integrated Water Management System turnkey projects on turnkey basis.

1. Significant accounting policies

1.01 Basis of preparation of financial information

The Restated Consolidated Financial Information of the Group have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') under the historical cost convention on the accrual basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act,2013 read with relevant Rules issued thereunder and other pronouncements of Institute of Chartered Accountants of India (ICAI).

The consolidated financial information related to Canarys Automations Limited ('the Company') and its subsidiary companies and joint ventures. The consolidated financial information have been prepared on the following basis:

(a) The financial information of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"

(b) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".

(c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

The Restated Consolidated Financial Information have been approved by the Board of Directors of Canarys Automation Limited at their meeting held on XX-XX-XXXX and has been specifically prepared for inclusion in the draft red herring prospectus to be filed by Canarys Automation Limited with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer of equity shares ('IPO') of Canarys Automation Limited (referred to as the 'Issue'). The Restated Consolidated Financial Information has been prepared by the management of Canarys Automation Limited 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 to date ('SEBI 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").

Particulars	Nature of Interest	Notes no.	% Of ownership	Considered in consolidation	Country of Incorporation
Canarys Corp, USA	Subsidiary	47	100%	Yes	USA
Canarys APAC Pte Ltd	Subsidiary	47	100%	Yes	Singapore
Canarys-Hanuka Apo Technologies Pvt Ltd	Joint Venture	47	49%	Yes	India

1.02 Use of Estimates

The Company uses prudent and reasonable assumptions and estimates in the preparation of its consolidated financial statements, and these are reflected in the reported amounts of income and expenses during the year, and the reported balances of assets and liabilities, and disclosures relating to contingent liabilities, as at the date of the financial statements. Due care and diligence have been exercised by the management in arriving at such "estimates & assumptions" since they may directly affect the reported amounts of income and expenses during the period, as well as the balances of Assets and Liabilities, including those which are contingent in nature, as at the date of reporting of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years and if material, their effects are disclosed in the notes to the financial statements.

1.03 Current and Non Current Classification

Assets

An asset is classified as current when it satisfies any of the following criteria:
a. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
b. It is held primarily for the purpose of being traded;
c. It is expected to be realised within 12 months after the reporting date; or
d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
a. It is expected to be settled in the company's normal operating cycle;
b. It is held primarily for the purpose of being traded;
c. It is due to be settled within 12 months after the reporting date;
d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in it settlement by the issue of equity instruments do not affect its classification.
Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current.

1.04 Operating cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. The operating cycle identified by the company is a duration of 12 months from the end of balance sheet date.

1.05 Revenue from operations:

(a) Income and Expenditure are accounted ongoing concern basis.

(b) The company's income consists of income from development of software and distribution of software, electronic items and hardware. Customer contracts on software development are billed based on time and material content of the work/assignment. Revenue from distribution of software & electronic items are billed and accounted based on delivery.

(c) Export of software products are accounted based on the export documents that are available with company. Export of software has been billed on mile stone basis based on the exchange rate prevailing on that respective day.

(d) All other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

(e) Interest income is accrued at applicable interest rate. All other income has been recognized when right to receive payment is established.

1.06 Property, Plant and Equipment, Intangible Assets, Capital Work in Progress & Intangible assets under development

(a) Property, Plant and Equipment are stated at their original cost of acquisition or construction less accumulated depreciation/amortization. Costs include all expenses incurred to bring the assets to its working condition for its intended use. Subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets concerned is capitalized if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. Interest on borrowings attributable to qualifying assets are capitalized and included in the cost of property, plant and equipment as appropriate.

(b) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.
Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Cost of the software has not been bifurcated and shown separately wherever computer and laptop has been bought along with the software loaded into it and under such circumstances, the computers and laptops has been classified as tangible assets by the Company.

1.07 Depreciation/Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. 5% of the cost of acquisition of the assets has been taken as the residual value of assets.

Depreciation on tangible assets is provided on written down value method over the estimated useful life of the assets using the indicative useful life as prescribed under Schedule II to the Companies Act, 2013. The Company has used the following useful life to provide depreciation on property, plant and equipment:

Asset Category	Useful Life (in years)
Computer equipment's	5
Computer equipment's	6
Motor vehicles	8
Furniture and fittings	10
Office equipment's	5
Software	1-3

Intangible assets are amortised over the estimated period of economic benefits on a straight line basis, commencing from the date the assets are available to the Company for its use.

1.08 Impairment of Assets

The Company periodically assesses whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the recoverable amount of the asset and if such recoverable of the asset is less than carrying cost of the asset, then the carrying amount is reduced to its recoverable amount. The deduction is treated as an impairment loss and is recognised in profit and loss account.

If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exits, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

Due consideration is given at the balance sheet date to determine whether there is any indication of impairment of the company's assets as defined in Accounting Standard 28 – "Impairment of Assets" issued by the Institute of Chartered Accountants of India and the management is of the opinion that none of the property, plant and equipment were impaired as at the date of the Balance sheet.

1.09 Inventories

Inventories are valued after providing for obsolescence. Raw Materials and finished (traded) goods are valued at lower of cost and net realizable value, on first-in, first-out basis. Work in progress were also assessed at the end of the year and valued based on the cost associated to that respective WIP.

Stock as at the end of year has been valued as per FIFO excluding GST and other taxes.

1.10 Investments

Non - current Investments are valued at cost. Provision for diminution in the value is made to recognize a decline, other than temporary, in the value of long-term investments.

Current investments are valued at cost or market value, whichever is less.

Investment in subsidiary has been consolidated as per AS 21 and investment in joint venture has been consolidated as per AS 27. These figures were eliminated from investment while preparing consolidated financial statements.

1.11 Employee Benefits

Defined benefit plans

The company has recognized the gratuity payable in the books of accounts based on the Certificates of Actuarial Valuation received from the LIC in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

(i) Short term employee benefit:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and incentives if any, are recognized in the period in which the employee renders the related service.

Defined contribution plan

Contributions made by the Company towards Employees Provident Fund have been charged to the revenue account in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

1.12 Borrowing Costs

Borrowing Costs that are attributable and exclusively relating to the acquisition, construction of the qualifying assets are capitalized as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

1.13 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis.

1.14 Foreign Currency transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in profit and loss for the year.

All other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Losses Account.

Exchange differences arising on long-term foreign currency monetary items related to acquisition of fixed asset are capitalized and depreciated over the remaining useful life of the asset.

1.15 Earnings per share

The basic earnings per share is computed by dividing the net profit/loss after tax available to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

1.16 Income tax

Tax expense compromises of both current and deferred taxes, Provision for current taxes is made at the current tax rates. Based on the assessable income after considering tax allowances and exemptions it terms with the applicable Income Computation Disclosure Standards (ICDS). Deferred income taxes reflects the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred taxes is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainity that sufficient future taxable income will be available against which such deferred tax asset can be realized. Unrecognized deferred tax asset of earlier years are reassessed and recognized to the extent that it has become reasonable certain that future taxable income will be available against which such deferred tax asset can be realised.

1.17 Leases

Assets acquired under Leases, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

1.18 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes and are not usually provided for unless it is probable that future outcome may be detrimental to the company.

1.19 Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks. The Company considers all highly liquid investments with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.20 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit or loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows arising from regular revenue generating, investing and financing activities of the Company are segregated.

1.21 Related Party Disclosure

Disclosure is made as per the requirements of Accounting Standard 18. Related Party Disclosures and as per the clarification issued by the Institute of Chartered Accounts of India.

1.22 Capital Redemption Reserve (CRR)

In the financial year 2020-21, the company had issued redeemable preference shares with certain terms and conditions. All such terms & conditions connected with issue of preference shares have been reported elsewhere in the financial statements. As required under the Companies Act, 2013, the company has created the capital redemption reserve on a pro-rata basis as per the terms of the issue of such preference shares accordingly. The said CRR has been transferred from the accumulated profit of the company. Over a period of five years or before the redemption of such preference shares the entire amount of preference shares would be transferred to capital redemption reserve.

1.23 Investments classified as long term investments has been carried in the financial statements at cost. However, provision for diminution shall be made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

Annexure - E

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

2 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Authorised			
2,50,00,000 Equity Shares of Rs. 2 each share fully paid (2022 - 2,50,00,000 Equity Shares of Rs. 2 each share fully paid 2021 - 22,25,000 Equity Shares of Rs. 10 each share fully paid)	500.00	500.00	225.00
60,00,000 Preference Shares of Rs. 10 each	600.00	600.00	600.00
Total	**1,100.00**	**1,100.00**	**825.00**
Issued, subscribed and fully paid-up			
2,04,01,960 Equity Shares of Rs. 2 each share fully paid (2022 - 2,04,01,960 Equity Shares of Rs. 2 each share fully paid 2021 - 19,12,685 Equity Shares of Rs. 10 each share fully paid)	408.04	408.04	191.27
52,00,000 Preference Shares of Rs. 10 each share fully paid	520.00	520.00	520.00
Total	**928.04**	**928.04**	**711.27**

(ii) Reconciliation of the number of equity and preference shares outstanding at the beginning and at the end of the reporting year is as given below before sub-division of shares:

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Equity shares						
No. of shares at the beginning of the year	NA	NA	19,12,685	191.27	17,38,805	173.88
Movement during the year	NA	NA	21,67,707	216.77	1,73,880	17.39
Number of shares outstanding at the end of the year.	**-**	**-**	**40,80,392**	**408.04**	**19,12,685**	**191.27**

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below after sub-division of shares:

Particulars of Shares	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Equity shares						
No. of shares at the beginning of the year	2,04,01,960	408.04	NA	NA	NA	NA
Fully Paid up capital of Equity Shares of Face Value of Rs. 10 each before the sub-division	-	-	20,40,196	204.02	NA	NA
Fully Paid up capital of Equity Share of Face Value of Rs. 10 each during the year divided into Equity Share of face value of Rs. 2 each fully paid up	-	-	1,02,00,980	204.02	NA	NA
Add: Further issue of shares or Bonus Shares issued during the year	-	-	1,02,00,980	204.02	NA	NA
Issued, subscribed and fully paid up equity shares having face value of Rs. 2 each at the end of the year	-	-	2,04,01,960	408.04	NA	NA
Number of shares outstanding at the end of the year	**2,04,01,960**	**408.04**	**2,04,01,960**	**408.04**	**NA**	**NA**

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Preference shares						
No. of shares at the beginning of the year	52,00,000	520.00	52,00,000	520.00	-	-
Movement during the year	-	-	-	-	52,00,000	520.00
Number of shares outstanding at the end of the year.	**52,00,000**	**520.00**	**52,00,000**	**520.00**	**52,00,000**	**520.00**

(iv) Particulars of shareholders holding more than 5% Equity shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Equity shares of Rs.2/- each fully paid						
Raman Subba Rao	50,42,990	24.72%	50,42,990	24.72%	4,72,780	24.72%
Raghu C	37,40,320	18.33%	37,40,320	18.33%	3,50,655	18.33%
Arun D K	35,93,280	17.61%	35,93,280	17.61%	3,36,870	17.61%
Jagadeesha CS	13,52,000	6.63%	13,52,000	6.63%	1,35,200	7.07%
Anuradha Hegde	12,80,000	6.27%	12,80,000	6.27%	1,28,000	6.69%
Pushparaj Shetty	13,05,240	6.40%	-	-	-	-
Sheshadri Y S	11,75,350	5.76%	-	-	-	-
Total	**1,74,89,180**		**1,50,08,590**		**14,23,505**	

(v) Particulars of shareholders holding more than 5% Preference shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Preference shares of Rs.10/- each fully paid						
Anuradha Hegde	10,00,000	19.23%	10,00,000	19.23%	10,00,000	19.23%
Shweta S Murthy	2,75,000	5.29%	2,75,000	5.29%	2,75,000	5.29%
Total	**12,75,000**		**12,75,000**		**12,75,000**	

(vi) Shareholding of Promoters as on 31st March 2023

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao.M.R.	50,42,990	24.72%	0%
Arun.D.K	35,93,280	17.61%	0%
Raghu.C	37,40,320	18.33%	0%
Nagaraju Vineeth	3,05,000	1.49%	0%
Pushparaj Shetty	13,05,240	6.40%	1.41%
Sheshadri Y.S.	11,75,350	5.76%	1.41%
Total	**1,51,62,180**		

Shareholding of Promoters as on 31st March 2022

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao M R	50,42,990	24.72%	0%
Raghu C	37,40,320	18.33%	0%
Arun D.K.	35,93,280	17.61%	0%
Anuradha Hegde	12,80,000	6.27%	-0.42%
Jagadeesh C S	13,52,000	6.63%	-0.44%
Total	**1,50,08,590**		

Shareholding of Promoters as on 31st March 2021

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao M R	4,72,780	24.72%	-0.86%
Raghu C	3,50,655	18.33%	-0.86%
Arun D.K.	3,36,870	17.61%	-0.78%
Total	**11,60,305**		

Terms/ rights attached to equity shares

During the Financial year 2022-23, the company has no movement in equity shares.

The company has two class of share capital i.e. equity shares having face value of Rs. 2 per share and Preference share capital of Rs 10 per share. In the Financial year 2021-22 company has sub divided the face value of equity shares of Rs. 10 each per share at the beginning of the year into face value of Rs. 2 each fully paid equity share. Each holder of equity share is entitled to one vote per share.

In the Financial year FY 2020-21, the company had a right issue of equity shares and shareholders subscribed 1,73,880 equity shares of Rs. 10 each at a premium of Rs. 20 each per equity share.

In the Financial year FY 2021-22, the company had a right issue of equity shares and shareholders subscribed 1,27,511 equity shares of Rs. 10 each at a premium of Rs. 20 each per equity share.

In the Financial year 2021-22 the company has issued bonus share of 1 equity share to every 1 equity shares held by the equity shareholders after sub dividing the face value of Rs. 10 each to face value into Rs. 2 per equity share.

The Equity Shares issued during the years has rank pari passu with the other equity shares that company had already issued.

Terms & Conditions attached to the preference shares issued by the company during the year are:

a. The Partially redeemable & convertible Preference shares issued during the year has maximum 5 years tenure.

b. The Preference shares shall carry on dividend of the rate of 10% per annum on the nominal value of share. The Dividend shall be calculated on pro-rata basis from the date of allotment of such preference shares. The Dividend shall be paid in cumulative in nature.

c. The Preference Shareholders does not have right to participate in the surplus funds of the Company.

d. The Preference shareholder shall have liquidation preference in the event of winding up of the Company as provided under the Act and the preference shareholders shall not have only right to participate in the surplus asset & profit of the Company.

e. The 90% of the preference share paid-up capital held by the shareholders are redeemable. ln case, if the subscribers opt for conversion, the remaining 10% of the paid-up preference shares capital will be converted into equity shares at the fair value determined at the time of conversion.

f. The Preference Shares shall not carry any voting rights except in case of any resolution placed before the Company which directly affects the rights attached to such shares or as otherwise provided in the Companies Act.

g. The preference shareholders or Company shall redeem 90% of Preference shares at par value in the following manner:
i. 30% of the preference shares shall be repaid at the end of 3rd year
ii. 30% of the preference shares shall be repaid at the end of 4th year
iii. 30% of the preference shares shall be repaid at the end of 5th year
iv. The balance 10% may be converted into Equity share at a fair market value determined at that time of such conversion
g. At the end of 5th year, the balance 10% may be converted into Equity share at the option of the preference shareholder at a fair market value determined of that time
h. The Company may redeem the preference shares at any time after expiry of one year from the date of issue of such shares.
i. With the consent of preference shareholders, the Company may convert 10% of preference share capital into equity shares of only time after expiry of one year from the date of issue, of fair market value determined of the time of conversion.
j. Further, the company has converted the 10% of Preference shares on 18th July of 2023 at a Fair Market Value (FMV) of ₹25/- per share.

Unpaid calls on shares - There have been no unpaid calls.

Forfeiture of shares - None of the shares have been forfeited during the year.

Employee stock option scheme - No equity shares of the company has been reserved towards employee stock option scheme.

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

3 Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Securities premium			
Opening balance	86.35	60.85	26.07
Premium received during the year	-	25.50	34.78
Closing balance (a)	**86.35**	**86.35**	**60.85**
b) General reserve			
Opening balance	12.27	12.27	12.27
Add: Transfer from profit & loss account	-	-	-
Closing balance (b)	**12.27**	**12.27**	**12.27**
c) Capital Redemption Reserve (CRR)			
Opening balance	121.33	17.33	-
Created towards redemption of Preference Shares	104.00	104.00	17.33
Closing balance (c)	**225.33**	**121.33**	**17.33**

During 2022-23 the company has transferred a sum of Rs.1,04,00,000 to CRR in financial year 2022-23 and accumulated CRR created is amounti

d) Surplus/(deficit) in the statement of profit and loss			
Opening balance	518.11	441.45	253.07
Add: Profit/(Loss) for the year	852.51	455.81	210.42
Deferred tax adjustment	-	-	0.30
Adjustment in respect of Investment property	-	-	8.01
Adjustment in respect of Gratuity	-	-	12.78
	1,443.71	**897.26**	**484.59**
Less: Appropriations			
Dividend paid			
On Equity Share capital	24.48	19.13	-
On Preference Share capital	52.00	52.00	8.41
Adjustment in respect of rent reserve	-	-	14.43
Adjustment in respect of Intangible assets	-	-	2.97
Transferred to Capital Redemption Reserves	104.00	104.00	17.33
Transferred to Issue of Bonus shares	-	204.02	-
Closing balance (d)	**1,263.22**	**518.11**	**441.45**
e) FCTR			
Opening balance	17.33	15.00	13.40
Add: Profit/(Loss) for the year	5.36	2.33	1.61
Closing balance (e)	**22.69**	**17.33**	**15.00**
Total reserves and surplus	**1,609.87**	**755.40**	**546.90**

4 Deferred tax Liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred tax liability	11.24	7.17	8.58
Deferred tax asset	(2.86)	(0.18)	-
Deferred tax Liabilities (Net)	**8.38**	**6.99**	**8.58**

5 Other long term liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Rental deposit/Security deposits*	3.30	3.30	3.30
Total	**3.30**	**3.30**	**3.30**

*Rent deposit/Security deposit given by the lessee under rental agreement for the term of 5 years

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

6 Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Provision for employee benefits	2.05	0.47	-
b) Rent equalization reserve	24.55	21.17	17.80
Total	**26.60**	**22.79**	**17.80**

7 Short term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Cash credit account overdrawn*	863.29	624.92	-
b) Loans and advances from related parties	543.70	156.80	-
c) Inter Corporate Deposits	8.62	97.61	-
Total	**1,415.61**	**879.33**	**-**

	Bank	Particulars	Limit	
1	State Bank of India	Cash Credit - Fund based epayble on demand and subject to review by the Bank once in every 12 months	Rs. 300 Lakhs	Hypothecated by first charge
2	State Bank of India	Cash Credit - Non Fund based	Rs. 1000 lakhs	

The above said facilities are further secured by the collataral security of a house property owned by Mr. Raman Subba Rao the Managing Director of the Company and secured by Industrial Flat at Electronic City owned by the Company. This is further secured by personal gurantees offered by the Directors of the Company.

Rate of interest on cash credit is @10.55% and Bank shall any time and from time to time be entitled to vary the margin base on Credit Risk Assessment of the borrower and the EBR/MCLR at its discretion.

*The company's Joint venture has availed overdraft facility of Rs. 1,200 Lakhs from Canara Bank with the Outstanding amount of Rs. 961.26 Lakhs [PY Rs. 1,148.21 Lakhs] and the same is hypothecated by first Charge on Book Debts of the Compnay and pledge fixed Deposits to the Extent of 40% of proposed exposure of Rs.1,200 Lakhs and 10% cut back on every remittance as and when received against total value of OCC/ODBD limit sanctioned of Rs. 1,200.00 Lakh. Further, the same is secured by Corporate Guarantees provided by M/s. Hanuka Technologies solutions Pvt ltd & M/s. Canary's Automations Pvt Ltd along with personal guarantees of Directors of Company.

8 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Due to micro, small and medium enterprises *	720.73	830.90	-
b) Due to creditors other than micro and small enterprises**	687.91	538.91	408.60
Total	**1,408.64**	**1,369.81**	**408.60**

*Amount included in "Due to MSME" is relating to amount payable to Canarys -Hanuka Apo Technologies Private Limited - A joint venture entered between Canarys Automation Limited and Hanuka Technologies Solutions Private Limited.

In reality, there are only two partners to the Joint Venture (Canarys Automations Private Limited and Hanuka Technology Solutions Private Limited) wherein both partners contribute towards the resources required for the purpose of execution of JV objective. The fact remains that the Joint venture Company consisting of two partners, as aforesaid, have come together and are more in the nature of contributors rather than buyers and sellers or service providers and service recipients. In view of this, The company has obtained a board resolution dated 28th July, 2023 from Canarys -Hanuka Apo Technologies Private Limited which has been taken as a basis to waive the rights of Canarys -Hanuka Apo Technologies Private Limited as per sections 15, and 16 of the MSMED Act, 2006 for the Provisions of claiming interest on delayed payments.
In view of the above circumstances, the management is of the opinion that not making any such provision as per the requirements of Section 15 and 16 of the MSMED Act, 2016, is not overriding such requirements and the need to make a provision does not arise.

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

**Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.
The company has not received the required information from any of the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Except as mentioned above). Hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid/payable as required under the Act have not been made.

Ageing for trade payables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) MSME			
a) Less than 1 year	720.73	830.90	-
b) 1 - 2 years	-	-	-
c) 2 - 3 years	-	-	-
d) More than 3 years	-	-	-
Total (i)	**720.73**	**830.90**	**-**
(ii) Others			
a) Less than 1 year	667.22	384.19	327.13
b) 1 - 2 years	20.69	1.30	-
c) 2 - 3 years	**-**	**153.43**	**81.47**
d) More than 3 years	-	-	-
Total (ii)	**687.91**	**538.91**	**408.60**
Total (i+ii)	**1,408.64**	**1,369.81**	**408.60**

The Company does not have any disputed outstanding balances.

9 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Advances from customers	68.02	13.75	2.04
b) Dividend payable	-	24.16	7.95
c) Statutory dues	350.51	267.69	112.25
d) Salary payable	135.97	207.45	96.29
e) Due to employees	8.55	7.15	4.44
f) Other payables	80.16	108.15	-
Total	**643.21**	**628.34**	**222.98**

10 Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Provision for taxation	325.30	153.40	81.71
b) Provision for Gratuity	8.94	6.17	1.90
Total	**334.24**	**159.57**	**83.61**

12 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Investments in Equity Instruments	0.05	1.70	1.70
b) Investments in Mutual Funds*	112.48	0.69	107.66
c) Investment property**	9.81	9.81	9.81
Total	**122.34**	**12.21**	**119.17**

*Investment in Mutual Fund is charged against Bank Overdraft.
** Building from which the rental income is earned is classified as long term investment property at cost. (read with AS 13, Accounting for investments)

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

13 Long term loans and advances

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good			
a) Security deposit	0.61	0.61	0.73
b) Rent deposit**	12.00	12.00	5.00
Total	**12.61**	**12.61**	**5.73**

**This deposit is rental advance paid to the lessor for office space and the management is of intention that the office space will be used till the Financial Year 2029-2030

14 Other non current assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Fixed deposit with maturity more than 12 months*	139.95	484.50	321.61
Total	**139.95**	**484.50**	**321.61**

*Fixed deposits are charged against Bank Guarantee.

15 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Raw material and Components	202.22	418.52	104.36
Work-in-progress	204.07	13.14	-
Total	**406.29**	**431.65**	**104.36**

16 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured considered good			
a) Over six months from the date they were due for payment	1,379.82	778.06	16.89
b) Others	2,883.92	2,590.60	1,036.79
Total	**4,263.74**	**2,590.60**	**1,036.79**

Ageing for trade reveivables

Particulars	As at	As at	As at
(i) Undisputed Trade Receivables			
- Considered Good			
a) Less than 6 months	2,883.92	1,812.54	1,019.90
b) 6 months - 1 year	498.72	298.87	13.19
c) 1 - 2 years	864.61	476.96	1.48
d) 2 - 3 years	16.15	-	-
e) More than 3 years	0.35	2.23	2.23
Total	**4,263.74**	**2,590.60**	**1,036.79**

The Company does not have any Disputed Trade Receivables and Doubtful Receivables

17 Cash and bank balances

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Cash and bank balances			
a) Cash on hand	0.07	0.03	0.04
b) Balance with banks			
-In current accounts	49.19	148.81	88.21
-In Fixed deposits	511.07	404.54	20.83
Total	**560.33**	**553.38**	**109.08**

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

18 Short-term loans and advances

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good			
a) Balances with statutory authorities	483.52	359.14	126.99
b) Trade advance*	155.58	91.06	4.98
c) Staff Advance**	20.92	3.32	22.45
Total	**660.02**	**453.52**	**154.41**

* Trade Advances given to the vendors for which the services are taken subsequently.
** Staff advance are given to employees and the same is getting adjusted with the subsequent month's salary payable.

19 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Earnest Money Deposit*	35.93	113.82	56.75
b) Prepaid expense	2.28	0.97	0.45
c) Interest receviable	6.82	2.46	-
d) Unbilled revenue	77.47	11.26	19.05
Total	**122.50**	**128.52**	**76.25**

*Earnest Money Deposit is a monetary deposit that is made for participating in government tenders

Canarys Automations Limited
(Formerly known as: Canarys Automations Private Limited)
566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085
CIN: U31101KA1991PLC012096

Notes forming part of Restated Consolidated Financial Information

Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule **(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2022	Additions during the year	Deletions during the year	As at 31.03.2023	As at 01.04.2022	Depreciation for the year	Deletions during the year	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Property, Plant and Equipment										
Vehicles	47.53	10.66	8.34	49.86	41.81	2.37	7.92	36.26	13.60	5.72
Office Equipment	44.94	11.94	17.13	39.75	38.75	5.01	16.25	27.51	12.24	6.18
Electrical Fittings	9.21	6.52	2.23	13.50	7.69	1.37	2.12	6.94	6.56	1.52
Furniture	77.73	16.06	44.85	48.95	65.66	4.84	42.60	27.90	21.05	12.07
Computers	274.85	8.38	139.70	143.53	213.87	25.86	129.60	110.13	33.40	60.98
Intangible assets										
Software	0.13	3.43	1.55	2.01	- 0.01	0.27	1.55	(1.26)	3.27	0.11
Total	**454.39**	**57.00**	**213.79**	**297.59**	**367.79**	**39.73**	**200.05**	**207.47**	**90.12**	**86.60**

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Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule **(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2021	Additions during the year	Deletions during the year	As at 31.03.2022	As at 01.04.2021	Depreciation for the year	Deletions during the year	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Property, Plant and Equipment										
Vehicles	47.53	-	-	47.53	39.93	1.88	-	41.81	5.72	7.60
Office Equipment	42.12	2.82	-	44.94	36.04	2.71	-	38.75	6.18	6.08
Electrical Fittings	9.21	-	-	9.21	7.19	0.50	-	7.69	1.52	2.02
Furniture	77.73	-	-	77.73	62.23	3.43	-	65.66	12.07	15.51
Computers	228.94	46.60	0.69	274.85	184.51	29.36	-	213.87	60.98	44.43
Intangible assets										
Software	2.20	-	2.07	0.13	2.20	0.52	2.71	0.01	0.11	0.00
Total	**407.73**	**49.42**	**2.76**	**454.39**	**332.09**	**38.41**	**2.71**	**367.79**	**86.60**	**75.64**

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Notes forming part of Restated Consolidated Financial Information

Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule **(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2020	Additions during the year	Deletions during the year	As at 31.03.2021	As at 01.04.2020	Depreciation for the year	Deletions during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Property, Plant and Equipment										
Vehicles	47.53	-	-	47.53	37.15	2.78	-	39.93	7.60	10.38
Office Equipment	42.12	-	-	42.12	32.22	3.82	-	36.04	6.08	9.90
Electrical Fittings	9.21	-	-	9.21	6.52	0.67	-	7.19	2.02	2.69
Furniture	77.73	-	-	77.73	57.59	4.63	-	62.23	15.51	20.14
Computers	210.88	18.06	-	228.94	162.17	22.34	-	184.51	44.43	48.71
Intangible assets										
Software	9.31	-	7.11	2.20	5.93	0.41	4.14	2.20	-	3.38
Total	**396.78**	**18.06**	**7.11**	**407.73**	**301.58**	**34.65**	**4.14**	**332.09**	**75.64**	**95.20**

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

20 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Telemetry projects	2,752.57	2,386.53	1,097.95
Sale of service	4,699.37	2,764.37	1,463.78
Total	**7,451.94**	**5,150.90**	**2,561.72**

21 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	37.73	31.55	7.91
Profit on sale of investments	0.37	0.52	2.12
Rental Income	3.96	3.80	3.47
Interest on IT Refund	-	4.17	1.00
Exchange gain	53.29	-	-
Miscellaneous income(Other non operating income)	-	9.00	2.01
Total	**95.35**	**49.03**	**16.50**

22 Purchases

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Purchases	1,637.64	1,679.39	488.00
Direct expenses	259.60	264.93	58.93
Total	**1,897.24**	**1,944.31**	**546.93**

23 (Increase)/decrease in inventory

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Opening Inventory	431.65	104.36	234.27
Adjustment in respect of unrealised profit	73.08	-	-
Less : Closing Inventory	(406.29)	(431.65)	(104.36)
(Increase)/decrease in Inventory	**98.45**	**(327.29)**	**129.91**

24 Employee benefit expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	2,737.91	1,820.06	1,137.29
Contributions to Provident and other funds	114.34	71.34	54.54
Staff welfare expenses	193.86	81.66	12.79
Gratuity expenses (Net)	(0.81)	2.99	1.90
Total	**3,045.31**	**1,976.05**	**1,206.51**

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

25 Finance cost

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	127.38	45.06	-
Bank Charges	22.56	21.74	9.63
Total	**149.95**	**66.81**	**9.63**

26 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Rates and taxes	13.92	7.19	8.47
Rent expenses	53.83	46.62	41.17
Repairs and maintenance	70.81	28.05	13.08
Office maintenance	45.92	10.93	10.58
Insurance	35.41	0.81	0.51
Professional charges	719.52	690.21	220.28
Communication & internet charges	22.91	17.93	8.60
Payment to auditors			
Audit fees	3.00	2.20	0.50
Travelling and conveyance	96.32	27.95	12.16
Marketing expense	15.12	7.99	-
Security Charges	3.10	2.95	2.95
Printing and stationery	6.30	1.54	0.81
Electricity charges	10.20	5.84	6.70
Exchange loss	-	7.38	6.25
Bad debts	5.39	6.54	10.98
Subscription Charges	12.45	12.39	7.57
Assets discarded/Loss on sale of asset	13.33	0.30	-
CSR Expense	6.80	-	-
Miscellaneous expenses	1.93	1.81	0.91
Total	**1,136.26**	**878.64**	**351.52**

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

27 Contingent liabilities and capital commitments

Contingent liabilities in respect of disputed tax/liability not provided in the books. The details are as under:

Name of Statute	Nature of the dues	Period to which the amount related (Assessment Year)	Forum where dispute is pending	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
The Income Tax Act, 1961	Sec. 195 - TDS on non-resident payment	2018-19	CIT Appeals	72.77	72.77	72.77

*The original demand was 72.77 lakhs, the company has paid 15% as on 21st June 2023 amounting to 10.92 lakhs, further amount recovered from refund due as on 27th July 2023 is 13.25 lakhs. Hence, the value of 48.60 lakhs has been arrived at after adjusting these amounts.

Contingent liability towards the Corporate Gurantee given

Name of the Bank	Person to whom the corporate gurantee is given	Relation with the person	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Canara bank	Canarys Hanuka Apo Technologies Pvt Ltd	Joint Venture	1,200.00	1,200.00	-

28 Earnings and expenditure in foreign currency

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Earnings in foreign currency:			
Export of Services	1,796.28	979.77	639.89
Expenditure in foreign currency:			
-Import of Raw Materials	(217.81)	-	(132.18)
-Travelling and conveyance	(29.70)	(9.34)	-
-Subscription of shares in Foreign subsidiary Canarys APAC Pte Ltd, Signapore	-	(5.70)	-
Total	**1,549**	**965**	**508**

29 Disclosure under Micro, Small and Medium Enterprises Development Act (MSMED) 2006:

Based on the information available with the company, there are no Micro, Small and Medium Enterprises (Except Canarys -Hanuka Apo Technologies Private Limited as mentioned in Note No.8) to whom the company owes dues, which are outstanding more than 45 days as on 31st March, 2023. Further, no interest during the year has been paid or payable under the terms of the MSMED Act , 2006.

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Amount due to vendor	720.73	830.90	-
Principal amount paid beyond the appointed date	-	-	-
Interest under normal credit terms-	-	-	-
Accrued during the year	-	-	-
Unpaid	-	-	-
Total interest payable-	-	-	-
Accrued during the year	-	-	-
Unpaid	-	-	-
Total	720.73	830.90	-

30 Payment to auditor

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
For services as auditors	3.00	1.00	1.00
For tax audit and other services	-	0.70	0.70
For other charges	-	3.45	3.15
Total	**3.00**	**5.15**	**4.85**

* The amount disclosed above does not include GST component.

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

31 Related party disclosures under accounting standard (AS-18)

Names of related parties and description of relationship with the Company		
Key managerial personnel & their Relatives	1. Raman Subba Rao MR	Managing Director
	2. C. Raghu	Whole Time Director
	3. D.K. Arun	Whole Time Director
	4. Sheshadri	Director
	5. Sanjeev Kumar (Resigned on 09-06-2022)	Director
	6. Pushparaj Shetty (Resigned on 24-02-2021)	Director
Entities in which key managerial personnel are interested	1. iBOTOmate Private Limited	

Note: The above information has been determined to the extent such parties have been identified on the basis of information available with the company.

The following transactions were carried out with the related parties in the ordinary course of business

Sl. No.	Transactions	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I	**Revenue Transactions**			
	Remuneration:			
i)	Raman Subba Rao MR	68.48	45.25	41.04
ii)	C. Raghu	70.28	47.05	41.64
iii)	D.K. Arun	68.48	45.25	41.04
iv)	Sheshadri	100.28	64.05	41.11
v)	Sanjeev Kumar	7.26	30.25	37.31
vi)	Pushparaj Shetty	68.48	-	19.47
	Reimbursement of Travel & Other Expenses:			
i)	Raman Subba Rao MR	1.71	2.81	2.98
ii)	C. Raghu	12.64	16.46	6.46
iii)	D.K. Arun	12.39	2.10	1.60
iv)	Sheshadri	8.85	3.29	1.93
v)	Sanjeev Kumar	0.29	1.69	2.68
vi)	Pushparaj Shetty	3.58	-	1.01
	Dividend Paid:			
i)	Raman Subba Rao MR	6.05	4.73	4.45
ii)	C. Raghu	4.49	3.51	3.34
iii)	D.K. Arun	4.31	3.37	3.20
iv)	Sheshadri	1.41	0.70	0.40
v)	Sanjeev Kumar	-	0.46	0.18
vi)	Pushparaj Shetty	1.57	-	0.26
	Sale of Services :			
i)	iBOTOmate Private Limited	40.00	-	-
II	**Capital Transactions**			
	Issue of Shares:			
i)	Raman Subba Rao MR	-	9.46	8.40
ii)	C. Raghu	-	7.01	5.10
iii)	D.K. Arun	-	6.74	5.10
iv)	Sheshadri	-	4.10	9.00
v)	Sanjeev Kumar	-	3.61	8.34
	Subscription of Shares:			
i)	iBOTOmate Private Limited	0.05	-	-
	Loan from director repaid:			
i)	D.K. Arun	-	-	35.00

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Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

Sl. No.	Closing balance Balance Receivable/(Payable):	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	**Raman Subba Rao MR**			
	i) Salary Payable	(15.28)	(6.48)	(4.00)
	ii) Due to employees (Reimbursement)	(0.24)	(0.03)	(0.25)
2	**C. Raghu**			
	i) Salary Payable	(15.11)	(7.97)	(4.33)
	ii) Due to employees (Reimbursement)	(0.48)	(1.63)	(1.58)
3	**D.K. Arun**			
	i) Salary Payable	(14.86)	(7.90)	(4.47)
	ii) Due to employees (Reimbursement)	(0.74)	(0.05)	(0.08)
4	**Sheshadri**			
	i) Salary Payable	(31.66)	(16.67)	(4.50)
	ii) Due to employees (Reimbursement)	(0.80)	(2.27)	(0.53)
5	**Sanjeev Kumar**			
	i) Salary Payable	-	(1.98)	(3.30)
	ii) Due to employees (Reimbursement)	-	(0.29)	(0.13)
6	**Pushparaj Shetty**			
	i) Salary Payable	(15.39)	-	-
7	**iBOTOmate Private Limited**			
	i) Trade receivable	43.20	-	-

Notes forming part of Restated Consolidated Financial Information **(Amount in Rs. Lakhs)**

32 Earnings per Share (EPS) : Computation of Restated Earnings Per Share is as follows

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity Shares			
Profit / (Loss) after tax attributable to equity share holders (Rs.)	800.51	403.81	202.02
Total number of equity shares of Rs.2 each	2,04,01,960	2,04,01,960	-
Total number of equity shares of Rs.10 each	-	-	19,12,685
Weighted average number of shares in calculating EPS	2,04,01,960	1,94,45,628	1,74,21,397
	3.92	**2.08**	**1.16**

Note: Referring to Note 2 - Share Capital, 90% of the paid-up capital for preference shares, which is held by the shareholders, can be redeemed. The remaining 10% of the paid-up capital for preference shares will be coverted into equity shares. This conversion will occur at the fair value that is established during the conversion process. Due to the current inability to determine the conversion rate as of the balance sheet date, it is not possible to ascertain the impact of anti-dilution for the calculation of diluted Earnings Per Share (EPS). Therefore, the calculation for diluted EPS has not been performed.

33 Capitalisation Statement

The following table sets forth our Company's capitalisation as at March 31, 2023, derived from our Restated Consolidated Financial Information adn as adjusted for the Offer. This table below should be read in conjuction with the sections titled with Restated Consolidated Financial Information, Other Financial Information and Management's Discussion and Analysis of Financial Condition and Results of Operations

Particulars	Pre-Offer as at 31 March 2023	As adjusted for the proposed offer
Total Borrowings		
Non-current borrowings (A)	-	
Current borrowings (B)	863.29	
Total Borrowings (C) = (A+B)	**863.29**	
Shareholders' funds		
Share capital	928.04	NA
Reserves and surplus	1,609.87	
Total Shareholders' funds (D)	**2,537.91**	
Total (E) = (C) + (D)	**3,401.20**	
Non-current borrowings/Total equity (A/D)	**-**	
Total borrowings/Total equity (C/D)	**0.34**	

34 Leases

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
1. Future Minimum Lease Payments			
- Not later than one year	42.25	50.40	54.13
- Later than one year and not later than five years	212.78	220.79	225.07
- Later than five years	238.57	180.16	121.75
2. Lease payments recognized in the statement of profit and loss	53.83	46.62	41.17

35 The company has neither advanced or loaned or invested funds nor received any advances (either borrowed funds or share premium or any other sources or kind of funds) from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) 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)
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

36 Impairment of assets

During the previous year the company has impaired assets of book value amounting to Rs. 13,33,146 which are at salvage value. For which we have not received any cash.

37 Prior year comparatives

The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification. Further, disclosures are amended wherever necessary, in line with the amendments in Schedule III vide Notification dated March 24, 2021

38 Retirement benefit plan **(Amount in Rs. Lakhs)**

(a) Gratuity plan

The Holding company has defined gratuity plan. Every employee who has completed 5 years or more is eligible for gratuity on separation, worked out at as per payment of Gratuity Act, 1972.

Reconciliation of opening and closing balances of present value of the defined benefit obligation and plan assets are as follows:

I. Components of employer expenses	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Current Service cost	14.59	10.93	7.38
Interest cost	3.09	2.27	1.89
Expected return on plan assets	3.91	3.03	2.39
Past Service Cost(Non Vested)	(2.25)	(4.18)	(2.42)
Net gratuity cost	**16.02**	**14.36**	**9.29**

II. Net asset/liability recognised during the year	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Present Value of DBO	75.32	57.33	42.72
Fair Value of Plan Assets at the end of year	66.38	51.29	40.83
Funded status (deficit)	(8.94)	(6.04)	(1.90)
Unrecognized Past Service Cost	-	-	-
Net asset/(liability) recognised in the balance sheet	**(8.94)**	**(6.04)**	**(1.90)**

III. Change in defined benefit obligation	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Obligations at beginning of the year	57.33	42.72	31.99
Service cost	14.59	10.93	7.38
Interest cost	3.09	2.27	1.89
Past service cost - vested benefits	-	-	-
Benefit payments	(2.22)	(2.86)	(1.11)
Actuarial loss/(gains) due to change in assumptions	-	-	-
Actuarial Loss/(gain) due to plan experience	2.53	4.26	2.59
Obligations at end of the year	**75.32**	**57.33**	**42.72**

IV. Reconciliation of net asset/(liability)	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Net asset/(liability) at beginning of the year	(6.04)	(1.90)	-
Employer expense	16.02	14.36	9.29
Benefits payments made directly by sponsor	(13.12)	(10.22)	(7.39)
Net asset/(liability) at end of the year	**(8.94)**	**(6.04)**	**(1.90)**

The following table set out the status of the gratuity as required under AS-15:

Assumptions	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Discount rate	7.10%	7.10%	7.10%
Expected rate of return on assets	7.00%	7.00%	7.00%
Withdrawal /attrition rate	25.00%	25.00%	25.00%
Salary escalation	9.00%	9.00%	9.00%
Mortality*	IAL12-14ULT	IAL12-14ULT	IAL12-14ULT
Retirement age	58 Years	58 Years	58 Years

* IAL: India Assured Lives Mortality modified Ult.

39. Material Adjustment to Restated Consolidated Financial Information

1. NON-ADJUSTMENT ITEMS

There are No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

2. MATERIAL REGROUPING

Appropriate regrouping has been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations. The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee in lakhs. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

3. Material Adjustments in Restated Consolidated Profit & Loss A/C:

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
(A) Net profit as per audited financial statements	**8,52,51,101**	**5,32,53,769**	**2,22,99,529**
Add/(Less): Adjustments on account of			
1. Prepaid expenses of current year (Note-1)	-	24,654	45,133
2. (Short)/Excess provision of gratuity (Note-2)	-	(2,98,768)	(1,89,663)
3. Rent reserve created (Note-3)	-	(3,37,191)	(3,37,191)
4. Reversal of deferred tax (Note-4)	-	77,972	(10,35,288)
5. Adjustment in respect of Intagible asset (Note-5)	-	63,360	99,355
6. Unrealised profit elimination (Note-6)	-	(73,08,167)	-
7. Change in FCTR A/C (Note-7)	-	99,695	1,54,165
8. Adjustment in respect of Investment property (Note-8)	-	6,076	6,333
(B) Total Adjustments	-	**(76,72,370)**	**(12,57,157)**
Restated Profit/(Loss) (A+B)	**8,52,51,101**	**4,55,81,399**	**2,10,42,372**

Notes:
1. Prepaid expenses not accounted earlier now accounted.
2. Provision of Gratuity has been made in consideration with actuarial report.
3. Rent equalisation reserve created as per AS 19.
4. Deferred Tax provision created in pursuance of AS-22.
5. Adjustment in respect of Intangible asset groupings
6. Elimination of unrealised profit of Joint venture
7. Change in profit due to translation of foreign subsidaries at CBIC Rates
8. Factory building given for rent being classified as Investment property

4. Material Adjustments in Restated Consolidated Total Equity:

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
(A) Total Equity (As per Audited Financial Statements)	**25,37,91,054**	**17,45,75,775**	**12,49,46,768**
Add/(Less): Adjustments on account of			
1. Previous year total adjustments	-	8,70,513	-
2. Reversal of Provision for Dividend (Note-1)	-	24,48,235	19,12,685
3. Adjustment in respect of rent reserve for Previous years (Note-2)	-	-	(14,43,010)
4. Adjustment in respect of Deferred tax for Previous years (Note-3)	-	-	30,424
5. Adjustment in respect of Gratuity for Previous years (Note-4)	-	-	12,78,255
6. Payment of dividend on equity shares (Note-5)	-	(19,12,685)	-
7. Adjustments in P&L as above	-	(76,72,370)	(12,57,157)
8. Assets discarded (Note-6)	-	1,34,323	(2,97,038)
9. Change in FCTR A/C	-	(99,695)	(1,54,165)
10. Adjustment in respect of Investment property (Note-7)	-	-	8,00,518
(B) Total Adjustments	-	**(62,31,679)**	**8,70,513**
Total equity as per Restated Statement of Assets and Liabilities (A+B)	**25,37,91,054**	**16,83,44,096**	**12,58,17,281**

Notes:
1. Provision for dividend on equity shares reversed.
2. Rent equalisation reserve created as per AS 19
3. Deferred Tax expense wrongly charged earlier, now reversed.
4. Provision for gratuity wrongly created earlier, now reversed.
5. Actual payment of dividend allowed.
6. Adjustment in respect of Intangible asset groupings
7. Factory building given for rent being classified as Investment property

Canarys Automations Limited
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40. Statement Of Mandatory Accounting Ratios **(Amount in Rs. Lakhs)**

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	2,537.91	1,683.44	1,258.17
EBITDA	1,347.46	706.47	333.72
Restated Profit after tax	852.51	455.81	210.42
Less: Prior period item	-	-	-
Adjusted Profit after Tax (B)	852.51	455.81	210.42
Number of Equity Share outstanding as on the End of Year/Period (C)	204.02	204.02	19.13
Weighted average no of Equity shares at the time of end of the year (D)	204.02	194.46	17.42
Current Assets (E)	6,012.88	4,157.68	1,480.90
Current Liabilities (F)	3,801.71	3,037.06	715.19
Face Value per Share	2	2	10
Restated Basic and Diluted Earning Per Share	3.92	2.08	1.16
Return on Net worth (%) (B/A)	31.54%	23.99%	16.06%
Net asset value per share (A/D) (Face Value of Rs. 10 Each)	12.44	8.66	7.22
Current Ratio (E/F)	1.58	1.37	2.07

41. Summarised Financial position

Summarised financial information of joint ventures **(Amount in Rs. Lakhs)**

Summarised financial position (Canary's share)

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	447.36	351.72
Other assets	1,010.31	972.04
Total current assets	**1,457.67**	**1,323.77**
Total non-current assets	**5.67**	**2.66**
Financial Liabilities (excluding trade payables)	1,058.23	798.34
Other Liabilities	364.23	421.01
Total current liabilities	**1,422.46**	**1,219.34**
Total non-current liabilities	**2.05**	**1.62**
Net assets	**38.83**	**105.46**

42 Segment reporting

The primary reporting of the company has been performed on the basis of business segments. The company is organized into two business segments viz. Telemetry and Cansoft as follows:

(Amount in Rs. Lakhs)

Particulars	Continuing operations						Unallocable			Total		
	Telemetry			Cansoft								
	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021
1. Revenue from operation	2,780.09	2,313.03	1,100.45	4,671.85	2,837.87	1,461.28	-	-	-	7,451.94	5,150.90	2,561.72
2. Other income	-	-	-	-	-	-	95.35	49.03	16.50	95.35	49.03	16.50
Total revenue	**2,780.09**	**2,313.03**	**1,100.45**	**4,671.85**	**2,837.87**	**1,461.28**	**95.35**	**49.03**	**16.50**	**7,547.28**	**5,199.93**	**2,578.23**
3. Segment Expenses	2,408.91	1,988.99	883.65	3,904.20	2,548.45	1,383.12	53.83	39.50	12.38	6,366.93	4,576.93	2,279.15
Total expense	**2,408.91**	**1,988.99**	**883.65**	**3,904.20**	**2,548.45**	**1,383.12**	**53.83**	**39.50**	**12.38**	**6,366.93**	**4,576.93**	**2,279.15**
4. Profit before tax	371.18	324.04	216.80	767.65	289.42	78.15	41.52	9.54	4.12	1,180.35	623.00	299.07
5. Tax expense	-	-	-	-	-	-	327.84	167.18	88.65	327.84	167.18	88.65
6. Profit after tax	**371.18**	**324.04**	**216.80**	**767.65**	**289.42**	**78.15**	**(286.32)**	**(157.65)**	**(84.53)**	**852.51**	**455.81**	**210.42**

Particulars	Construction and Development			Hotel			Unallocable			Total		
	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021
Segment Current Assets	4,697.73	3,093.40	1,028.23	853.76	598.87	256.57	461.40	465.41	196.10	6,012.88	4,157.68	1,480.90
Segment Non Current Assets	152.69	496.58	329.68	89.37	86.50	72.57	122.95	12.82	119.90	365.01	595.90	522.15
Total Assets	**4,850.41**	**3,589.98**	**1,357.91**	**943.13**	**685.37**	**329.14**	**584.35**	**478.23**	**315.99**	**6,377.89**	**4,753.58**	**2,003.05**
Segment Current Liabilities	2,407.62	2,255.57	355.76	172.56	113.18	54.89	1,221.53	668.31	304.54	3,801.71	3,037.06	715.19
Segment Non Current Liabilities	1.64	3.55	1.78	22.09	19.06	16.02	14.54	10.47	11.88	38.27	33.08	29.69
Share Holders Funds	-	-	-	-	-	-	2,537.91	1,683.44	1,258.17	2,537.91	1,683.44	1,258.17
Total Liabilities	**2,409.26**	**2,259.12**	**357.54**	**194.65**	**132.23**	**70.91**	**3,773.98**	**2,362.22**	**1,574.60**	**6,377.89**	**4,753.58**	**2,003.05**

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Additional regulatory Requirements

43 Ratio analysis

Ratio analysis for the year ended March 31, 2023

Ratio	Numerator	Demominator	Current Period	Previous period	% of variance	Reason for variance of 25% or more
Current Ratio	Current assets	Current liabilities	1.58	1.37	16%	
Debt Equity Ratio	Total debt	Shareholder's equity	NA	NA	NA	
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA	
Return on equity Ratio	Net profits after taxes	Average shareholder's equity	0.60	0.39	53%	The increase in return on equity is due to variation in % of profit from project to project and increase in our software revenue by 60% during 2022-23 over FY 2021-22
Inventory Turnover ratio	Revenue	Average inventory	1.00	1.41	-29%	Stock & WIP at the end of FY 2022-23 was less since we had tried to complete the project before the year end when compared to FY 2021-22 where completion of project was pending at the end of pervious year. And hence, stock at the end of FY 2022-23 less by 68% over FY 2021-22.
Trade Receivable Turnover Ratio	Revenue	Average trade receivable	1.37	1.52	-10%	
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average trade payables	1.37	2.19	-38%	All World Bank Funded NHP Projects which company is excecuting -the Payment Terms are up to 5 Years and does not directly correspond to the Billed/Invoice amount . There is an inordinate delay from all our Government Customers in clearing our outstanding payments. For which we have back to back arrangement with our suppliers.
Net capital Turnover Ratio	Revenue	Working capital	2.82	2.93	-4%	
Net Profit Ratio	Net profit	Revenue	0.18	0.16	10%	The increase in net profit is depending on managing & execution of project in time and has direct baring on %age of profit from project to project
Return on capital Employed	Earning before interest and taxes	Capital employed	0.33	0.26	27%	The increase in total revenue & improvement in ability to handle the various project has directly contributed the increase in EBIT
Return on Investments	Income generated from investments	Time weighted average investments	0.06	0.04	63%	Variation in interest rate on fixed deposit from time to time by Bank has direct bearing on interest earned .

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Ratio analysis for the year ended March 31, 2022

Ratio	Numerator	Demominator	Current Period	Previous period	% of variance	Reason for variance of 25% or more
Current Ratio	Current assets	Current liabilities	1.37	2.07	-34%	Due to increase in turnover, the payable also increased in corresponding to long oustanding dues receivale from government in resepct of telemetry division.
Debt Equity Ratio	Total debt	Shareholder's equity	NA	NA	NA	
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA	
Return on equity Ratio	Net profits after taxes	Average shareholder's equity	0.39	0.48	-19%	Due to covid cost of executing the project was high when compared to the others years which was normal and further, the %age of profit varies from project to project is also the other reasons.
Inventory Turnover ratio	Revenue	Average inventory	1.41	4.00	-65%	This is due to drastic increase in telemetry tunover during the year 2021-22 when compared to the FY 2020-21 where revenue from software business was major turnover which does not require holding of inventory
Trade Receivable Turnover Ratio	Revenue	Average trade receivable	1.52	2.06	-26%	The dues receivable from Government project varies from 6 months to two years which has affected the increase in trade receivable turnover ratio
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average trade payables	2.19	1.48	48%	All World Bank Funded NHP Projects which company is excecuting -the Payment Terms are up to 5 Years and does not directly correspond to the Billed/Invoice amount . There is an inordinate delay from all our Government Customers in clearing our outstanding payments. For which we have back to back arrangement with our suppliers.
Net capital Turnover Ratio	Revenue	Working capital	2.93	2.77	6%	
Net Profit Ratio	Net profit	Revenue	0.16	0.14	15%	
Return on capital Employed	Earning before interest and taxes	Capital employed	0.26	0.24	10%	The turnover has increased two fold and it is also due to increase in profit and increase in share capital during 2021-22 over the previous year.
Return on Investments	Income generated from investments	Time weighted average investments	0.04	0.02	54%	Variation in interest rate on fixed deposit from time to time by Bank has direct bearing on interest earned.

44 Wilful Defaulter

The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

45 Relationship with Struck off Companies

The company has not had any transactions with companies struck off under section 248 of the Companies Act, 2013

Additional regulatory Requirements **(Amount in Rs. Lakhs)**

46 Corporate Social Responsibility (CSR) expenditure

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Amount required to be spent by the company during the year	6.80	-	-
Amount of expenditure incurred on:	-		
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	6.80	-	-
Shortfall at the end of the year	-	-	-
Total of previous years shortfall	NA	NA	NA
Reason for shortfall			
Nature of CSR activities	Animal Welfare, conservation of natural resources and maintaining quality of soil		

47 Additional information as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries

Name of entity	Net worth (assets minus liabilities)		Share of Profit/(Loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount
Parent Company				
Canarys Automations Limited	95.91%	2,434.21	108.78%	927.32
Wholly Owned Subsidary Company				
Canarys Corp, USA	2.40%	60.87	0.09%	0.77
Canarys APAC Pte Ltd	0.16%	4.00	-0.06%	(0.53)
Joint Venture				
Canarys Hanuka Apo Technologies Pvt Ltd	1.53%	38.83	-8.80%	(75.05)
Total	**100.00%**	**2,537.91**	**100%**	**852.51**

48 As per explanation to Para 6 of Accounting Standard 21, Consolidated Financial Statements, these Consolidated Financial statements to be read along with the audited standalone financial statements of each component of the group. Specific disclosures as required by Schedule III (Amended) to the Companies Act, 2013 are presented in each of the standalone financial statements.As per explanation to Para 6 of Accounting Standard 21, Consolidated Financial Statements, these Consolidated Financial statements to be read along with the audited standalone financial statements of each component of the group. Specific dsiclosures as required by Companies Act, 2013 are presented in each of the standalone financial statements.

49 The additional information and other regulatory disclosures called for by Schedule III in the form of notes to Balance Sheet and Statement of Profit and Loss Account, if not expressly mentioned elsewhere, is either NIL or Not Applicable to this company.

49 Impact of COVID on Canarys Water Resources Project Operations and Delivery against original contractual commitments.

Owing to outbreak of the Coronavirus 2019 (COVID-19), which was declared as a pandemic by the World Health Organization (WHO) leading which the Government of India and state governments declared national and state lockdown in the year 2020 and 2021. This created disruption in project execution activities in those years, such as, delays in site visits, surveys, design discussions and meetings, manufacturing, inspection, factory visits, delivery of material, site installations, commissioning activities, staff falling ill, customer officers falling ill, etc. During this health situation, fear for safety, restrictions and imposition of several emergency stages and rules on movement of goods, the business knee jerk reactions, led to creation of long waiting period on already placed orders, back-to-back delays in sourcing electronics components, chips and processors. The backlog was so long and voluminous that even in year 2023, the waiting period after confirmed orders and advance payment, are with a waiting period of 6 to 9 months. These delays caused most MSME companies to fall behind schedule including Canarys, delay in delivery, partial deliveries without fulfilling complete products, delay in payments, withholding of payments, led to negative cashflows and huge capital parked as advances and project operational expenditure which were half completed, escalation in cost of material and repeated work, all led to further skirmish, arguments and heated exchanges between the company and customers, which required tremendous effort to convince that this is Force Majeure situation and we Liquidated damages, threats of project extension time at risk and cost, performance guarantees being forfeited, and black listing were used by customers. The negative cashflow were affecting the entire supply chain, who in turn, were dependent on companies as the customers were not releasing payments, even after communicating that the delays were due to COVID and customer internal justification process held up the payments, even though the project operations and deliveries had slowly begun, but were not on schedule. Particular milestones and volume of work were expected by the customers before release of payments, which pushed the cashflow situation to the maximum limits. All of this had cascading effect, is felt even in year 2023.

Fortunately, Government of India, Ministry of Finance, recognizing the pandemic effect has issued Series of Memorandum namely - VIVAD SE VISHWAS - Relief for MSME due to the difficulties faced in the years 2020, 2021 and up to March 2022 COVID pandemic. Government has provided benefits with respect to contractual conditions, particularly by refunding the Liquidated Damages, release of forfeited performance security & bid security and revoking the debarred parties who had defaulted operations/delivery in this period.

As per our report of even dated attached
for SURESH & CO.
Chartered Accountants
Firm Registration Number: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram
Partner
Membership Number: 227984
Bengaluru

Raman SubbaRao M R
Managing Director
DIN:00176920
Bengaluru

Shehsadri Y S
Director & CEO
DIN: 03367545
Bengaluru

Raghu C
Whole-time Director & CFO
DIN: 01065269
Bengaluru

Nagashree Hegde
Company Secretary
M. No.: A66166
Bengaluru

OTHER FINANCIAL INFORMATION

For details on Other Financial Information please refer to "*Note 40 - Statement of Mandatory Accounting Ratios*" under section titled "*Restated Consolidated Financial Statements*" beginning on Page 209 of this Draft Red Herring Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements for the financial year ended on March 31, 2023, 2022 and 2021 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also see the section titled **"Risk Factors"** beginning on page 33 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated August 21, 2023 which is included in this Draft Red Herring Prospectus under the section titled "Restated Consolidated Financial Statements" beginning on page 209 of this Draft Red Herring Prospectus. The Restated Consolidated Financial Statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated consolidated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our Restated Consolidated Financial Statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 33 and 22 respectively, and elsewhere in this Draft Red Herring Prospectus.

Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled "Certain Conventions, Use of Financial Information and Market Data and Currency of Financial Presentation" beginning on page 20 of this Draft Red Herring Prospectus.

BUSINESS OVERVIEW

Started in 1991, the Company is a leading IT solutions provider with over 30 years of existence in the industry. Our expertise lies in enabling digital transformation for businesses through our comprehensive range of software solutions in the space of Digitalization, Modernization, Automation and Intelligence.

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1, 1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, pursuant to that our Company once again became a private limited company with effect from June 20, 2000. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on August 01, 2006, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007, and Consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant special resolution passed by the shareholders at the EGM held on May 19, 2023, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023.

Our business operates across two verticals.

- **Technology solutions**: Our technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence. Technology expertise includes DevOps Consulting (Azure, GitHub, Atlassian, GitLab, etc.), Cloud Consulting (Azure, AWS, GCP), Digital Enterprise Solutions using SAP, MS Dynamics 365, RPA, Digital Applications and Mobility Solutions.

- **Water Resource Management Solution:**. We offer automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.

We understand the evolving demands of the digital landscape, and we are dedicated to helping organizations harness the power of technology to drive growth and success. Our solutions span across various industry sectors, BFSI, Retail, Healthcare, Pharmaceutical, Manufacturing, Insurance and more.

With a strong focus on digital transformation, we empower businesses to optimize their operations, enhance customer experiences, and stay ahead of the competition. Our commitment to excellence has been recognized and rewarded by various customers, alliance partners and OEM's.

KEY PERFORMANCE INDICATORS OF OUR COMPANY:

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
Water Resource Management Solutions business			
No. of Projects	10	12	15
No. of Employees	11	14	14
No. of clients	10	19	22
Avg. Revenue per project *(₹ in Lakhs)*	114.52	198.88	191.82
Avg. Revenue per Employee (₹ in Lakhs)	104.11	170.47	205.52
Solution Development business			
No. of Projects	55	68	102
No. of Employees	180	297	337
No. of clients	62	74	110
Avg. Revenue per project (₹ in Lakhs)	25.69	40.49	41.86
Avg. Revenue per Employee (₹ in Lakhs)	12.10	17.21	15.25
Total Revenue (₹ in Lakhs)	2561.72	5150.90	7451.94
EBITDA (₹ in Lakhs)	333.72	706.47	1347.46
EBITDA(%)	13.03%	13.72%	18.08%
PAT (₹ in Lakhs)	210.42	455.81	852.51
PAT (%)	8.21%	8.85%	11.44%
Net Worth (₹ in Lakhs)	1258.17	1683.44	2537.91
Debt Service Coverage Ratio	-	-	-
Return on Net Worth	16.06%	23.99%	31.54%
Current Ratio	2.071	1.369	1.582
Total No. of countries served	6 to 7	6 to 7	6 to 7
No. of solutions framework developed	3 to 4	3 to 4	3 to 4

Particulars	Description

Water Resource Management Solutions business	Water Resource Management Solutions include automation solutions to modernize irrigation water conservation, and improve water use efficiency, Turnkey flood risk assessment and mitigation, cloud based water utilisation process automation for water sharing in rivers and canals and SCADA gate control systems.
No. of Projects	Calculated as total projects the Company has executed in Water Resource Management Solutions segment.
No. of Employees	Calculated as total employees employed in the projects relating to Water Resource Management Solutions business
No. of clients	Calculated as total clients for whom we are providing solutions relating to Water Resource Management Solutions business
Avg. Revenue per project	Calculated as total business in Water Resource Management Solutions division divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in Water Resource Management Solutions division by No. of employees employed in the projects.
Technology Solutions Development business	Technology solution offerings include multiple array of consulting solutions in Digitalization, Modernization, Cloudification, Automation, Transformation and Intelligence
No. of Projects	Calculated as total projects the Company has executed in solution development segment.
No. of Employees	Calculated as total employees employed in the software solution development projects
No. of clients	Calculated as total clients for whom we are providing solution development
Avg. Revenue per project	Calculated as total business in solution development business divided by No. of projects.
Avg. Revenue per Employee	Calculated as total business in solution development business divided by No. of employees employed in the projects.
Total Revenue	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
EBITDA	EBITDA provides a comprehensive view of our financial health as it considers all sources of our income.
EBITDA(%)	EBITDA margin (%) is financial ratio that measures our profitability as a percentage of its total revenue.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Net Worth	Networth represents the shareholders funds invested in the business.
Debt Service Coverage Ratio	Calculated as the sum of profit before tax, depreciation and amortization expense and finance cost divided by the sum of lease payments, principal repayments of secured and unsecured loans, and finance cost related to borrowings
Return on Net Worth	Return on Networth (%) is an indicator of our efficiency as it measures our profitability. It represents how efficiently we generate profits from our shareholders funds.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.

Total No. of countries served	Total number of countries where the Company has served the clients
No. of solutions development frameworks	No. of solutions or services provided to clients during the year

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.01 Basis of preparation of financial information

The Restated Consolidated Financial Statements of the Group have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') under the historical cost convention on the accrual basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act,2013 read with relevant Rules issued thereunder and other pronouncements of Institute of Chartered Accountants of India (ICAI).

The consolidated financial information related to Canarys Automations Limited ('the Company') and its subsidiary companies and joint ventures. The consolidated financial information have been prepared on the following basis:
(a) The financial information of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
(b) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
(c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

The Restated Consolidated Financial Statements have been approved by the Board of Directors of Canarys Automations Limited at their meeting held on 21 August 2023 and has been specifically prepared for inclusion in the draft red herring prospectus to be filed by Canarys Automations Limited with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer of equity shares ('IPO') of Canarys Automations Limited (referred to as the 'Issue'). The Restated Consolidated Financial Statements has been prepared by the management of Canarys Automations Limited 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 to date ('SEBI 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").

Particulars	Nature of Interest	Notes no.	% of ownership	Considered in consolidation	Country of Incorporation
Canarys Corp, USA	Subsidiary	43	100%	Yes	USA
Canarys APAC Pte Ltd	Subsidiary	43	100%	Yes	Singapore
Canarys-Hanuka Apo Technologies Pvt Ltd	Joint Venture	43	49%	Yes	India

1.02 Use of Estimates

The Company uses prudent and reasonable assumptions and estimates in the preparation of its consolidated financial statements, and these are reflected in the reported amounts of income and expenses during the year, and the reported balances

of assets and liabilities, and disclosures relating to contingent liabilities, as at the date of the financial statements. Due care and diligence have been exercised by the management in arriving at such "estimates & assumptions" since they may directly affect the reported amounts of income and expenses during the period, as well as the balances of Assets and Liabilities, including those which are contingent in nature, as at the date of reporting of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years and if material, their effects are disclosed in the notes to the financial statements.

1.03 Current and Non Current Classification

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within 12 months after the reporting date;

d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in it settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.04 Operating cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. The operating cycle identified by the company is a duration of 12 months from the end of balance sheet date.

1.05 Revenue from operations:

(a) Income and Expenditure are accounted ongoing concern basis.

(b) The company's income consists of income from development of software and distribution of software, electronic items and hardware. Customer contracts on software development are billed based on time and material content of the work/assignment. Revenue from distribution of software & electronic items are billed and accounted based on delivery.

(c) Export of software products are accounted based on the export documents that are available with company. Export of software has been billed on mile stone basis based on the exchange rate prevailing on that respective day.

(d) All other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

(e) Interest income is accrued at applicable interest rate. All other income has been recognized when right to receive payment is established.

1.06 Property, Plant and Equipment, Intangible Assets, Capital Work in Progress & Intangible assets under development

(a) Property, Plant and Equipment are stated at their original cost of acquisition or construction less accumulated depreciation/amortization. Costs include all expenses incurred to bring the assets to its working condition for its intended use.

Subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets concerned is capitalized if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. Interest on borrowings attributable to qualifying assets are capitalized and included in the cost of property, plant and equipment as appropriate.

(b) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.
Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Cost of the software has not been bifurcated and shown separately wherever computer and laptop has been bought along with the software loaded into it and under such circumstances, the computers and laptops has been classified as tangible assets by the Company. "

1.07 Depreciation/Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. 5% of the cost of acquisition of the assets has been taken as the residual value of assets.

Depreciation on tangible assets is provided on written down value method over the estimated useful life of the assets using the indicative useful life as prescribed under Schedule II to the Companies Act, 2013. The Company has used the following useful life to provide depreciation on property, plant and equipment:

Asset Category	**Useful Life (in years)**
Buliding	60
Computer equipment's	5
Computer equipment's	6
Motor vehicles	8
Furniture and fittings	10
Office equipment's	5
Software	1-3

Intangible assets are amortised over the estimated period of economic benefits on a straight line basis, commencing from the date the assets are available to the Company for its use.

1.08 Impairment of Assets

The Company periodically assesses whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the recoverable amount of the asset and if such recoverable of the asset is less than carrying cost of the asset, then the carrying amount is reduced to its recoverable amount. The deduction is treated as an impairment loss and is recognised in profit and loss account.
If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exits, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

Due consideration is given at the balance sheet date to determine whether there is any indication of impairment of the company’s assets as defined in Accounting Standard 28 – “Impairment of Assets” issued by the Institute of Chartered Accountants of India and the management is of the opinion that none of the property, plant and equipment were impaired as at the date of the Balance sheet.

1.09 Inventories

Inventories are valued after providing for obsolescence. Raw Materials and finished (traded) goods are valued at lower of cost and net realizable value, on first-in, first-out basis. Work in progress were also assessed at the end of the year and valued based on the cost associated to that respective WIP.

Stock as at the end of year has been valued as per FIFO excluding GST and other taxes.

1.10 Investments

Non - current Investments are valued at cost. Provision for diminution in the value is made to recognize a decline, other than temporary, in the value of long-term investments.
Current investments are valued at cost or market value, whichever is less.

Investment in subsidiary has been consolidated as per AS 21 and investment in joint venture has been consolidated as per 27. These figures were eliminated from investment while preparing consolidated financial statements.

1.11 Employee Benefits

Defined benefit plans
The company has recognized the gratuity payable in the books of accounts based on the Certificates of Actuarial Valuation received from the LIC in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

(i) Short term employee benefit:
Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and incentives if any, are recognized in the period in which the employee renders the related service.

Defined contribution plan
Contributions made by the Company towards Employees Provident Fund have been charged to the revenue account in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

1.12 Borrowing Costs

Borrowing Costs that are attributable and exclusively relating to the acquisition, construction of the qualifying assets are capitalized as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

1.13 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis.

1.14 Foreign Currency transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in profit and loss for the year.

All other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Losses Account.

Exchange differences arising on long-term foreign currency monetary items related to acquisition of fixed asset are capitalized and depreciated over the remaining useful life of the asset.

1.15 Earnings per share

The basic earnings per share is computed by dividing the net profit/loss after tax available to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

1.16 Income tax

Tax expense compromises of both current and deferred taxes, Provision for current taxes is made at the current tax rates. Based on the assessable income after considering tax allowances and exemptions it terms with the applicable Income Computation Disclosure Standards (ICDS). Deferred income taxes reflects the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred taxes is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainity that sufficient future taxable income will be available against which such deferred tax asset can be realized. Unrecognized deferred tax asset of earlier years are reassessed and recognized to the extent that it has become reasonable certain that future taxable income will be available against which such deferred tax asset can be realised.

1.17 Leases

Assets acquired under Leases, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

1.18 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes and are not usually provided for unless it is probable that future outcome may be detrimental to the company.

1.19 Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks. The Company considers all highly liquid investments with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.20 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit or loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows arising from regular revenue generating, investing and financing activities of the Company are segregated.

1.21 Related Party Disclosure

Disclosure is made as per the requirements of Accounting Standard 18. Related Party Disclosures and as per the clarification issued by the Institute of Chartered Accounts of India.

1.22 Capital Redemption Reserve (CRR)

In the financial year 2020-21, the company had issued redeemable preference shares with certain terms and conditions. All such terms & conditions connected with issue of preference shares have been reported elsewhere in the financial statements. As required under the Companies Act, 2013, the company has created the capital redemption reserve on a pro-rata basis as per the terms of the issue of such preference shares accordingly. The said CRR has been transferred from the accumulated profit of the company. Over a period of five years or before the redemption of such preference shares the entire amount of preference shares would be transferred to capital redemption reserve.

1.23 Investments classified as long term investments should be carried in the financial statements at cost. However, provision for diminution shall be made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

NON-GAAP MEASURES

We use certain supplemental non-generally accepted accounting principles measures ("Non-GAAP Measures") to review and analyse our financial and operating performance from period to period, and to evaluate our business, and for forecasting purposes. Although these Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating and financial performance. Further, our management believes that when taken collectively with financial measures prepared in accordance with Indian GAAP, these Non-GAAP Measures may be helpful to investors because they provide an additional tool for investors to use in evaluating our ongoing results and trends. Presentation of these Non-GAAP Measures and key performance indicators should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Restated Consolidated Financial Statement set out in this Draft Red Herring Prospectus.

These Non-GAAP Measures are not defined under Indian GAAP, are not presented in accordance with Indian GAAP and have limitations as analytical tools which indicate, among other things, that they do not reflect our cash expenditures or future requirements for capital expenditure or contractual commitments; changes in, or cash requirements for, our working capital needs; and the finance cost, or cash requirements. Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements. These Non-GAAP Measures may differ from similar titled information used by other companies, including peer companies, who may calculate such information differently and hence their comparability with those used by us may be limited. Therefore, these Non-GAAP Measures and key performance indicators should not be viewed as substitutes for performance or profitability measures under Indian GAAP or as indicators of our operating performance, cash flows, liquidity or profitability.

The table below sets forth certain Non-GAAP Measures as of and for the periods indicated:

Sr. No.	Metric	As of and for the Financial Year		
		2023	2022	2021
1.	Return on Networth	**31.54%**	**23.99%**	**16.06%**
2.	Net Asset Value per share	**12.44**	**8.66**	**7.22**
3.	EBIDTA	**1,347.46**	**706.47**	**333.72**

Return on Networth (RoNW)

Return on Networth is a calculation of the profitability of a company expressed in percentage. The RoNW is calculated by dividing the net profit after tax as reduced by the preference dividend, if any, by shareholders' equity i.e. the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation each as applicable for the Company on a consolidated restated basis.

Net Asset Value per share

Net asset value per share is calculated by dividing the networth at the end of the year by total number of equity shares outstanding at the end of the year.

EBIDTA

Earnings before Interest, Depreciation, Tax and Amortization (**EBIDTA)** is arrived at by adding back the Finance Costs (Interest), Depreciation, amortization and impairment expense, exceptional items and Tax expense to the net profit after tax for the year.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page 33 of this Draft Red Herring Prospectus. We believe that the our results of operations, cash flows and financial condition during the periods under review and future periods will be affected due to the factors such as ability to acquire new customers, adapting to changes in technology, enhancing existing solutions and services, developing new solutions and services, research and development, ability to effectively handle competition in ever evolving business scenario, handling the disruptions in domestic and international markets including geo-political, product related, etc. Our operations and financial condition will also be affected by factors such as our ability to secure, maintain and expand existing partnerships expanding customer base, managing working capital cycles and receipt of payment from customers, managing the perceptions of anti outsourcing, restrictions on work permits, attract appropriate talent and lateral resources, managing on time delivery of our solutions and services and effective execution of long lead projects.

RESULTS OF OUR OPERATION (₹ in Lakhs)

Particulars	FY23	% of Total Income	FY22	% of Total Income	FY21	% of Total Income
I. Income						
a) Revenue from operations	7,451.94	98.74%	5,150.90	99.06%	2,561.72	99.36%
b) Other income	95.35	1.26%	49.03	0.94%	16.50	0.64%
Total Revenue	**7,547.28**	**100.00%**	**5,199.93**	**100.00%**	**2,578.23**	**100.00%**
II. Expenses						
a) Cost of project	1,897.24	25.14%	1,944.31	37.39%	546.93	21.21%
b) (Increase)/decrease in inventory	98.45	1.30%	-327.29	-6.29%	129.91	5.04%
c) Employee benefits expenses	3,045.31	40.35%	1,976.05	38.00%	1,206.51	46.80%
d) Finance costs	149.95	1.99%	66.81	1.28%	9.63	0.37%
e) Depreciation and amortization expenses	39.73	0.53%	38.41	0.74%	34.65	1.34%
f) Other expenses	1,136.26	15.06%	878.64	16.90%	351.52	13.63%
Total Expenses	6,366.93	**84.36%**	4,576.93	**88.02%**	2,279.15	**88.40%**
III. Profit/(loss) before exceptional items and tax (I-II)	1,180.35	15.64%	623.00	11.98%	299.07	11.60%
IV. Exceptional items		0.00%		0.00%		0.00%
V. Profit/(loss) before tax (I-II)	1,180.35	15.64%	623.00	11.98%	299.07	11.60%
VI. Tax expenses						
a) Current tax	326.46	4.33%	168.77	3.25%	80.06	3.11%

b) Deferred Tax	1.38	0.02%	(1.59)	-0.03%	8.58	0.33%
VII. Profit/(loss) for the year (III-IV)	**852.51**	**11.30%**	**455.81**	**8.77%**	**210.42**	**8.16%**

Review of Restated Financials

Key Components of Company's Profit and Loss Statement

Revenue

Revenue consists of revenue from operations and other income.

Revenue from operations: Revenue from operations comprises revenue from the sale of services from Water Resource Management Solutions division and software development

Other income: Other income primarily comprises interest on bank deposits, interest income on income tax refunds, gain on foreign exchange fluctuations and miscellaneous income.

Expenses

Expenses consist of operating expenses, purchases of stock-in-trade, changes in inventories of stock-in-trade, employee benefits expenses, depreciation and amortization expense, finance cost and other expenses.

Cost of project: Cost of project includes cost in relation to execution of all the projects.

Purchases of stock-in-trade: Purchases of stock-in-trade relates to costs incurred for the procurement of inventories primarily comprising components used for Water Resource Management Solutions business.

Changes in stock of finished goods: Changes in stock of finished goods comprises net increase or decrease in the inventory of stock of finished goods.

Employee benefit expenses: Employee benefits expenses comprise salary, allowances and bonus, employee insurance expenses, contribution to provident and other funds, staff welfare expenses, leave compensation, and gratuity.

Financial cost: Financial cost comprises interest expenses on term loans and on working capital/cash credit. This amount is further reduced by the borrowing cost capitalised during the reporting period/year.

Depreciation and amortization expense: Depreciation and amortization expense relate to depreciation of tangible assets (property, plant and equipment) and amortization of intangible assets. Intangible assets include our software applications trademarks and other software licenses.

Other expenses: Other expenses primarily comprise expenses relating to rent, rates & taxes, legal and professional fees, advertisement, business promotion, sales promotion expenses, printing & stationery, power

Fiscal 2023 compared with Fiscal 2022

Revenue from Operation

Revenue from operations had increased by 44.67 % from ₹ 5,150.90 lakhs in Fiscal 2022 to ₹ 7,451.94 lakhs in Fiscal 2023. This growth is mainly attributed to several pivotal drivers, including an expanded customer base of 132 clients in Fiscal 2023, up from 93 in the previous fiscal year. We also saw a significant rise in revenue from our top 10 customers, increasing from Rs. 34.14 Crore to Rs. 46.25 Crore. Additionally, our focus on consulting services, a transition towards a solutions-driven

approach, and improved project utilization have all contributed to this remarkable revenue augmentation. As we continue this trajectory, we remain steadfast in our commitment to sustaining and building upon this growth momentum.

Other Income

Other income had increased by 94.45 % from ₹ 49.03 lakhs in Fiscal 2022 to ₹ 95.35 lakhs in Fiscal 2023 majorly due to foreign exchange gain.

Cost of projects

Cost of projects had decreased by 2.42 % from ₹ 1,944.31 lakhs in Fiscal 2022 to ₹1,897.24 lakhs in Fiscal 2023.
A primary driver of this decrease is the augmentation in employee costs, underscoring our steadfast commitment to nurturing and empowering our workforce. This investment aligns with our pursuit of excellence and innovation, reinforcing our capabilities to meet evolving project demands.

Furthermore, a strategic decision to engage external consultants for project execution has contributed to this cost shift. While this approach enhances project outcomes through specialized expertise, it also entails higher associated expenses. This choice underscores our unwavering dedication to delivering unparalleled value to our clients and shaping a robust operational framework.

Employee Benefit Expenses

Employee benefit expenses had increased by 54.11% % from ₹ 1,976.05 lakhs in Fiscal 2022 to ₹ 3,045.31 lakhs in Fiscal 2023. This increase was primarily due to increase in salary expenses since the Company had earlier outsourced some of its operations which are now in-house.

Finance Costs

Finance Costs had increased from ₹66.81 lakhs in Fiscal 2022 to ₹ 149.95 in Fiscal 2023. This was primarily due to increase in borrowings and higher interest paid during the financial year.

Depreciation and Amortization Expenses

Depreciation had marginally decreased from ₹39.81 lakhs in Fiscal 2022 to ₹39.79 lakhs in Fiscal 2023 due to in Fiscal 2021 addition fixed assets at higher side comparatively additional in fiscal 2023 at lower side.

Other Expenses

Other expenses had increased by 29.32 % from ₹ 878.64 lakhs in Fiscal 2022 to ₹ 1,136.26 lakhs in Fiscal 2023 majorly due to increase in outsourcing expenses as company has shifted some of its in-house activity to third parties. Onboarded multiple vendors/partners to support consulting business. They work on contract basis

Tax Expenses

The Company's tax expenses had increased by 96.09% % from ₹ 167.18 lakhs in the Fiscal 2022 to ₹ 327.84 lakhs in Fiscal 2023. This was primarily due to higher profit before tax during the financial year.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 852.51 lakhs in Fiscal 2023 as compared to a net profit of ₹ 455.81 lakhs in Fiscal 2022. The increased in Profit is due to increase in sales and reduction in expenses and realization of operating synergies.

Fiscal 2022 compared with Fiscal 2021

Revenue from Operation

Revenue from operations had increased by 101.07% to ₹ 5,150.90 lakhs in Fiscal 2022 from ₹ 2,561.72 lakhs in Fiscal 2021. The change was primarily due to increase in sales, increase in customer base, increase in average project ticket size.

Other Income

Other income had increased by 197.14 % from ₹16.50 lakhs in Fiscal 2021 to ₹49.03 lakhs in Fiscal 2022 due to increased in interest income in Deposits and exchange fluctuation.

Employee Benefit Expenses

Employee benefit expenses had increased by 63.78% % from ₹1,206.51 lakhs in Fiscal 2021 to ₹ 1,976.05 lakhs in Fiscal 2022. This increase was primarily due to higher salary expenses and increase in employee count.

Finance Costs

Finance Costs had increased from ₹9.63 lakhs in Fiscal 2021 to ₹66.81 lakhs in Fiscal 2022. This was primarily due to higher interest paid during the financial year.

Depreciation and Amortization Expenses

Depreciation had increased by 10.83% from ₹ 34.65 lakhs in Fiscal 2021 to ₹ 38.41 lakhs in Fiscal 2022 due to increase in depreciation on computers.

Other Expenses

Other expenses had increased by 149.95% % from ₹351.52 lakhs in Fiscal 2021 to ₹ 878.64 lakhs in Fiscal 2022 majorly due to increase in outsourcing expenses as company has shifted its in-house activity to third parties.

Tax Expenses

The Company's tax expenses had increased by 88.60 % from ₹ 87.65 lakhs in the Fiscal 2021 to ₹167.18 lakhs in Fiscal 2022. This was primarily due to higher profit before tax during the financial year.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹455.81 lakhs in Fiscal 2022 as compared to a net profit of ₹210.42 lakhs in Fiscal 2021. The increased in profit is due to increase in sales and reduction in expenses and realization of operating synergies.

Cash Flows

Particulars	For the year ended March 31,		
	2023	2022	2021
Net cash from / (used in) Operating Activities	(619.25)	(265.10)	(160.23)
Net cash from / (used in) Investing Activities	(178.15)	25.83	(138.03)
Net cash from / (used in) Financing Activities	459.80	846.46	563.83

Cash Flows from Operating Activities

Net cash used in operating activities for fiscal 2023 was at ₹ 605.93 lakhs as compared to the Profit Before Tax at ₹1,180.29 lakhs while for fiscal 2022 Net cash used in operating activities was at ₹ 265.72 lakhs as compared to the Profit Before Tax at ₹ 620.96 Lakhs. During these period the Company has generated the cash flow from operations (before working capital changes) of INR 1,338.01 Lakh and INR 693.81 lakhs for fiscal 2023 and fiscal 2022 however the Company has invested in non cash working capital requirements to the tune of INR 1,616.08 lakhs and INR 791.83 lakhs in fiscal 2023 and fiscal 2022 respectively which has resulted in overall negative cash from operating activities.

Net cash from operating activities for fiscal 2022 was at ₹ 265.10 Lakhs as compared to the Profit Before Tax at ₹ 623.00 Lakhs while for fiscal 2021, net cash from operating activities was at ₹ 160.23 Lakhs as compared to the Profit Before Tax of ₹ 299.07 Lakhs. This was primarily due to adjustments against, changes in Working Capital. During these period the Company has generated the cash flow from operations (before working capital changes) of INR 693.91 Lakh and INR 352.66 lakhs for fiscal 2022 and fiscal 2021 however the Company has invested in non cash working capital requirements to the tune of INR 791.83 lakhs and INR 424.24 lakhs in fiscal 2022 and fiscal 2021 respectively which has resulted in overall negative cash from operating activities.

Net cash from operating activities for fiscal 2021 was at ₹ 160.23 Lakhs as compared to the Profit Before Tax at ₹ 299.07 Lakhs.

Cash Flows from Investment Activities

In fiscal 2023, the net cash invested in Investing Activities was ₹ 191.48 Lakhs. This was mainly on account of investments in Mutual Funds.

In fiscal 2022, the net cash invested in Investing Activities was ₹ 26.46 Lakhs. This was mainly on account of purchase of fixed assets and liquidation of non current investments.

In fiscal 2021, the net cash invested in Investing Activities was ₹ 138.03 Lakhs. This was mainly on account changes in non-current investments.

Cash Flows from Financing Activities

In fiscal 2023, the net cash inflow from financing activities was ₹ 459.80 Lakhs. This was mainly on account of increase in borrowings (at Company and CHAT level both) and payment of dividend.

In fiscal 2022, the net cash inflow from financing activities was ₹ 846.46 Lakhs. This was mainly on account of increase in borrowings (at Company and CHAT level both), issue of new shares and payment of dividend.

In fiscal 2021, the net cash inflow from financing activities was ₹ 563.83 Lakhs. This was mainly on account of issue of shares.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. **Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except for any change in economic policy affecting IT and IT enabled services industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "*Risk Factors*" beginning on page 33 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company's future costs and revenues will be determined by growth of industry in which we operate, economic activities and government policies and consumer preferences.

5. Increases in net sales or revenue and Introduction of new services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

6. Status of any publicly announced New Service or Business Segment

Our Company has not announced any new Service.

7. Seasonality of business

Our Company is into IT Solutions concentrated on business verticals Banking, Retail, Insurance, Manufacturing and Water Resources. Business fluctuation is very minimal in the business verticals we target. Our solutions evolve as business maturity is seen in the industry.

8. Dependence on few customers/ clients

The percentage of contribution of our Company's Top Customers/Clients for the year ended March 31, 2023 is as follows:

S. No.	Particulars	% of Turnover
1	Customer 1	12%
2	Customer 2	10%
3	Customer 3	10%
4	Customer 4	6%
5	Customer 5	6%

9. Competitive conditions

Competitive conditions are as described under the Sections "Our *Industry*" and "Our *Business*" beginning on pages 139 and 146, respectively of the Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2023

After the date of last Balance sheet i.e. March 31, 2023, the following material events have occurred after the last audited period:

a. Our company had issued 20401960 Equity Shares as bonus in the ratio of one Equity Share for every one Equity Share held.
b. Our Company was converted into Public Limited Company vide Special resolution passed by the Shareholders at the Extra- Ordinary General Meeting held on May 19, 2023 and a fresh certificate of incorporation dated June 27, 2023 issued by the Registrar of Companies, Bengaluru.
c. Company entered into new solution area IMS (Infrastructure Maintenance Solutions) and acquired a major North American based client
d. The corporate guarantee given by the Company for the bank facility availed by CHAT is no longer required and accordingly stands cancelled.

CAPITALIZATION STATEMENT

The following table sets forth our capitalization and total debt as of March 31, 2023 (based on our Restated Consolidated Financial Statements) and as adjusted to give effect to the Issue. This table should be read in conjunction with the '*Summary Financial Information', 'Risk Factors', 'Management's Discussion and Analysis of Financial Condition and Results of Operations'* and "*Other Financial Information"* contained in the "Financial Information" on pages 64, 33, 250 and 249 respectively.

(₹ in Lakhs except ratio)

PARTICULARS	PRE-OFFER AS AT 31-03-2023	ADJUSTED FOR THE POST-OFFER
Borrowings		
Current borrowings (including current maturities of Long term Debt)	863.29	[●]
Non-current borrowings	-	[●]
Total borrowings	**863.29**	**[●]**
Total Equity		
Equity share capital*	928.04	[●]
Reserves and Surplus	1,609.87	[●]
Total Equity	**2,537.91**	[●]
Ratio: Non-Current Borrowing/Total Equity	**0.34**	[●]

**These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on July 31, 2023 together with a brief description of certain significant terms of such financing arrangements.

A. Except as stated below, the Promoters have not provided any material guarantees with respect to specified securities of the Company held by them.

Name of the Promoter	Amount of Guarantee as on March 31, 2023 (₹. in Lakhs)	Reason	Individual/entity in whose favour the guarantee has been provided.	Period
• Mr. Raghu Chandrashekhariah • Mr. Metikurke Ramaswamy Raman Subbarao • Mr. Danavadi Krishnamurthy Arun • Mr. Sheshadri Yedavanahalli Srinivas	1300	To avail the working capital finance and non-fund based BG Limit	State Bank of India	12 months
• Mr. Danavadi Krishnamurthy Arun • Mr. Pushparaj Shetty	1200	To avail the working capital finance and non-fund based BG Limit	Canara Bank	12 months

Name of the Promoter	Amount of Guarantee as on July 31st , 2023 (₹. in Lakhs)	Reason	Individual/entity in whose favour the guarantee has been provided.	Period
• Mr. Raghu Chandrashekhariah • Mr. Metikurke Ramaswamy Raman Subbarao • Mr. Danavadi Krishnamurthy Arun • Mr. Sheshadri Yedavanahalli Srinivas	1300	To avail the working capital finance and non-fund based BG Limit	State Bank of India	12 months
• Mr. Danavadi Krishnamurthy Arun • Mr. Pushparaj Shetty	1200	To avail the working capital finance and non-fund based BG Limit	Canara Bank	12 months

As certified by M/s. SURESH & CO., Chartered Accountants, by way of their certificate dated August 21, 2023

B. SECURED LOANS:

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Category of borrowing	**Sanctioned Amount (₹. in Lakhs)**	**Outstanding amount (₹. in Lakhs) as on 31st March, 2023**	**Rate of Interest**	**Tenure**	**Repayment Terms**	**Collateral / Asset Charged**	**Principal Terms and Conditions**
Cash Credit (Canarys)	300	392.7	10.55%	12 months	Working Capital which is a running limit	Charge on stock, receivables and other current assets.	The working capital is repayable on demand and subject to review by the Bank once in every 12 months. **Penalty:** 5% p.a on the irregular portion for the period of irregularity.
Cash Credit (Joint Venture)	1200	961.2	12.4%	One year	Working Capital which is a running limit	1.Fixed deposit (40%) 2.Deposit by way of 10% cut back on every remittance as and when required.	**Penalty:** 2% monthly if book debts statement is not sent monthly and if terms are not met. Penalty: 1% will be charged for delayed/ non submission of QOS/HOS The working capital is repayable on demand and subject to review by the Bank once in every 12 months
Bank Guarantee	1000	776		Renewed once a year		Charge on stock, receivables, other current assets. House property owned by Mr. Raman Subba Rao the Managing Director of the Company, secured by Industrial Flat at Electronic City owned by the Company. Further secured by personal guarantees offered by the Directors of the Company.	Non-fund based limit of Rs.100 million is secured by Omnibus Counter Guarantee.
Total	**2500**	**2,129.9**				**Fund based limit - 100**	**Non-Fund based limit - 30**

Category of borrowing	Sanctioned Amount (₹. in Lakhs)	Outstanding amount (₹. in Lakhs) as on 31st July, 2023	Rate of Interest	Tenure	Repayment Terms	Collateral / Asset Charged	Principal Terms and Conditions
Cash Credit	500	392.2	11.65%	12 months	Working Capital which is a running limit	Charge on stock, receivables and other current assets.	The working capital is repayable on demand and subject to review by the Bank once in every 12 months. **Penalty:** 5% p.a on the irregular portion for the period of irregularity.
Cash Credit	1200	877.7	12.4%	One year	Working Capital which is a running limit	1.Fixed deposit (40%) 2.Deposit by way of 10% cut back on every remittance as and when required.	**Penalty:** 2% monthly if book debts statement is not sent monthly and if terms are not met. Penalty: 1% will be charged for delayed/ non submission of QOS/HOS
Bank Guarantee	800	666.3		Renewed once a year		Charge on stock, receivables, other current assets. House property owned by Mr. Raman Subba Rao the Managing Director of the Company, secured by Industrial Flat at Electronic City owned by the Company. Further secured by personal guarantees offered by the Directors of the Company.	Non-fund based limit of Rs.100 million is secured by Omnibus Counter Guarantee.
Total	**1300**	**1936.2**				**Fund based limit - 100**	**Non-Fund based limit - 30**

As certified by M/s. SURESH & CO., Chartered Accountants, by way of their certificate dated August 21, 2023

C. UNSECURED LOANS AS ON March 31, 2023:

Category of borrowing	Sanctioned Amount (₹. in Lakhs)	Outstanding amount (₹. in Lakhs) as on 31.03.2023	Rate of Interest	Tenure	Repayment Terms	Collateral / Asset Charged	Principal Terms and Conditions
Inter-corporate Loan	100	0.09	10.4%	1 year	To be repaid in one year.	Unsecured	Principal has to be repaid in one year and the same has been paid back. Outstanding amount is interest payable on the said loan
Inter-corporate Loan	200	1,109.6	8.5%	1 year	To be repaid in one year.	Unsecured	Principal has to be repaid in one year and the same has not been paid back. Outstanding amount is payable.
Total	**300**	**1,109.69**					

As certified by M/s. SURESH & CO., Chartered Accountants, by way of their certificate dated August 21, 2023

D. GUARANTEES BY PROMOTER SHAREHOLDER:

Name of the Promoter	Amount of the Guarantee as on March 31, 2023 (₹. in Lakhs)	Reason	Obligations of the Company	Individual/ entity in whose favor the guarantee has been provided.	Period	Financial implications in event of default	Security available	Consideration
Mr. Raghu Chandrashekhariah	1300	To obtain working cash.	There is no obligation of the company.	Individual	12 months	Assets pledged will be confiscated	The same has been mentioned in **A.** above.	
Mr. Metikurke Ramaswamy Raman Subbarao								
Mr. Danavadi Krishnamurthy Arun								
Mr. Sheshadri Yedavanahalli Srinivas								
Mr. Danavadi Krishnamurthy Arun	1200	For Bank					The same has been mentioned in **A.** above.	
Pushparaj Shetty		Guarantee of Telemetry Project						

Name of the Promoter	Amount of the Guarantee as on July 31st , 2023 (₹. in Lakhs)	Reason	Obligations of the Company	Individual/ entity in whose favor the guarantee has been provided.	Period	Financial implications in event of default	Security available	Consideration
Mr. Raghu Chandrashekhariah	1300	To obtain working cash.	There is no obligation of the company.	Individual	12 months	Assets pledged will be confiscated	The same has been mentioned in **A.** above.	
Mr. Metikurke Ramaswamy Raman Subbarao								
Mr. Danavadi Krishnamurthy Arun								
Mr. Sheshadri Yedavanahalli Srinivas								
Mr. Danavadi Krishnamurthy Arun	1200	For Bank					The same has been mentioned in **A.** above.	
Pushparaj Shetty		Guarantee of Telemetry Project						

As certified by M/s. SURESH & CO., Chartered Accountants, by way of their certificate dated August 21, 2023

SECTION X: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The details of outstanding litigations or proceedings relating to our Company and our Directors and our Promoter are described in this section in the manner as detailed below.

Except as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus, there are no (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last 5 Financial Years, including outstanding action, (iv) claims related to direct and indirect taxes in a consolidated manner, (v) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board, in each case involving our Company, Promoters, and Directors **("Relevant Parties")** (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (xi) matters involving our Company pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

For the purpose of (v) above, our Board in its meeting held on August 21, 2023 has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Red Herring Prospectus:

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, (i) other than criminal proceedings, actions by regulatory authorities and statutory authorities, (ii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last 5 Financial Years including outstanding action, and tax matters, would be considered 'material' if:

a) The monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of, (i) ₹ 8.53 lakhs (i.e. 1% (one per cent) of the profit after tax of our Company as per the Restated Consolidated Financial Statements of our Company for the last full Financial Year)
b) The outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no outstanding material dues to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

For this purpose, our Board, in its meeting held on August 21, 2023 considered and adopted a policy of materiality for identification of material outstanding dues to creditors. Further, in terms of this Materiality Policy, outstanding dues to any creditors of our Company having monetary value which exceeds 5% (five per cent) of trade payables as per the last Restated Consolidated Financial Statements for the Financial Year ended March 31, 2023 shall be considered as material dues **("Material Dues")**. For outstanding dues to any party which is a MSME, the disclosure will be based on information available with our Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by its Statutory Auditor. Details of outstanding dues to material creditors as required under the SEBI ICDR Regulations have been disclosed on our website at https://www.ecanarys.com/.

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

A. Litigation against our Company		
Sr. No.	**Litigation Involving**	**No. of Proceedings**
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities[1]	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Wilful Defaulter:	

	Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.

B. Litigation filed by our Company		
Sr. No.	**Litigation Involving**	**No. of Proceedings**
a)	Criminal Proceedings	1
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities[1]	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

[1]The Regulatory or Statutory Authorities for the purpose of this Section include but are not limited to SEBI, RBI etc.

Criminal Litigation filed by our Company

Our Company has filed a first information report ("**FIR**") against employee Mr. Subhash Sharma of our Company ("Accused") under Sections 406, 420, 468, 471, 506 and 1208 of the Indian Penal Code, 1860 before the Channammanakere Achu Kattu Police Station, Karnataka, on December 16, 2020, alleging that the Accused have misused his power and position to divert the resources of the Company entrusted to him for his own benefit in partnership with his father Mr. Chandra Sharma and Ram Kumar Sharma by setting up Cloud Vim Technologies LLP and diverting the business and revenue of the Company to this entity. The Company has alleged that the Accused has abused and misused his position by utilizing the company resources including confidential business information of the Company and its clients for diverting business of the Company to its own entity over the period of his employment, the overall extent of loss as per the FIR has been alleged to be Rs. 300 Lakh to Rs. 400 Lakh by using the Company facilities which is being investigated. Presently, the matter is filed in pending in Court of 4 Addl. Chief Metropolitan Magistrate Court, Bangaluru for next hearing.

II. Litigation involving Director/s of our Company

A. Litigation against Director/s of our Company		
Sr. No.	**Litigation Involving**	**No. of Proceedings**
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Wilful Defaulter: None of our Directors appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

B. Litigations filed by our Director/s		
Sr. No.	**Litigation Involving**	**No. of Proceedings**
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

III. Litigation involving our Promoter/s

A. Litigation against our Promoter/s		
Sr. No.	**Litigation Involving**	**No. of Proceedings**
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Disciplinary Action Including Penalty Imposed By SEBI/ Stock Exchanges Against Our Promoters in the last 5 Financial Years including Outstanding Action	Nil
f)	Wilful Defaulter: None of our Promoters appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

B. Litigations filed by our Promoter/s		
Sr. No.	**Litigation Involving**	**No. of Proceedings**

a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

TAX PROCEEDINGS

Nature of Proceedings	Number of cases	Amount involved* (₹. in lakhs)
Against the company		
Direct Tax (Income Tax)	1	72.77#
Indirect Tax	Nil	Nil
Filed by the company		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**1**	**72.77**
Against the Promoters and Directors		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable*
#This is as per the original order from Income Tax Authorities.

IV. Litigation involving our Group Companies

As on date of this Draft Red Herring Prospectus, there are no pending litigation involving our Group Companies which have been considered material accordance with the Materiality Policy

V. Litigation involving our Subsidiaries

As on date of this Draft Red Herring Prospectus, there are no pending litigation involving our Subsidiaries which have been considered material accordance with the Materiality Policy

VI. Disclosures pertaining to wilful defaulters and fraudulent borrower:

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter or as a fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

Material Developments since the last Balance Sheet Date

Except as mentioned under the section titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 250 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen any material developments, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

Outstanding Dues to Creditors of our Company

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% (five) percent of the trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements, i.e. **₹70.43 lakhs**, as of March 31, 2023 ("**Material Creditors**").

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on March 31, 2022 is as set forth below:

As of March 31, 2023, the total outstanding dues to such creditors by our Company was ₹ **1,408.64 lakhs**, on a consolidated basis.
Details of outstanding dues owed as at March 31, 2023 to MSME and other creditors are set out below:

Particulars	No. of Creditors	Amount (₹ in Lakh)
Material Creditors		
- Other than MSME	2	379.33
- Dues to micro, small and medium enterprises (the "**MSME**")	1	720.73
Other trade payables as per books	123	308.58
Total	**126**	**1,408.64**

The details pertaining to amounts due towards the material creditors are available on the website of our Company at https://www.ecanarys.com/.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, https://www.ecanarys.com/, would be doing so at their own risk.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations and permits obtained by our Company and our Material Subsidiaries, as applicable, for the purposes of undertaking their respective businesses and operations. Except as mentioned below no further material approvals are required to undertake the Issue. Additionally, unless otherwise stated herein, these approvals, consents, licenses, registrations and permits are valid as on the date of this Draft Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. Our Material Subsidiaries are required to obtain certain approvals in the ordinary course of business under applicable local laws. For further details in connection with the applicable regulatory and legal framework, please refer to the section titled *'Key Industry Regulations and Policies'* beginning on page 157 of this Draft Red Herring Prospectus.

Our Company has its business located at:

Registered Office: No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

Incorporation Details

a) The certificate of incorporation dated July 01, 1991 issued by the Registrar of Companies, Bengaluru, Karnataka in the name of "Canarys Automations Private Limited".
b) Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992.
c) Certificate of incorporation dated June 20, 2000 issued by the RoC to our Company consequent upon change of name on conversion from a deemed public company to its former name, being "Canarys Automations Private Limited".
d) Fresh certificate of incorporation dated September 21, 2006 issued by Registrar of Companies, Bengaluru, Karnataka, consequent upon change of name on conversion to public limited company to "Canarys Automations Limited".
e) Fresh certificate of incorporation dated November 27, 2007 issued by Registrar of Companies, Bengaluru, Karnataka, consequent upon change of name on conversion to private limited company to "Canarys Automations Private Limited".
f) Fresh certificate of incorporation dated June 27, 2023 issued by Registrar of Companies, Bengaluru, Karnataka, consequent upon change of name on conversion to public limited company to "Canarys Automations Limited".
g) The Corporate Identification Number of our Company is U31101KA1991PLC012096.

Approvals for the Issue

1. Corporate Approvals

- Our Board have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on August 11, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the AGM held on August 14, 2023 authorized the Issue.

2. In-Principle Approval from the Designated Stock Exchange

In-principle approval dated [●] from the NSE Emerge (SME Platform of NSE) for using the name of the exchange in its Draft Red Herring Prospectus for listing of the Equity Shares issued by our Company pursuant to the Issue.

3. Agreements with NSDL and CDSL

a) Our Company has entered into an agreement dated July 05, 2023 with the Central Depository Services (India) Limited and the Registrar and Share Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.

b) Similarly, our Company has also entered into an agreement dated July 10, 2023 with the National Securities Depository Limited and the Registrar and Share Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.

c) Our Company's International Securities Identification Number is INE0QG301017.

Approvals/ Licenses related to our Business Activities

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue/ Date of Certificate	Date of Expiry
1)	MSME Registration-Udyam Registration	Micro, Small and Medium Enterprises Development Act, 2006	Ministry Of Small, Micro And Medium Enterprises	UDYAM-KR-03-0055820	March 10, 2021	One time registration
2)	Importer Exporter Code	The Foreign Trade (Development and Regulation) Act, 1992	Foreign Trade Development Officer	0792012623	February 23, 1993	One time registration
3)	Certificate of Registration under Software Technology Parks of India (STPI)	National Policy on Software Products (NPSP) 2019	Ministry of Electronics & Information Technology, Government of India.	STPI/NSTP/BLR/ 17451/8865	June 29, 2020	June 28, 2026

Tax related Approvals/ Licenses/ Registrations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, Government of India	AAACC5979P	July 01, 1991	Valid until cancelled
2.	Tax Deduction Account Number	Income Tax Department, Government of India	BLRC00706G	May 13, 2002	Valid until cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Maharashtra Goods and Services Tax Act, 2017	Government of India and Government of Karnataka	29AAACC5979P1ZR	February 08, 2023	Valid until cancelled
4.	Professional Tax Enrolment Certificate (PTEC) (Form 4)	Karnataka Tax and Profession, Trade, Callings, and Employment Act, 1976	1069048251	April 18, 2023	Till March 31, 2024
5.	Professional Tax Registration Certificate (PTRC)	Karnataka Tax and Profession, Trade, Callings, and Employment Act, 1976	305131302	February 20, 2017	Valid until cancelled

Industrial and Labour Law related Approvals

Sr. No.	Description	Applicable Laws	Issued by	Registration Number	Date of Certificate	Date of Expiry
1.	Employees Provident Fund Registration	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organization,	KN/24466	March 13, 2000	One-time registration
2.	Registration Under Employees' State Insurance	Employee State Insurance Act, 1948 (E.S.I. Act, 1948)	Assistant Director Sub-Regional Office, Employees' State Insurance Corporation	53-17267-67	September 13, 2000	Valid until cancelled
3.	ISO 9001:2015 (Quality Management System for following scope of activities: Design, Development and Testing of Software Services and Solutions)	-	United Registration of System	79584/A/0001/NB/En	January 23, 2017	January 22, 2026
4.	Registration Certificate under Karnataka Shops and Commercial Establishment Act, 1961	Karnataka Shops and Commercial Establishment Act, 1961	Government of Karnataka: Department of Labour	34/156/CE/0072/2017	January 21, 2022	December 31, 2026
5.	Registration Certificate under Karnataka Shops and Commercial Establishment Act, 1961	Karnataka Shops and Commercial Establishment Act, 1961	Government of Karnataka: Department of Labour	34/163/CE/0052/2023	August 10, 2023	December 31, 2027.

Intellectual Property related Approvals/Registrations

Our Company has filed applications under class 42 for registration of our current corporate logo with the Trade Marks Registry, Government of India under the Trademarks Act, 1999. The details of the same are as follows:

Sr. No.	Trademark	Wordmark/ Label	Applicant	Trademark/ Application Number	Issuing Authority	Application Date	Class of Trademark	Status	Period of Validity
1.		Device	Canarys Automations Limited	6062285	Trade Marks Registry, Chennai	August 11, 2023	42	Send To Vienna Codification	-
2.	CANARYS	CANARYS (Wordmark)	Canarys Automations Limited	6065339	Trade Marks Registry, Chennai	August 14, 2023	42	Formalities Chk Pass	-

Pending Approvals

Pursuant to conversion of our Company from a private limited company to a public limited company in the year 2023, our Company has made applications for change of name for all the above-mentioned approvals.

Domain Name

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation Date	Registry Expiry Date
1	https://ecanarys.com/	Registrar: Nettigritty Registrar IANA ID: 303	Canarys Automations Private Limited	June 08, 2021	January 08, 2024

Material licenses/ approvals for which the Company is yet to apply

As on the date of this Draft Red Herring Prospectus, there are no Material licenses/ approvals for which the Company is yet to apply.

Material Information in relation to our Material Subsidiary

As on the date of this Draft Red Herring Prospectus, our Company does not have any material subsidiaries.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for Issue

Corporate Approvals

The Issue has been authorized by our Board pursuant to the resolution passed at its meeting dated August 11, 2023 and by the shareholders pursuant to the special resolution passed in its AGM dated August 14, 2023 under Section 62(1)(c) of the Companies Act, 2013. This Draft Red Herring Prospectus has been approved by the Board of Directors of the Company pursuant to a resolution passed on August 21, 2023.

In-principle Approval

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Draft Red Herring Prospectus/ Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

Prohibition by SEBI or Other Governmental Authorities

We confirm that our Company, Directors, Promoter and Promoter Group, persons in control of our Company are not prohibited from accessing or operating in the capital markets for any reason or restrained from buying, selling or dealing in securities, under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the under section titled *"Outstanding Litigations and Material Developments"* beginning on page 272 of this Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Prohibition by RBI

Neither our Company nor any of our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled '*Outstanding Litigations and Material Developments*' beginning on page 272 of this Draft Red Herring Prospectus.

Prohibition with respect to wilful defaulters or a fraudulent borrower

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations.

Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

- **Eligibility for the Issue**

- Our Company is eligible in terms of Regulations 228 of SEBI ICDR Regulations, for this Issue.
  i) Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the SEBI.
  ii) Neither our Promoters nor any of our Directors or persons in control of our Company is 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 the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.
  iii) None of our Promoters or Directors is declared as Fugitive Economic Offender under Fugitive Economic Offenders Act, 2018.
  iv) Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our Directors, is a willful defaulter or a fraudulent borrower.

- Our Company is an "unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations.

- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI ICDR Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees and upto 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the " **NSE Emerge**").

  We confirm that:

  i) In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The Book Running Lead Manager to the Issue shall underwrite minimum 15.00% of the total Issue Size. For further details pertaining to said underwriting please refer to section titled *'General Information'* beginning on page 68 of this Draft Red Herring Prospectus.

  ii) 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 50, otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 4 (four) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (four) Working Days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, and Regulation 269 of SEBI ICDR Regulations.

  iii) In terms of Regulation 246(5) of the SEBI ICDR Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Prospectus.

  iv) In accordance with Regulation 261 of the SEBI ICDR Regulations, we hereby confirm that, we have entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory market making for a minimum period of 3 years from the date of listing of Equity Shares on the NSE Emerge of NSE. For further details of the arrangement of market making please refer to section titled *'General Information'* beginning on page 68 of this Draft Red Herring Prospectus.

  We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI ICDR Regulations as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

  1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depositary Services Limited (CDSL) dated July 05, 2023 and National Securities Depository Limited dated July 10, 2023 for establishing connectivity.

  2. Our Company has a website i.e. https://www.ecanarys.com/

  We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge of the NSE:

  1) Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Canarys Automations Private Limited" pursuant to certificate of incorporation dated July 1,

1991 issued by the RoC, Bengaluru, Karnataka. Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from June 22, 1992, pursuant to that our Company once again became a private limited company with effect from June 20, 2000. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on August 01, 2006, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on September 21, 2006. Subsequently, our Company was converted into private limited company pursuant to the approval of our shareholders at an EGM held on November 16, 2007, and Consequently, the name of our Company was changed to "Canarys Automations Private Limited" and a fresh certificate of incorporation consequent upon conversion from public company to private company was issued by RoC, Bengaluru, Karnataka on November 27, 2007. Subsequently, our Company was converted into public limited company pursuant special resolution passed by the shareholders at the EGM held on May 19, 2023, and consequently, the name of our Company was changed to "Canarys Automations Limited" and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bengaluru, Karnataka on June 27, 2023.

2) As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of ₹ 1,288.23 Lakhs and the Post Issue Capital will be of upto ₹ [●] Lakhs which is less than ₹ 25 Crores.

3) Our Company confirms that it has track record of more than 3 years.

4) The company/ entity has operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive. The details of the Net Worth and Operating Profit as per the Restated Consolidated Financial Statements of the company are as detailed below

(₹ in Lakhs)

Particulars	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Net worth	2537.91	1683.44	1258.17
Operating profit (earnings before interest, depreciation, Profit/ (loss) from sale of Fixed Assets and tax)	1252.11	657.44	317.22

5) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past 1 (one) year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;

6) Our Company has not been referred to Board for Industrial and Financial Reconstruction.

7) There is no winding up petition against our Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.

8) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past 3 years against our Company.

9) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past 5 (five) years

10) We further confirm that we comply with all the above requirements/ conditions so as to be eligible to be listed on the NSE Emerge of the NSE.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"/ "BOARD") SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS /

PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, ("SEBI ICDR REGULATIONS") IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS/ PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 21, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS ; WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1) **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS/ PROSPECTUS PERTAINING TO THE SAID ISSUE.**

2) **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE STOCK EXCHANGE/ BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**
   B. **ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
   C. **THE MATERIAL DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SEBI ICDR REGULTIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3) **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE, SUCH REGISTRATION IS VALID.**

4) **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITE TO FULFILL THEIR UNDERWRITING COMMITMENTS**

5) **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6) **WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7) **WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH.**

8) **WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.**

9) **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION**

10) **WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION COMPLIED TO THE EXTENT APPLICABLE.**

11) **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.**

12) **WE CERTIFY THAT ALL THE SHARES ISSUED IN DEMATERIALIZED FORM IS IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

   A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND**
   B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13) **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

14) **WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE AND THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS ENTERED BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.**

15) **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF**

CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY

16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)' AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015 -DETAILS ARE ENCLOSED IN "ANNEXURE A".

17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

***3.* WE CONFIRM THAT THE DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER.

5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISION TO SUB-REGULATION (2) OF REGULATION 236 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.

6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE.

7. WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEEDING THE MONTH OF THE FILLING OF THE DRAFT RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES - *NOT APPLICABLE*.

Note:

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS/ PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF 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 MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS/ PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Bengaluru, Karnataka in terms of Section 26, Section 32 and Section 33 of the Companies Act, 2013.

Disclaimer Statement from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus/ Prospectus, or in case of the Company, in any 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 https://www.ecanarys.com/ would be doing so at his or her own risk.

Caution

The Book Running Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager to the Issue and our Company on August 21, 2023 and the Underwriting Agreement dated [●], 2023 entered into between the Underwriter, our Company and the Market Making Agreement dated [●], 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Book Running Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Statement on price information of past issues handled by Indorient Financial Services Limited:

Sr. No.	***Issue Name***	***Issue Size (₹)***	***Issue Price (₹)***	***Listing Date***	***Opening Price on Listing Date***	***+/- % Change in Price on closing price, [+/- % change in closing benchmark] – 30th calendar days from listing***	***+/- % Change in Price on closing price, [+/- % change in closing benchmark] – 90th calendar days from listing***	***+/- % Change in Price on closing price, [+/- % change in closing benchmark] – 180th calendar days from listing***
1.	*Secmark Consultancy Limited*	*15.04*	*135.00*	*October 01, 2020*	*134.00*	*-50.71, [2.37]*	*-58.92, [23.05]*	*-55.07, [26.65]*
2.	*eMudhra Limited*	*412.79*	*256.00*	*June 01, 2022*	*271.00*	*-2.61, [-4.27]*	*38.81, [4.68]*	*20.79, [12.49]*

Summary Statement of Disclosure

Financial Year	*Total no. of IPOs*	*Total amount of funds raised (₹)*	*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 discount – 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 %*
2020-21	*1*	*15.04*	*1*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*1*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
2022-23	*1*	*412.79*	*Nil*	*Nil*	*1*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*1*

Track Record of past issues handled by Indorient Financial Services Limited:

For details regarding track record of Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: https://www.indorient.in/

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India who are competent to contract under the Indian Contract Act,1872 including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakh and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted Non-Residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Bengaluru, Karnataka, 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 Draft Red Herring Prospectus has been filed with NSE Emerge for its observations and NSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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 from 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 Draft Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the NSE Emerge of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter dated [●] permission to this Company to use its name in this Draft Red Herring Prospectus as one of the Company's Equity Shares are proposed to be listed on the NSE Emerge of NSE. NSE has scrutinized this Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by NSE. NSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; or
- warrant that this Company's Equity Shares will be listed on completion of Initial Public Offering or will continue to be listed on NSE; or
- take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.
- warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are issued 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 Book Running Lead Manager to the Issue and the Designated Stock 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 on completion of Initial Public Offering have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any Equity Shares of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE 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.
- NSE 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 Draft Red Herring Prospectus or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- The Company has chosen the NSE Emerge of NSE on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE/ other regulatory authority. Any use of the NSE Emerge of NSE and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended **("Securities Act")** or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. After getting in-principal approval from NSE, a copy of the Draft Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Bengaluru, Karnataka.

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 (5) the SEBI ICDR Regulations. However, SEBI will not issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246 (2) of the SEBI ICDR Regulations. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Red Herring Prospectus and prospectus will be filed online through SEBI intermediary portal at https:\\siportal.sebi.gov.in.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the Registrar of Companies, Bengaluru, Karnataka at E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bengaluru -560034, Karnataka.

Listing

The Equity Shares of our Company are proposed to be listed on NSE Emerge platform. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE (NSE Emerge platform).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
Any person who-

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013.*

Consents

Consents in writing of (a) Our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Key Managerial Personnel, Banker to the Company; (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker, Legal Advisor to the Issue and Sponsor Bank to act in their respective capacities have been obtained and shall be filed along with a copy of the prospectus with RoC, as required as required under section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s. SURESH & CO., Chartered Accountants, Statutory Auditors holding peer reviewed certificate, have agreed to provide their written consent to the inclusion of their respective reports on "Statement of Possible Tax Benefits*"* relating to the possible tax benefits and Restated Consolidated Financial Statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus with the RoC.

Expert to the Issue

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

Our Company has received written consent from the Statutory Auditors namely, M/s. SURESH & CO., Chartered Accountants to include their name in this Draft Red Herring Prospectus and as "Expert" as defined under section 2 (38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated August 21, 2023, and on the Restated Consolidated Financial Statements dated August 21, 2023 and issued by them, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Underwriting Commission and Brokerage

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue Price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

Previous Rights and Public Issues since the Last 5 Years

We have not made any rights and public issues in the past, and we 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

Except as stated in the section titled '*Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

Since this is the Initial Public Offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Capital issue during the previous three years by our Company and listed subsidiaries during the last three Years

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure – Share Capital history of our Company"* on page 80, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, none of our Subsidiaries are listed on any Stock Exchange.

Promise Versus Performance for our Company

Our Company is an "unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Performance Vis-A-Vis Objects – Public/ Right Issue of our Company and / or Listed Subsidiary and Joint Venture / Associates of our Company

Except as stated under section titled '*Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of our subsidiaries and joint venture of our Company are listed on any stock exchange.

Performance Vis-A-Vis Objects - Last Issue of Listed Subsidiary/ Joint Venture / Associate Companies

Our Subsidiaries and Joint Venture are unlisted and have not made a public issue of shares in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Outstanding Convertible Instruments Issued by our Company

Except as stated under section titled '*Capital Structure'* beginning on page 80 of this Draft Red Herring Prospectus our Company has not issued any debentures or bonds redeemable preference shares or other Outstanding Convertible instruments in the past.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Option to Subscribe

Equity Shares being issued through this Draft 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 Issue 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

Our Company has appointed "Link Intime India Private Limited" as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of our Company.

The agreement dated August 21, 2023 between the Registrar to the Issue and our Company provides for retention of records with the Registrar for a period of at least 3 years from the last date of dispatch of the letters of Allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue with a copy to the Compliance Officer, giving full details such as the name, address of the Applicant, number of Equity Shares applied for, UPI-ID (if applicable) amount paid on Application and the bank branch or Collection Center where the Application was submitted. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be 7 Business Days of our Company 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 Board by a resolution on July 18, 2023 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Ramesh Bhaskar Phatak	Chairman	Independent Director
Mrs. Asha Sivashankar	Member	Independent Director
Mr. Metikurke Ramaswamy Raman Subbarao	Member	Managing Director

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 Branches or the Collection Center of the SCSB where the Application Form was submitted by the ASBA Applicants in ASBA Account or UPI-ID linked bank account number in which the amount equivalent to the Application Amount was blocked.

The Applicant should give full details such as name of the First/ Sole Applicant, Application Form number, Applicant DP-ID, Client-ID, PAN, bank account number, UPI-ID, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the Applicant shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board meeting held on July 18, 2023. For further details, please refer to the section titled '*Our Management'* beginning on page 174 of this Draft Red Herring Prospectus.

Our Company has appointed Mrs Nagashree Hegde, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mrs. Nagashree Hegde,
Company Secretary and Compliance Officer,
Canarys Automations Limited,
(formerly known as Canarys Automations Private Limited),
No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara,
Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India
Email: nagashree.hegde@ecanarys.com
Website: https://www.ecanarys.com/

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor compliant during the 3 years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by Listed Companies under the Same Management as our Company.

We do not have any listed company under the same management or any listed subsidiaries or any listed promoters.

Capitalisation of Reserves or Profits

Save and except as stated in the section titled '*Capital Structure*' beginning on page 80 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last 5 years.

Revaluation of Assets

Our Company has not revalued its assets since incorporation till the date of this Draft Red Herring Prospectus.

Tax Implications

Investors who are Allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchange. For details, please refer the section titled '*Statement of Possible Tax Benefits'* beginning on page 135 of this Draft Red Herring Prospectus.

Purchase of Property

Other than as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired, which is to be paid, for wholly or partly, from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or Benefit to Officers of our Company.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled '*Our Management*' and '*Related Party Transactions*' beginning on page 174 and 206 respectively of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any:

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

SECTION XI: ISSUE INFORMATION

TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("**CAN**"), the Revision Form, Allotment advices, 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 all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II of the UPI Circular, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023..*

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue:

The present Public Issue of up to 1,52,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 11, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on August 14, 2023 in accordance with the provisions of section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares:

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, "***Main Provisions of Article of Association***", beginning on page334 of this Draft Red Herring Prospectus

Mode of Payment of Dividend:

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government

of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "**Dividend Policy**" and "**Main Provisions of Article of Association**" beginning on page207 and 334 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price:

The face value of each Equity Share is ₹ 2/-.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹ [●] per Equity Share ("**Cap Price**"). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running Lead Manager and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Bengaluru edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of 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.

SEBI ICDR Regulations:

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms:

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders:

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

a) Right to receive dividend, if declared;
b) Right to receive Annual Reports and notices to members;
c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
d) Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
g) Right of free transferability of the Equity Shares; and
h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI Listing Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "***Main Provisions of the Articles of Association***" beginning on page 334 of this Draft Red Herring Prospectus.

Allotment of Equity Shares in dematerialized form:

As per the provisions of the Depositories Act, 1996 and the regulations made thereunder and pursuant to Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated July 10, 2023 between NSDL, our Company and Registrar to the Issue; and

- Tripartite Agreement dated July 05, 2023 between CDSL, our Company and Registrar to the Issue.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge (SME platform of NSE) from time to time by giving prior notice to investors at large.

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, the minimum application size in terms of number of specified securities shall not be less than Rupees 1 (One) Lakh per application

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees:

Further in accordance with the Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 (fifty). 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.

Jurisdiction:

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Bengaluru, Karnataka.

The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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.

Nomination Facility to Investor:

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Subscription List of Public Issue:

Event	Indicative Dates
Bid/ Issue Opening Date	[●][1]
Bid/ Issue Closing Date	[●][2]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*	On or about [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or about [●]
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about [●]

Note [1]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/Issue Period shall be (1) one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

[2]Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs (1) one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

**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 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, which period shall start from the day following the receipt of a complaint from the Bidder. The Book Running Lead Manager 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/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 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 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/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 (six) Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Bid

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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

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

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

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least (3) three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 ten Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription and Underwriting:

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 (thirty) days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 4 (four) days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

Further, in accordance with Regulation 268(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI ICDR Regulations, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the section titled "***General Information - Underwriting***" on page of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, the minimum application size in terms of number of specified securities shall not be less than Rupees One (1) Lakh per application.

Migration to Main Board:

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board. Or

If the Paid-up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making:

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE Emerge), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the Book Running Lead Manager and the Market Maker please refer to section titled "***General Information*** - *Summary of the Key Details Pertaining to the Market Making Arrangement*" on page 68 of this Draft Red Herring Prospectus.

Arrangements for disposal of odd lots:

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be

subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form:

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments:

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI:

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting:

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled "***Capital Structure***" beginning on page 80 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "***Main Provisions of the Articles of Association***" beginning on page 334 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement:

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The Book Running Lead Manager through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue paid up capital is more than ten crore rupees but less than twenty five crore rupees, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("***SME Exchange***", in this case being the NSE Emerge i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer section titled "***Terms of the Issue***" and "***Issue Procedure***" on page 294 and 305 of this Draft Red Herring Prospectus.

Issue Structure

Initial Public Offer of upto 1,52,00,000 Equity Shares of ₹ 2/- each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating upto ₹ [●] Lakhs (**"the Issue"**) by the issuer Company (the ***"Company"***).

The Issue comprises a reservation of upto [●] Equity Shares of ₹ 2/- each for subscription by the designated Market Maker (**"the Market Maker Reservation Portion"**) and Net Issue to Public of upto [●] Equity Shares of ₹ 2/- each (**"the Net Issue"**). The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company.

The Issue is being made through the Book Building Process.

Particulars of the Issue [(2)]	**Market Maker Reservation Portion**	**QIBs[(1)]**	**Non-Institutional Investors/Bidders**	**Retail Individual Investors/Bidders**
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for allocation	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation.
Basis of Allotment [(3)]	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion):	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot,

		(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of QIB Portion (of upto [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "***Issue Procedure*** beginning on page 305 of this Draft Red Herring Prospectus.	subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see "***Issue Procedure***" beginning on page 305 of this Draft Red Prospectus.
Mode of allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)]			
Mode of Bidding	Only through the ASBA process.		Only through the ASBA process	Through ASBA Process, Through Banks or by using UPI ID for payment

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.

[(1)] *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*

[(2)] *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.*

[(3)] *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*

[(4)] *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under "***Issue Procedure***" on page 305 and having same Permanent Account Number ('PAN') may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

In accordance with SEBI ICDR Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right 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.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

Bid/ Issue Program

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

Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be 1 (one) Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

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 Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual bidders.
c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual bidders, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis- à-vis the data contained in the physical Bid-Cum- Application 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).

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public Issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 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 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Bidders applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

Phased implementation of Unified Payments Interface

*SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 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 08, 2019 (collectively the "**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 RIBs 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 Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: *This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five mainboard public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI I for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.*

Phase II: *This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, 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 is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.*

Phase III: *The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.*

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

PART A

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") read with Regulation 252 of SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 1/3rd (one-third) shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being

Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least 1 (one) day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Issue through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	**Colour***
Anchor Investor**	[●]
Indian Public/eligible NRI's applying on a non-repatriation basis (ASBA)	[●]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[●]

**Excluding Electronic Bid cum Application Form*
***Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock

Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr.no.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "**Intermediaries**"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Draft Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least 1 (one) day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: ―Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
d) Mutual Funds registered with SEBI;
e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with the SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
o) Provident Funds with minimum corpus of ₹. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
r) Multilateral and bilateral development financial institution;
s) Eligible QFIs;
t) Insurance funds set up and managed by army, navy or air force of the Union of India;
u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCBs)*

*** - As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the**

prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹₹ 2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000/-.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000/- for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF PROCESS

Our Company in consultation with the Book Running Lead Manager will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Bengaluru Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least 2 (two) Working Days prior to the Bid / Issue Opening Date. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

a) The Bid / Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days. The Bid/ Issue Period maybe extended, if required, by an additional 3 (three) Working Days, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Bengaluru edition of regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to 3 (three) optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "**Build-up of the Book and Revision of Bids**".

e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("**TRS**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to 3 (three) TRSs for each Bid cum Application Form

f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. 1 (one) working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section "***Issue Procedure***" beginning on page 305 of this Draft Red Herring Prospectus

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a. Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the SCSBs. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of Book Running Lead Manager and the Self Certified Syndicate Banks ('Syndicate Members' or 'SCSBs')

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

Bids by Anchor Investors:

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.

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. 1/3rd (One-third) of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open 1 (one) Working Day before the Bid/ Issue Opening Date and be completed on the same day.

5. Our Company in consultation with the Book Running Lead Manager, 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 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 addition al 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 Book Running Lead Manager 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. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

11. The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.

12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

Bids by eligible NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("**FCNR**") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPI including FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of 3 (three) years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS by SEBI Registered VCF'S, AIF'S and FVCI'S:

The SEBI FVCI Regulations and the AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the 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 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 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 Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by HUFS:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

Bids by Mutual Funds:

No Mutual Fund scheme shall invest more than 10 % of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Bids by Systematically Important Non-Banking Financial Companies:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

Bids by Limited Liability Partnerships:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

Bids by Insurance Companies:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, 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 (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids under Power of Attorney:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids 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 along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 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 Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

Bids by Provident Funds / Pension Funds:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

Bids by Banking Company:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

Issuance of a Confirmation note ("CAN") and allotment in the Issue:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar to the Issue will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the Issue shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Issue to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar to the Issue is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within 1 (one) day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Bidders applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: ― "Canarys Automations Limited IPO – Anchor Account- R"

b. In case of Non-Resident Anchor Investors: ― "Canarys Automations Limited IPO – Anchor Account- NR"

c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

   a) the applications accepted by them,
   b) the applications uploaded by them
   c) the applications accepted but not uploaded by them or
   d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   (i) The applications accepted by any Designated Intermediaries or
   (ii) The applications uploaded by any Designated Intermediaries or
   (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	**Details***
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application no.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
   - Name of the Bidder;
   - IPO Name:
   - Bid Cum Application Form Number;
   - Investor Category;
   - PAN (of First Bidder, if more than one Bidder);
   - DP ID of the demat account of the Bidder;
   - Client Identification Number of the demat account of the Bidder;
   - Number of Equity Shares Applied for;
   - Bank Account details;
   - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.

8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given 1 (one) day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid/ Issue Period.
b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.

b) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size

available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC

1) Our company has entered into an Underwriting Agreement dated [●]
2) A copy of Red Herring Prospectus will be filed with the ROC and copy of Prospectus will be filed with ROC in terms of Section 26 and Section 32 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("**FEMA**"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("**DPIIT**").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a Non-Resident does not require the prior approval of the RBI, provided that:

i) The activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SAST Regulations;

ii) The Non-Resident shareholding is within the sectoral limits under the FDI Policy; and

iii) The pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company. For details, please refer to the section titled *'Issue Procedure'* beginning on page 305 of this Draft Red Herring Prospectus.

Foreign Exchange Laws

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017.

Foreign investment in this Offer shall be on the basis of the FEMA Rules.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government.

Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular

country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**US Securities Act**") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "**US Persons**" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "**Prospectus Directive**") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

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.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the Non-Institutional Investor ('NIIs') are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investors ('RIIs') can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RIIs may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the ASBA Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act, 1961 . The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register ('GIR') number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-Issue or post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective Depository Participant.

Submission of Bids

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Draft Red Herring Prospectus.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Draft Red Herring Prospectus;

- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Draft Red Hearing Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

BASIS OF ALLOTMENT

a. **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.

- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;

- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

(i) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

(ii) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

(iii) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as

follows

- Each successful Bidder shall be allotted [●] equity shares; and

- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

(iv) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

(v) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

(vi) Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

(vii) The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

   The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 (four) working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 1 (one) working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 (four) working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com with a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application

money, with interest as prescribed under SEBI ICDR Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertake as follows:
1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 6 (six) Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within 2 (two) days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:
1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Agreement dated July 10, 2023 between NSDL, the Company and the Registrar to the Issue;
b) Agreement dated July 05, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0QG301017

SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF

CANARYS AUTOMATIONS LIMITED

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on May 04, 2023 In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1. The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles

INTERPRETATION

2. In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

a) "**The Company**" or "**This Company**" means **CANARYS AUTOMATIONS LIMITED.**

b) "**The Act**" means the Companies Act, 2013 including any statutory amendments thereto and the rules and Schdules made there under, and notified from time to time.

c) "**These Articles**" or "**Articles**" means Article of Association of the Company as originally framed or altered from time to time by Special Resolution or applied in pursuance of any previous Company law or of this Act.

d) "**Auditors**" means and include those persons appointed as such for the time being by the Company.

e) "**Beneficial Owner**" means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.

f) "**Board**" or "**Board of Directors**" means the collective body of the Directors of the Company, as constituted from time to time, in accordance with Law, and the provisions of these Articles.

g) **"Board Meeting"** means any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles;

h) "**Capital" means** the share capital for the time being raised or authorized to be raised, for the purpose of the company.

i) "**The Chairman**" means the Chairman of the Board of Directors for the time being of the Company.

j) "**Charge**" means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.

k) **"Committees"** means committees constituted by the Board of Directors of the Company from time to time;

l) "**Debentures**" includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.

m) "**Depositories Act**" means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.

n) "**Depository**" means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996.

o) "**Director**" means a director appointed to the Board of a company.

p) "**Dividend**" includes any interim dividend.

q) **"E-voting"** means voting by electronic means as prescribed under the Act.

r) **"Employees' Stock Option"** means the option given to the directors (except Independent Directors), officers or employees of a company, or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares at a future date at a pre-determined price

s) **"Equity Share Capital"** means the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis;

t) "**Executor**" or "**Administrato**r" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

u) "**Legal Representative**" means a person who in law represents the estate of a deceased Member.

v) "**Members**" in relation to a Company, means;

A. The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;

B. Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;

C. Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.

w) "**Meeting"** or "**General Meeting**" means a meeting of the members of the Company.

x) "**Annual General Meeting**" means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.

y) "**Extraordinary General Meeting"** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.

z) "**Month**" means a calendar month.

aa) "**National Holiday"** means and includes a day declared as National Holiday by the Central Government.

bb) "**Office"** means the registered office for the time being of the Company.

cc) "**Ordinary or Special Resolution"** means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.

dd) "**Paid-up share capital**" or "**share capital paid up"** means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

ee) "**Proxy**" means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.

ff) "**Register of Beneficial Owners**" means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode

gg) "**The Register of Members"** means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.

hh) "**The Registrar**" means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.

ii) "**The Company's Regulations**" means the regulations for the time being for the management of the Company.

jj) "**Key managerial personnel**", in relation to a Company, means –

A. The Chief Executive Officer or the Managing Director or the Manager;

B. The Company secretary;

C. The Whole time director;

D. Chief Financial Officer;

E. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;

F. Such other officer as may be prescribed under the Act;

kk) "**Company Secretary**" or "**Secretary**" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.

ll) "**Security**" means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956

mm)"**Share**" means a share in the share capital of a Company and includes stock

nn) "**The Seal"** means the common seal of the Company.

oo) "**The Statutes**" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.

pp) "**Year**" and "**Financial Year**" "Years" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (41) of the Act.

qq) Words importing the **singular number** include, where the context admits or requires, the plural number and vice versa.

rr) Save as aforesaid, **words or expressions contained in these Articles shall bear** the same meaning as in the Act or any statutory modifications thereof for the time being in force.

(i) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorised Share Capital of the Company Shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.

4. The Company in General Meeting may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

5. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

   (i) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
      (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or lessor days as may be prescribed in the Act and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

      (b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) 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 of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;

   (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or

   (iii) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

   Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

6. Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

7. On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:-

   (i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
   (ii) no such shares shall be redeemed unless they are fully paid.

(iii) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

8. The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any Manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

9. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

10. The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

11. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

12. Subject to the provisions of section 61 of The Act, the Company in General Meeting may from time to time sub-divide or consolidated its shares, or any of them, and the resolution whereby any shares sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES

13. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

SHARE AND CERTIFICATES AND VARIATION OF RIGHTS

14. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section the Act) and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

(i) Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one mo`nth after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv)

(a) Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of Members by suitable cross reference in the "Remarks" column.

(b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal or the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

15.

(i) If any share certificate be worn out, defected, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

(ii) The provisions of this Articles shall mutatis mutandis apply to debentures of the company.

16. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except

only as recognised in accordance with the Act) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.If any shares stands in the names of two or more persons, the person first named in the register shall be regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings be deemed the sole holder thereof, but the joint holders of the share, shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the company regulations.

17. Except as ordered by a Court of competent jurisdiction or as by law required, the company shall not bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

18. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

19. None of the funds of the company shall be applied for the purchase of any share of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company save as provided by section 67 of the Act.

20.

(i) any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

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 *pari passu* therewith.

DEMATERIALISATION OF SECURITIES

21. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

22. The Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.

23. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

24. If a person opts to hold his securities with the 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.

25. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.

26.

(i) .Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.

(ii) ii. Save as otherwise provided in sub-clause above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) iii. Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

27. Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.

28. Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

29. Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

30. Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.

31. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

UNDERWRITING AND BROKERAGE

32. Subject to the provisions of section 40 of the Act:

(i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

33. The company may pay a reasonable sum for brokerage.

CALLS ON SHARES

34.

(i) Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share (or such other per cent. determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

35. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

37.

(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

38.

(i) sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

39. The Board

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

LIEN

40. The company shall have a first and paramount lien:

(a) upon all share/debenture (not being a fully paid share/debenture), (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 monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; 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.

(b) 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 Article.

(c) The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

41. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 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.

42.

(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

43.

(i) The proceeds of the 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.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

44. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

45. The notice aforesaid shall:

(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

46. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment 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 in respect of forfeited shares and not actually paid before the forfeiture.

47. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

48. 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 those rights as by these Articles are expressly saved.

49.

(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

50.

(i) A person whose shares have been forfeited shall cease to be a member inrespect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

51.

(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited 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 share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

52. 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 relative shares shall (unless the same shall on demand by the company have been seen previously surrendered to it by the defaulting member) stand cancelled and became null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

53. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

54. The

(i) Instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) The Instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(iv) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document

55. The Board may, subject to the right of appeal conferred by section 58 decline to register:

(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(ii) any transfer of shares on which the company has a lien.

56. The Board may decline to recognise any instrument of transfer unless:

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section *(1)* of section 56;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

57. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

58.

(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

59.

(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

60.

(i) the person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member of the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents may with the consent of Board of Directors (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under his article of his title, as the Board of Directors thinks sufficient, either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

61. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that

he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

62. No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.

63. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

64. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book or the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may been entered or referred to in some book of the Company, but the company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Board of Directors shall so think fit.

65. Subject to the provisions of the Act, these Articles, or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES

66. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.

67. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.

68. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

NOMINATION

69. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.

70. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

71. Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

72. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

73. Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request, on payment of rupee one hundred for each copy

BORROWING POWER

74. The Board may, from time to time at its description subject to the provisions of Sections 179 and of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

75. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

76. Any debentures, debenture-stock, bonds or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.

77. Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

78. If the Board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.

79. The Board shall cause a proper Register to kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.

80. The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

81. The Company in General Meeting may 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 interest, in the same manner and subject to the same regulations as, and 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 circumstance will admit. The company may at any time reconvert any stock into paid-up shares of any denomination.

82. 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 meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETINGS OF MEMBERS

83. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine month from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered 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. The Company may in any one Annual General Meeting fix the time for its Subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register shall be open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and submit the same to the Registrar in accordance with Section 92 and 137 of the Act.

84. The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.

85. The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

86. Any valid requisition so made by members 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 registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisistionists.

87. Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty -five days from the date of receipt of such 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 the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.

88. Any reasonable expenses incurred by the requisitionist in calling an extraordinary meeting shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.

89. Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.

90. A general meeting of the Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed.

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode as prescribed under Section 101 of the Act.

Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.

91. A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:

(i) The nature of concern or interest, financial or otherwise, if any, in respect of each items of

(a) Every director and the manager, if any;

(b) Every other key managerial personnel; and

(c) Relatives of the persons mentioned in sub-clause (i) and (ii) hereinabove;

(ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

92. In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:

(i) the consideration of the financial statements, and the reports of the Board of Directors and auditors.

(ii) the declaration of any dividend.

(iii) the appointment of Directors in place of those retiring.

(iv) the appointment of, and fixing of the remuneration of, the auditors, and in case of any other meeting, all business shall be deemed to be special.

Provided, that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.

93. Any accidental omission to give notice to, or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

94. Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement as referred in Article 79.

95. The notice of every meeting of the company shall be given to:

(i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;

(ii) the auditor or auditors of the Company; and

(iii) every director of the Company.

96. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened.

97. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

98. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

99. If, at the quorum is not present within half-an-hour form the time appointed for holding a meeting of the company

    (i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or

    (ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

    Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.
    If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

100. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their member to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under sub-section (1) of section 104, shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll, and such other person shall be the Chairman for the rest of the meeting.

101. No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.

102. The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held 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.

VOTING RIGHTS AND PROXY

103. No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.

104. Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

105. On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.

106. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

107. Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

108. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

109. An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

110. A member present by proxy shall be entitled to vote only on a poll.

111. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

112. At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:

    (i) by the Chairman of the Meeting; or

    (ii) by the member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution being not less than one-tenth of the total voting power in respect of the Resolution; or

    (iii) by any Member or Members present in person or by proxy and holding shares in the company on which as aggregate sum of Five Lakh Rupees has been paid up; or

    (iv) by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

    Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Meeting of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
    The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

113. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

114. 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 poll shall be sole judge of the validity of every vote tendered at poll.

115. If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

116. Where a poll is to be taken, the Chairman of the meeting shall appoint two scruitineers to scrutinize the vote given on the poll and to report thereon to time. Once the scruitineers so appointed shall always be a member (not being an officer

or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from each removal or from any other cause.

117. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

118. If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

119. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.

120. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

121.

(i) 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.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

122. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

123. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

124. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy of any power of attorney under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

125.

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period by a Director duly autorised by the Board for the purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:

(a) is or could reasonably be regarded, as, defamatory of any person; or

(b) is irrelevant or immaterial to the proceeding; or

(c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(vii) Any such minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered 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 directors determine, to the inspection of any member without charge.

BOARD OF DIRECTORS

126.

(i) Until Otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors.

Provided, that the Company in General Meeting by passing a special resolution, may appoint more than fifteen directors

(ii) The first directors of the Company shall be:

(a) Sri. M. R. Raman Subba Rao

(b) Sri. B.N. Ravi

127. A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

128. If at any time the company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwriters the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors on the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.

129. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons 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 appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.

130. The Company shall have at least one director who has stays in India for total period of not less than one hundred and eighty-two days during the financial year.

131. The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

132. Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.

133. Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

134. Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

135. The Board of Directors of the Company may, by resolution passed by the company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.

Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.
Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

136. Subject to the provisions of Section 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

137. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.

138. Subject to the provisions of Sections 161, 152 and 169(7)) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

139.

(i) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general

meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

(iii) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:

(a) by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way or partly by another way;

(b) the sitting fee payable to a Director (including Managing Director or Whole time Director, if any), for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

140. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

141. 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 these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.

142. The office of a Director shall ipso facto be vacated if:

(i) he incurs any of the disqualifications specified in section 164 of the Act, 2013;

(ii) he absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(iii) he act in contravention of the provisions of Section184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(iv) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;

(v) he becomes disqualified by an order of a court or the tribunal;

(vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(vii) he has been removed in pursuance of the provisions of the Act;

(viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.

143. Company shall not enter into any contract or arrangements with a related party except with the consent of the Board of Directors with respect to:

(i) sale, purchase or supply of any goods or materials

(ii) selling or otherwise disposing of, or buying property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such related party's appointment to any or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company.

Provided that no contract or arrangement shall be entered into by the company in excess of the limit prescribed under, Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the company by a resolution.

Provided further that no member of the company shall vote on such resolution, to approve any contract or arrangements which may be entered into by the company, if such member is a related party.

Provided also that nothing in these Articles shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

144. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or as the case may be as shareholders, and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

145. Without prejudice to above, it shall be open to the company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.

146. Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.

147. Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

148. A contract or arrangement entered into by the company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

149. A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the

registered office of the company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company secretary or any other person as authorized by the Board.

150. No Director shall as direct to take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:

    (i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

    (ii) apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two percent of the paid up share capital in other company or the body corporate.

151. The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.

    The Register aforesaid shall also specify, in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken therefrom and copies thereof as may be required by any member of the company, shall be furnished by the company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

152. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.

153. At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.

154. Subject to Section 152 of the Act, the Directors to retire by rotation under Article 135 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.

155. At the Annual General Meeting at which a director retires under Article 154, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

156. A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the company. The company shall follow the provisions of Section 168 of the Act.

    Provided that a director shall also forward a copy of his resignation alongwith detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

157.

    (i) the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:

(a) at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;

(b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(c) he is not qualified or is disqualified for appointment;

(d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

(e) the provisions of Section 162 of the Act is applicable to the case.

158.

(i) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.

(ii) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 160 of the Act Signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.

Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.

(iii) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

159. The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

160. Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

REMOVAL OF DIRECTORS

161.

(i) The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.

(ii) Special notice as provided by Section 115 of the Act shall be given for any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.

(iii) On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director, whether or not he is a member of the Company, shall be entitled to be heard on the resolution at the meeting.

(iv) Where notice has been given of a resolution to remove a Director under this Article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the company shall, unless the representations are received by it too late for it to do so:

(a) in the notice of the resolutions given to members of the company, state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not send as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting,
provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the company's cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed,

Provided special notice of the intended appointment has been given.
A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(vi) If the vacancy is not filled, it may be filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable

Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors.

(vii) Nothing contained in this Article shall be taken:

(a) as depriving a person removed under these Articles of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as director; or

(b) as derogating from any power to remove a Director under other provisions of the Act.

MANAGING DIRECTOR

162. The Company shall not appoint or employ at the same time a managing director and a manager.

163. The Company shall appoint or re-appoint any person as its managing director, whole-time director or manager for term not exceeding five years at a time;

Provided that no re-appointment shall be made earlier than one year before the expiry of his term.

164. Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of the Schedule V of the Act.

    Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

165. The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

    (i) is below the age of twenty-one years or has attained the age of seventy years:

    (ii) Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

    (iii) is an undischarged insolvent; or has at any time been adjudged as an insolvent;

    (iv) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or

    (v) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

166. Subject to the provisions of the Act, where an appointment of managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

167. The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and or shareholders in General Meeting and also approved by the Central Government.

168. Notwithstanding anything contain under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of Members of the Company.
169. The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman not be present and determine the period for which he is hold office.
170. All meeting of the Directors shall be presided over by the chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice- Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Article and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

171. The Directors may meet together as a Board for the conduct of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.

172. The participation of directors in a meeting of the Board may be either in person or through video conferencing of other audio visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting alongwith date and time.

173. The Secretary or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

Provided that a meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting;

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

174. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting.

175. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within the Board, the meeting stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

176. A Meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.

177. Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

178. The Board shall exercise the following powers on behalf of the company by means of resolution passed at the meetings of the Board, namely:

(i) to make calls on shareholders in respect of money unpaid on the shares;

(ii) to authorise buy-back of securities under section 68 of the Act;

(iii) to issue securities, including debentures, whether in or outside India;

(iv) to borrow monies;

(v) to invest the funds of the company;

(vi) to grant loans or give guarantee or provide security in respect of loans;

(vii) to approve financial statements and the Board's Report;

(viii) to diversify the business of the company;

(ix) to approve amalgamation, merger or reconstruction;

(x) to take over a company or acquire a controlling or substantial stake in another company;

(xi) any other matter which may be prescribed under Companies (Meetings of Board and its Powers) Rules,2014

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the company or in case of a branch office of the company, the principal officer of the branch office, the powers specified in clause (iv) to (vi) on such conditions As it may specify.

Provided further that, if any subject not considered above and subject to provisions of the Act, the Board may transact the business by passing resolution on circulation pursuant to Section 175 of the Act.

179. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.

180. Save in those case where a resolution is required by Sections 161,179,188,203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a meeting of the Board or

committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the member of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.

181. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

182. The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.

(i) Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(ii) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

(iii) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(iv) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings

(v) The minutes shall also contain:

(a) The name of the Directors present at the meeting; and

(b) In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(vi) Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;

(a) is, or could reasonably be regarded as defamatory of any person;

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(vii) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

183. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior to act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the company by a special resolution in General Meeting, namely:

(i) to 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 of such undertaking.

(ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.

(iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

(iv) to remit, or give time for the repayment of, any debt from a director.

(v) contribute to bona fide chartable and other funds not directly relating to the business of the company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

184. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power;

(i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;

(ii) to pay any charge to the capital amount of the Company and Commission or interest lawfully payable thereout under the provisions of the Act;

(iii) subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors may believe or may be advised to a reasonably satisfactory;

(iv) at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the company and its uncalled capital or not so charged;

(v) to secure the fulfillment of any contacts or engagement 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 firm being or in such manner as they may think fit;

(vi) to accept from any members, 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;

(vii) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(viii) to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment

or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;

(ix) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

(x) to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.

(xi) subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;

(xii) 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;

(xiii) to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts, and documents and to give the necessary authority for such purpose.

(xiv) to distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other persons 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;

(xv) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to 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 or locality of operation, or of public and general utility or otherwise;

(xvi) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to 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 equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (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 then shares of the Company) as they may 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 the benefit of the Company in such manner and for such purpose 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 monies 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 a reserve fund or division of a reserve fund to another 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 re-payment 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;

(xvii) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also form time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clause shall be without prejudice to the general powers conferred by this sub-clause;

(xviii) to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;

(xix) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;

(xx) subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual or vary any such delegation.

(xxi) at any time and from time to time by power of Attorney under the Seal of the Company, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, Directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

(xxii) subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;

(xxiii) from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY or CHIEF FINANCE OFFICER

185. Subject to the provisions of the Act:

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

186. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

187.

(i) The Board shall provide a Common Seal for the purpose of the company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors or one director and the secretary or such other person as the Board may appoint for the purpose; and those two directors or one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

188. The company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.

189. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

190. No dividend shall be declared or paid by the company for any financial year except, Out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II 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 that schedule and remaining undistributed, or out of both, provided that;

(i) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

(ii) Where owing to inadequacy or absence of profits in any financial year, the company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.

(iii) No dividend shall be declared or paid by the company from its reserves other than free reserves.

191. The Board of Directors of the Company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

192.

(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

193. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

194.

(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
(ii) No dividend shall be paid by the company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.

Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

195. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

196. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

197. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf In any scheduled bank, to be called "Unpaid Dividend Account". The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The company shall comply with the provisions the Act in respect of all unclaimed or unpassed dividend.

198. No dividend shall bear interest against the company.

CAPITALISATION OF PROFITS

199.

(i) The company in general meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

200.

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(i) The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(ii) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

201. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.

202. Where the Board decides to keep all or any of the Books of Accounts at any place other that the office of the company the Company shall within seven days of the decision file with the Registrar a notice in writing given the full address of that other place.

203. The Company may keep the books the accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.

204. The Company shall preserve in good order the Books of Accounts relating or period of not less eight year immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.

205. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized return made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the company's Books of Account are kept as aforesaid.

206. The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

207. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of he company or any of them shall be open to the inspection of members not being Directors

208. No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the company in general meeting.

209. The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.

210. A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting a which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

AUDIT

211. Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 145 of the Act.

212. The first Auditor or auditors of the company shall be appointed by the board within one month of the date of registration of the company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:

    Provided that the Company may, at a General Meeting remove and such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the

Company and of whose nominated notice has been given to the members of the Company not less than fourteen days before the date of the meeting,

Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors.
Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act.

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

DOCUMENTS AND NOTICES

213.

(i) A document or notice may be served or given by the Company or any member either personally or sending its by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents of notice on him.

(ii) Where a documents or notice is sent by post, services of the documents 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 member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be the manner intimated by the member and; such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

214. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.

215. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of members in respect of the share.

216. A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

217. Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor of Auditors for the time being of the Company.

218. Every person whom 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 shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he drives his title to such share.

219. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.

220. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode

RECONSTRUCTION

221. On any sale of the undertaking of the company the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation the course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.

WINDING UP

222. Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILTY

223. 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.

SECRECY

224. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

GENERAL AUTHORITY

225. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION XIII: 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 the Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at No. 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banagirinagara, Banashankari 3rd Stage, Bengaluru 560085, Karnataka, India, from date of filing the Draft Red Herring Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

A. Material Contracts

1. Issue Agreement dated August 21, 2023 entered between our Company and the Book Running Lead Manager of the Issue.

2. Agreement dated August 21, 2023 executed between our Company and the Registrar to the Issue.

3. Underwriting Agreement dated [●] entered between our Company, the Book Running Lead Manager and Underwriter.

4. Market Making Agreement [●] entered between our Company, Book Running Lead Manager and Market Maker.

5. Bankers to the Issue Agreement dated [●] entered between our Company, the Book Running Lead Manager, Banker to the Issue/ Sponsor Bank and Registrar to the Issue.

6. Tripartite agreement among the NSDL, our Company and the Registrar dated July 10, 2023.

7. Tripartite agreement among the CDSL, our Company and the Registrar dated July 05, 2023.

B. Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.

2. Board resolution dated August 11, 2023 and special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the AGM by the shareholders of our Company held on August 14, 2023.

3. Copies of Audited Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.

4. Peer Review Auditors Report dated August 21, 2023 on Restated Consolidated Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.

5. Copy of Statement of Possible Tax Benefits dated August 21, 2023 from the Peer Review Auditor included in this Draft Red Herring Prospectus.

6. Certificate dated August 21, 2023 from the Statutory Auditors, with respect to our key performance indicators

7. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor holding Peer Review Certificate, Book Running Lead Manager to the Issue, Legal Advisor to the Issue, Advisor to the Company, Bankers to our Company, Banker to the Issue, Registrar to the Issue, Underwriter and Market Maker to include their names in the Draft Red Herring Prospectus to act in their respective capacities.

8. Due Diligence Certificate from Book Running Lead Manager dated August 21, 2023.

9. Board Resolution dated August 21, 2023 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus, and dated [●] for approval of Prospectus.

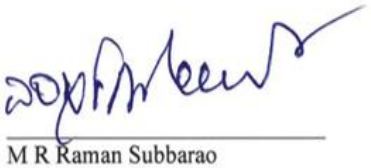
10. In-principle listing approval dated [●] from the National Stock Exchange of India Limited for listing the Equity Shares on the emerge Platform of the National Stock Exchange of India Limited ("**NSE EMERGE**").

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



M R Raman Subbarao
(Chairman & Managing Director)
DIN: 00176920

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



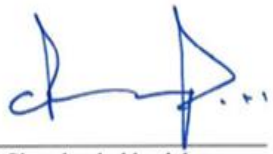
Danavadi Krishnamurthy Arun
(Whole-time Director)
DIN: 01064990

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Raghu Chandrashekhariah
(Whole-time Director)
DIN: 01065269

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



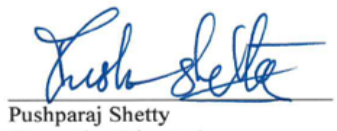
Sheshadri Yedavanahalli Srinivas
(Executive Director)
DIN: 03367545

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Pushparaj Shetty
(Executive Director)
DIN: 03333417

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Asha Sivashankar
(Independent Director)
DIN: 10184245

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Ramesh Bhaskar Phatak
(Independent Director)
DIN: 07981182

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Muralikrishnan Gopalakrishnan
(Independent Director)
DIN: 07059037

Date: August 21, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Raghu Chandrashekhariah
CFO
PAN: AAOPR8198L

Date: August 21, 2023
Place: Bangalore