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**THIS OFFERING IS MADE SOLELY IN CONNECTION WITH OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT. THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY US ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.**

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and if any of its affiliates is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by it or such affiliate on behalf of the issuer in such jurisdiction.

**Restrictions:** The attached document is an Offering Circular and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein.

**Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has

determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that the Securities are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.**

**PRIIPs Regulation/Prohibition of Sales to EEA Retail Investors – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore, offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.**

**UK PRIIPs Regulation/Prohibition of Sales to UK Retail Investors – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.**

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached Offering Circular.

**Actions that You May Not Take:** If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

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**COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

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Dated \_\_\_\_\_ 2024



**ERAAYA LIFESPACES LIMITED**

(Incorporated in the Republic of India with limited liability  
under the Companies Act, 1956 of India with Corporate Identity No. L74899DL1967PLC004704)

**Offer of  
US\$60,000,000 9.50% Senior Secured Foreign Currency Convertible Bonds due 2031  
Convertible into Equity Shares  
Issue Price: 100%**

This offering circular (the “Offering Circular”) relates to an offering by Eraaya Lifespaces Limited (the “**Company**”), of US\$60,000,000 9.50% Senior Secured foreign currency convertible bonds due 2031 (the “**Bonds**”). The Bonds will mature on \_\_\_\_\_ 2031 (the “**Maturity Date**”). The Bonds will constitute direct, general and unconditional obligations of the Issuer and the performance of all the obligations of the Issuer under the Bonds will be secured by pledge of 100% equity shares of EBIX Inc. part funded through the Issue Proceeds (the “**Collateral**”). This Offering Circular may be used only for the purposes for which it has been published.

The Issuer has an option to subscribe for or procure subscribers for up to an additional US\$60,000,000 of Bonds exercisable within 45 days of the Issue Date.

The issue of the Bonds was authorised by a resolution of the Board of Directors of the Issuer passed on 29 June 2024 and by a resolution of the shareholders of the Issuer passed on 29 July 2024.

The Bonds will bear interest from the Issue Date at the rate of 9.50% per annum, payable semi-annually in arrears in accordance with the terms and conditions as described herein. Unless previously converted, redeemed or repurchased and cancelled, the Bonds are convertible after \_\_\_\_\_ 2024 (the “**Closing Date**”) and prior to \_\_\_\_\_ 2031 by holders of the Bonds (the “**Bondholders**”) into the Company’s newly issued, ordinary shares of par value Rs.10 per share (the “**Shares**”) on the terms described herein at the option of the Bondholder, at a Conversion Price as provided herein. The Conversion Price is subject to adjustment in certain circumstances. For the terms of the conversion rights, see “*Terms and Conditions of the Bonds — Conversion*”.

The Company, subject to applicable laws regulating issue of FCCBs in India may also redeem the Bonds in whole at any time at the Company’s option at the Early Redemption Amount together with accrued and unpaid interest in the event of certain changes relating to taxation in the Republic of India (“**India**”). Unless previously converted, redeemed or repurchased and cancelled, the Bonds will be redeemed on \_\_\_\_\_ 2031 at 100% of their principal amount together with accrued interest at 9.5% YTM save for any interest paid in cash. The Company will make an offer to repurchase any outstanding Bonds at the Early Redemption Amount together with accrued and unpaid interest upon the occurrence of a Change of Control (as defined herein), a Delisting (as defined herein) of the Shares from the BSE Limited (the “**BSE**”) or a Non-Permitted Conversion Price Adjustment Event (as defined herein), See “*Terms and Conditions of the Bonds*”. Any redemption prior to the Maturity Date, however, whether at the option of the Company or the Bondholders, is subject to prior receipt of approval from the Reserve Bank of India (the “**RBI**”).

The Bonds will be represented by a single Global Certificate (as defined herein) which will be issued in the name of a nominee of a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream Luxembourg**” and together with Euroclear, the “**Clearing Systems**”) and deposited with the common depository. Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds will not be entitled to receive physical delivery of Certificates. The Bonds

are not issuable in bearer form.

The Bonds and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). The Bonds are being offered and sold in offshore transactions outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States (as defined in Regulation S). For a description of certain restrictions on offers, sales and transfers of the Bonds, see “*Plan of Distribution*”. The Bonds may not be offered or sold directly or indirectly in India or to, or for the account or benefit of, any resident of India, except in certain limited circumstances.

The bonds being issued pursuant to this Offering Circular may be listed on SGX-ST or an applicable stock exchange. The bonds shall be issued in minimum board lot sizes of US\$200,000 each and integral multiples of US\$1,000 in excess thereof. The Company has undertaken to apply to have the Shares issuable upon conversion of the Bonds approved for listing on the BSE. There can be no assurance that such Shares will in fact be admitted to listing on the BSE.

The Shares of the Company are listed on the “**BSE**”. The closing price of the Company’s outstanding Shares on the BSE on \_\_\_\_\_ 2024 was Rs. \_\_\_\_\_ per Share. The Company has received in-principle approval dated [●] from the BSE for listing the Shares issued upon conversion of the Bonds.

This Offering Circular has not been and will not be filed, registered, produced, published or made available as an offer document (whether as a prospectus in respect of a public offer or information memorandum or private placement offer cum application letter or other offering material in respect of any private placement, under the Indian Companies Act, 2013, as amended or any other applicable Indian laws) with the Registrar of Companies in India, the Securities and Exchange Board of India, the Indian exchanges or any other statutory or regulatory body of like nature in India save and except for any information from any part of this Offering Circular which is (i) mandatorily required to be disclosed or filed in India under any applicable Indian laws, including but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or (ii) pursuant to the sanction of any regulatory and adjudicatory body in India.

A copy of this Offering Circular will be delivered to the Registrar of Companies, NCT of Delhi and Haryana at New Delhi and the BSE for record purpose only.

**Any potential investor in, and purchaser of, the Bonds should pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in the United Kingdom, United States, Singapore and other countries. Prior to making an investment decision, prospective investors and purchasers should carefully consider all of the information contained in this Offering Circular (including the financial statements).**

**Investing in the Bonds involves a high degree of risk. For a discussion of certain factors that should be considered prior to making an investment in Bonds, see the section headed “*Risk Factors*” beginning on page \_\_\_\_.**

**Delivery of the Bonds in book-entry form only will be made on or about the Closing Date.**

## NOTICE TO INVESTORS

The Company accepts full responsibility for the information contained in this Offering Circular and confirms that this Offering Circular contains the information that potential investors and their professional advisors would reasonably require taking into account market practice. To the best of the Company's knowledge, all reasonable care has been taken to ensure that the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information. You acknowledge and agree that no representation or warranty, express or implied, is made by GLAS Trust Company LLC (the Registrar, any of the Agents (as defined herein) or any of their respective affiliates or legal advisors as to the accuracy or completeness of the information set out herein, and nothing contained in this Offering Circular may be relied upon as a promise or representation by the Registrar or any of the Agents or their respective affiliates and legal advisors as to past or future events.

Neither the Registrar nor any of the Agents have independently verified the information contained in this Offering Circular. No representation or warranty, express or implied, is made by the Registrar or any of the Agents or any of their respective affiliates or legal advisors as to the accuracy or completeness of such information, and nothing contained in this Offering Circular (including its schedules) is, or shall be relied upon as, a promise or representation by the Registrar or the Agents or any of their respective affiliates or legal advisors regarding, and no responsibility or liability is accepted by any of them as to, the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Company in connection with the issue of the Bonds or Shares. This Offering Circular should not be considered as a recommendation by the Registrar or any of the Agents that any recipient of this Offering Circular should purchase the Bonds.

Furthermore, the Registrar and the Agents disclaim any liability from any claim, demand or action arising against the Company and the Registrar and any of the Agents and from any loss suffered or incurred, whether known or unknown that is in any way connected with this Offering Circular.

No person is authorised to give any information or to make any representation in connection with the offering or sale of the Bonds other than as contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or the Registrar or any of the Agents or their respective affiliates and legal advisors. Interested investors should therefore rely only upon the information contained and the statements made herein. The delivery of this Offering Circular does not imply that the information herein is correct at any time subsequent to its date. Each prospective investor, by accepting delivery of this Offering Circular, agrees to the foregoing.

When making an investment decision, investors must rely on their own examination of the Company and the terms of the offering, including the merits and risks involved. Each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Bonds. The information contained herein is correct only as of the date of this Offering Circular, notwithstanding the date of delivery of this Offering Circular and of the sale of the Bonds. Neither the publication of this Offering Circular, nor the offering, or the delivery of the Bonds shall imply under any circumstances that there has been a material adverse change or an event likely to give rise to any material adverse change with respect to the Company's condition (financial or otherwise) or that the information contained herein is still correct after the date of this Offering Circular.

The Bonds have not been recommended by regulatory authorities in India, Singapore, United Kingdom or United States of America or otherwise. If there is any doubt as to the contents or meaning of the information contained in this Offering Circular, investors should consult an authorized or professional advisor who may provide specialized advice on the acquisition of financial instruments.

This Offering Circular does not constitute an offer to sell or a solicitation by or on behalf of the Company, the Registrar or any of the Agents or their respective affiliates and legal advisors or any other person to subscribe for or purchase any of the Bonds in any jurisdiction where it is unlawful for such person to make such an offer or solicitation. The distribution of this Offering Circular and the offering or sale and delivery of the Bonds in certain jurisdictions is restricted by law. Persons into whose possession this Offering Circular may come are required by the Company, the Registrar and any of the Agents and their respective affiliates and legal advisors to inform themselves about and to observe such restrictions. Neither the Company nor the Registrar nor any of the Agents

accept any legal liability for any violation of any such restriction by any person, whether or not a prospective purchaser of the Bonds. This Offering Circular may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful. Further information with regard to restrictions on offers and sales of the Bonds and the distribution of this Offering Circular is set out under “*Plan of Distribution*”.

**Each purchaser of the Bonds pursuant to this Offering Circular is deemed to have acknowledged, represented and agreed that they are eligible to invest in India under applicable law, including FEMA regulations and the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, and have not been prohibited by the Securities and Exchange Board of India (“SEBI”) from buying, selling or dealing in securities.**

**Investors are not to construe the contents of this Offering Circular as legal, tax or investment advice. Each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the Bonds. In addition, neither the Company nor the Registrar nor any of the Agents or their respective affiliates and advisors are making any representation to any offeree or purchaser of the Bonds regarding the legality of an investment in the Bonds by such offeree or purchaser under applicable legal investment or similar laws or regulations.**

**Prospective investors should pay particular attention to the fact that the Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. Prior to making an investment decision, prospective investors and purchasers should carefully consider all of the information contained in this Offering Circular (including the financial statements included in this Offering Circular).**

#### **MARKET AND INDUSTRY DATA**

Market data and certain industry forecasts used throughout this Offering Circular have been obtained from market research, publicly available information and industry publications and studies. Certain statistical information included herein relating to the industry has been reproduced from various trade and industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Where information contained in this Offering Circular includes extracts from summaries of information and data from various published and private sources, the Company accepts responsibility for accurately reproducing such summaries and data. However, the Company has not independently verified the accuracy or material particulars of such information and does not make any other representation with respect to the same. Although the Company believes industry data used in this Offering Circular is reliable, it has not been verified by any independent source, and neither the Company nor the Registrar nor any of the Agents nor their respective affiliates and advisors are making any representation to any offeree or purchaser of the Bonds regarding the accuracy of that information.

#### **ENFORCEABILITY OF CIVIL LIABILITIES**

The Company is a limited liability company incorporated under the laws of India. All of the Company’s directors and most of the executive officers are residents of India and a substantial portion of the Company’s assets and the assets of such persons are located in India. As a result, it may be difficult for investors to effect service of process upon the Company or such persons in jurisdictions outside of India or to enforce judgments obtained against such parties from courts outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, the statutory basis for recognition and enforcement of foreign judgments is provided for under Sections 13 and 44A of The Code of Civil Procedure, 1908, as amended (the “CPC”). If the conditions laid down in Section 44A of the CPC are fulfilled, a foreign judgment will be deemed to be a decree passed by the relevant court in India and can be directly executed. However, Section 44A of the CPC is applicable only to money decrees which are not in the nature of any sum payable in respect of taxes or other charges of like nature or in respect of a fine or other penalty and is not applicable to arbitration awards. Further, Section 44A of the CPC will be applicable to foreign judgments passed by superior courts of a reciprocating territory notified by the Government of India. The United Kingdom, Singapore and Hong Kong, among other jurisdictions, have been declared by the Government

to be reciprocating territories for the purposes of Section 44A of the CPC but the United States and Mauritius have not been so declared. A foreign judgment which is not passed by any reciprocating country or by any superior court of reciprocating country can be executed after obtaining a fresh decree by filing a suit upon judgment in accordance with Section 13 of the CPC and not directly by proceedings in execution. Accordingly, a judgment of a court in United States may be enforced only by filing a fresh suit on the basis of the judgment and not by proceedings in execution. A Bondholder may also file a suit against the Company, its directors and executive officers on the original cause of action before a competent court in India. Section 13 of the CPC provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under which they or any of them are litigating under the same title except (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law in force in India. Even when a foreign judgment is directly put into execution under Section 44A of the CPC, the relevant court is entitled to refuse execution of such judgment if it is shown that the foreign judgment falls within any of the exceptions laid down in clause (a) to (f) of Section 13 of the CPC which have been pointed out in point number (i) to (vi) of this paragraph.

The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is difficult to predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to delay. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian public policy. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment, which could also increase risks relating to foreign exchange. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999, as amended to repatriate any amount recovered pursuant to the execution of such foreign judgment. Any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit in India will be disposed of in a timely manner or be subject to considerable delay.

#### **CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms “fiscal”, “fiscal year” or “Fiscal Year”, refer to the 12-month period ending, or as of March 31 of that year (as the case may be).

The Company’s audited financial statement for the Fiscal 2024 and unaudited results for the three months period ended 30 June 2024, included in this Offering Circular have been prepared in accordance with Ind AS (“**Ind AS**”) and are referred to herein as the “**Financial Statements**”.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Offering Circular and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. The degree to which the financial information included in this Offering Circular will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, the Regulations and the SEBI Listing Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the Regulations, the SEBI Listing Regulations and practices on the financial disclosures presented in this Offering Circular should accordingly be limited.

In this Offering Circular, unless the context otherwise requires, all references to “we,” “us,” “our”, “our company” “the Company”, “ELL” and the “Issuer” are to Eraaya Lifespaces Limited only. All references to “India” are to

the Republic of India and all references to the “Government” are to the Government of India. All references to “Indian rupees,” “Rupees,” “INR” or “Rs.” are to the currency of India. All references to “U.S. dollars,” “dollars,” “\$”, “US\$” and “USD” are to the currency of the United States of America and all references to “€” are to Euros.

On \_\_\_\_\_ 2024, the exchange rate between Indian rupees and U.S. dollars was Rs. \_\_\_\_\_ to US\$1.00. Except as otherwise stated in this Offering Circular, all conversions (including the price range of equity shares, capitalisation table and financial statements) from Indian rupees to US dollars contained in this Offering Circular have been based on the reference rate on 31 March 2024 as published by the Reserve Bank of India, which was Rs.83.3739 per US\$1.00. This Offering Circular provides conversions of certain rupee amounts into U.S. dollars for the respective dates at the rates specified above solely for the convenience of the readers of this Offering Circular and should not be construed as a representation that the Indian rupee amounts represent, or could have been or could be converted into, U.S. dollars at such rate of exchange. More information is provided in the section headed “*Exchange Rates*”.

As a result of rounding adjustments, the figures or percentages in a column may not add up to the total for such column.

### **FORWARD-LOOKING STATEMENTS**

This Offering Circular, as well as information included in oral statements or other written statements made, or to be made, by the Company, contain, or will contain, disclosures which are “forward-looking statements”. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as “intend,” “potential,” “may,” “should,” “believe,” “will,” “expect,” “project,” “estimate,” “anticipate,” “plan” or “continue”. These statements include, but are not limited to statements relating to the Company’s business strategy, market position, future operations, profitability, liquidity and capital resources. These forward-looking statements are based on the Company’s current plans and expectations as of the date of this Offering Circular and are subject to a number of uncertainties and risks that could significantly affect the Company’s current plans, expectations, future financial condition and results. These factors include, but are not limited to:

- general economic and political changes and changes in laws and regulations that apply to the industry in which the Company operates;
- the ability of the management of the Company to successfully implement its strategy, its growth and expansion plans;
- the Company’s costs (including changes in financial and personnel costs);
- technological changes;
- investment income;
- changes in the competitive landscape in the Company’s industry;
- cash flow projections;
- the loss of any significant clients;
- the outcome of any legal or regulatory proceedings the Company is or may become a party to;
- the future impact of new accounting standards;
- management’s ability to pay dividends;
- changes in interest rates and exchange rates;
- the Company’s ability to obtain financing needed to repay maturing obligations and to fund expansion in a timely manner and on satisfactory terms and conditions;
- the Company’s ability to roll over the Company’s short-term funding sources;
- the Company’s exposure to market risks; and
- the other risk factors discussed in this Offering Circular, including those set forth under “*Risk Factors*”.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the section headed “*Industry Overview*” and “*Business of the Company*”.

As a consequence, current plans, anticipated actions and the Company’s future financial condition and results may differ from those expressed in any forward-looking statements. Investors are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented herein. The Company does not undertake any obligation to update publicly or revise any forward-looking statements.

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## DEFINITIONS AND ABBREVIATIONS

*In this Offering Circular the following expressions have the following meanings, unless the context otherwise requires or unless it is otherwise specifically provided*

Agency Agreement	The paying, conversion and transfer agency agreement dated _____2024 made between the Company and GLAS Trust Company LLC acting through its New Jersey (USA) Branch (as the Principal Paying and Conversion Agent) and GLAS Trust Company LLC acting through its New Jersey (USA) Branch (as Registrar and Transfer Agent).
Agents	The Principal Paying and Conversion Agent, the Transfer Agent, the Registrar and the other paying, conversion and transfer agents appointed under the Agency Agreement
AGM	Annual General Meeting of Shareholders
Articles of Association, Articles	Articles of Association of the Company
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Audit Committee	A committee constituted by the Board of Directors, which advises the management in the areas of internal audit
Auditors	M/s. KSMC & Associate (FRN 003565N), Chartered Accountants, the statutory auditors of the Company
Average Closing Price	The arithmetic average of the Closing Price per Share for each Trading Day during the Relevant Period.
Board of Directors/ Board	Board of Directors of the Company
Bondholders	Holders of Bonds
Bonds	US\$60,000,000 9.50% Senior Secured Foreign Currency Convertible Bonds due 2031
BSE	BSE Limited, Mumbai
Business Day	A day on which banks and foreign exchange markets are open for business in New York City, Luxembourg, London, Sydney and Mumbai.
CDSL	Central Depository Services (India) Limited
Civil Code or Code	Code of Civil Procedure, 1908, as amended
Clearing System(s)	Euroclear and Clearstream, Luxembourg
Clearstream, Luxembourg	Clearstream Banking, <i>société anonyme</i>
Closed Periods	Period in which conversion right may not be exercised by Bondholders
Closing Date	_____2024
Common Depository	the common depository for the Clearing Systems
Companies Act	The Companies Act, 2013 and/or the Companies Act 1956 of India to the extent applicable
Competition Act	The Indian Competition Act, 2002, as amended
Conditions	Terms and conditions of the Bonds
Constitutive Documents	Memorandum and Articles of Association of the Company, as may be amended from time to time
CSE	The Calcutta Stock Exchange Limited
Definitive Certificates	A certificate representing an individual holding of a Bond
Depository Receipt Scheme	Issue of Foreign Currency Convertible Bonds (FCCBs) and Ordinary Shares (Through Depository Receipt Mechanism), Scheme 1993 issued by Ministry of Finance (MOF), as amended
Depositories Act	Indian Depositories Act, 1996, as amended
DIN	Director Identification Number
Directors	Directors of the Company
ECB	External Commercial Borrowings
EGM	Extraordinary General Meeting of Shareholders
EPS	Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of Shares during that fiscal year

Equity Shares/ Shares	The equity shares in the capital of the Company of the nominal value of Rs.10 each as at the date of this Offering Circular
EU	European Union
Euroclear	Euroclear Bank S.A./N.V.
European Economic Area	The free trade zone covering the countries of the European Union, Iceland, Norway and Liechtenstein
Excise Act	The Central Excise Act, 1944
Existing Shares	The total Shares issued by the Company, as at the date of this Offering Circular
FCCBs	Foreign Currency Convertible Bonds
FDI	Foreign Direct Investment
FEMA	Indian Foreign Exchange Management Act, 1999, as amended
Financial Statements	The Company's audited financial statements for the fiscal year 2024 and unaudited results for the three months period ended 30 June 2024, included in this Offering Circular
FIFP	Foreign Investment Facilitation Portal
Form and Denomination	US\$200,000 and integral multiples of US\$1,000 in excess thereof per Bond payable in full on payment of subscription amount
FPIs	Foreign Portfolio Investors
FY	Financial Year beginning from 1 April to 31 March
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
Global Certificate	Global Certificate which will represent the Bonds
Government/ Govt./ GoI	Government of India
ICAI	The Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards
Income Tax Act	Indian Income Tax Act, 1961, as amended
Ind AS	Indian accounting standards as specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, as amended
India	The Republic of India
Indian GAAP	Generally Accepted Accounting Principles followed in India
Indian Stock Exchange/(s)	The BSE and, where the context so admit, any other stock exchange in India on which the Shares are listed or may be listed from time to time
ISIN	The International Securities Identification Number of the Bonds
Issue Date	___August 2024 being the date on which the Bonds offered hereby are issued
Issuer or the Company	Eraaya Lifespaces Limited, a company incorporated in India with limited liability
Legal Advisors	_____, constituted in India (to the Company as to Indian Law), and _____ (to the Registrar)
Listing Agreement	Agreement signed between the Company and the Indian Stock Exchange setting out the terms of listing of the shares on such exchanges
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018
LRN	Loan Registration Number as allotted by RBI
Main Objects	Main object clause of Memorandum of Association of the Company
Maturity Date	_____2031 being the maturity date of the Bonds
Memorandum of Association/ MOA	Memorandum of Association of the Company
MiFID Directive	Markets in Financial Instruments Directive 2004/39/EC, as amended, regulating the content of the prospectuses offering securities to the public in the European Union
Mn/MN	Million

MOF	Ministry of Finance, Government of India
Mumbai	City in India, previously named Bombay
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Nomination & Remuneration Committee	A committee of the Board to review remuneration of Directors
NRI	Non Resident Indians, as defined under FEMA
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies, as defined under FEMA
OECD	Organisation for Economic Co-operation and Development
Offering Circular	This Offering Circular dated _____ 2024
Over Subscription	An option to subscribe for or procure subscribers for up to an additional US\$60,000,000 of Bonds exercisable within 45 days of the Issue Date.
PAT	Profit After Tax
Portfolio Investments	Investment in shares and securities through recognised stock exchanges
Principal Paying and Conversion Agent	GLAS Trust Company LLC acting through its New Jersey (USA) Branch
Promoters	Ms Sukriti Garg, M/s. Just Right Life Limited and Ms. Seema Garg
QIP	Qualified Institutional Placement
RBI	The Reserve Bank of India
Record Date	A date fixed by the directors or otherwise specified for the purpose of determining entitlements to dividends or other distributions to, or rights of, holders of Shares
Registrar and Transfer Agent	GLAS Trust Company LLC acting through its New Jersey (USA) Branch
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended
RoC	Registrar of Companies
Rs., Rupees, INR or Indian rupees	The lawful currency of India for the time being
SCRA/ Securities Contracts Act	Indian Securities Contracts (Regulations) Act, 1956, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI FPI Regulations	SEBI (Foreign Portfolio Investors) Regulations, 2014
SEBI Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
Security Agent	The security Agent appointed under the terms of the Collateral Documents
SFA	The Securities & Futures Act of Singapore
Shareholders	Shareholders who are registered as members in the register of members maintained by the Company
Stakeholders Relationship Committee	A committee of the Board to look into shareholder's complaints.
STT	Securities Transaction Tax
Tax Regime	Applicable provisions of Section 115AC of the Income Tax Act and other applicable provisions of the Income Tax Act and the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993
Registrar	GLAS Trust Company LLC acting through its New Jersey (USA) Branch
U.S. dollars, dollars, \$, US\$ and USD	The lawful currency of the United States for the time being
UK/ United Kingdom	United Kingdom of Great Britain and Northern Ireland
United States or US	The United State of America, its territories and its possessions
YTM	Yield to maturity

## SUMMARY

*The following summary highlights information contained elsewhere in this Offering Circular. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information and the Financial Statements, including the notes thereto, appearing elsewhere in this Offering Circular. For a discussion of certain matters that should be considered by prospective investors in the Bonds, see “Risk Factors”.*

### **INDUSTRY**

**Hospitality** - The company is venturing into Hospitality business. The hospitality industry includes but not limited to providing services such as stay, lodging, food, drinks, entertainment, accommodation and more ancillary facilities that a traveller or tourist may need or which can be of their help and comfort. It is basically offering all the possible facilities, comfort and related services to all those people who are visiting that place for some period of time mainly as tourists or travellers. The hospitality industry basically consists of two major sector or segments. The first and broadest segment is the accommodation, staying or lodging industry. The second segment is the food and beverages segment which can be considered as both a part of the accommodation industry or segment, and also as an independent segment.

**Digital Marketing** - It is challenging to imagine a world that works in an antiquated manner today. Every purchase you make from an established company's website, such as Amazon or Flipkart, uses marketing and digitalization as a powerful tool to connect with you.

Brands created successful business strategies and attracted the target market's attention. All of it is only possible due to digital marketing, which encourages businesses to raise their brands' standing among competitors.

Simply explained, digital marketing is a marketing strategy that helps make the advertising of products and services more successful and involves using SEO, paid ads, social media, and email marketing to reach target audiences. Many traditional marketing strategies are applicable to digital marketing, but the key to successful digital marketing is creating more robust marketing strategies that promote business growth and delivering the kind of content that will resonate with customers and increase traffic to website.

**Leasing Business with Quick Service Restaurants (QSR)** – Leasing along with a revenue sharing model is an arrangement between a retailer and a developer/owner/lessor to share the sales proceeds of the retailers from a particular outlet in lieu of a fixed rent or less rent. Under the arrangement, the lender shares the revenues and thus becomes partner in the prosperity of the retailer/business.

### **THE COMPANY**

Currently, the Company has three main business models i.e. Hospitality Business, Digital Marketing, Leasing cum Revenue sharing Business.

The Company is actively engaged in the Hospitality business which includes food and beverages, lodging, recreation, meetings, events and all the economic activities that directly or indirectly contribute to travel and tourism, Further, the Company also provides digital marketing services which includes use of websites, apps, mobile devices, social media, search engines, and other digital means to promote and sell products and services. The Company is actively venturing into the new business of hospitality, for which the Company has recently changed its objects to sync its new business activities.

At present the major chunk of revenue from operations is generated from this particular activity i.e. Digital Marketing Services in recent financial quarters. Digital marketing, also called online marketing, is the promotion of brands to connect with potential customers using the internet and other forms of digital communication. This includes not only email, social media, and web-based advertising, but also text and multimedia messages as a marketing channel. Our Company also uses these services to assist and promote our hospitality business and to expand its reach to a large scale.

Recently, the Company has developed its new idea into reality via its Leasing cum Revenue sharing business through which we are planning to generate substantial revenue/profit via letting out our proposed property to leading outlets/ restaurants/ food chain business and other different franchises which are market leaders amongst the Indian public.

Earlier, the Company was engaged primarily in the business of manufacturing of Bicycles. Automobile parts, Engineering goods, Electrical appliances i.e., motors, insulators, refrigerators etc. However, in the year 2004-2005 the Company has discontinued its manufacturing of Bicycles and allied products.

**Acquisition of EBIX Inc.**

A consortium of members led by Eraaya had submitted a term sheet to the Independent Directors of Ebix, Inc. (“Ebix”) to acquire 100% of the equity of Ebix which, if accepted by the Company, would be effectuated under a Chapter 11 Plan of Reorganization (“Plan”) to be negotiated between the parties and other major stakeholders. The Plan would be subject to the Bankruptcy Court approval in accordance with the provisions of the United States of America Bankruptcy Code. The bid for the acquisition of 100% of the equity of Ebix, submitted by the consortium led by Eraaya has been declared by Ebix as the highest and best bid, ascribed at an enterprise value of US\$362 Million.

Ebix is a leading international supplier of On-Demand software and E-commerce services to the insurance, financial and healthcare industries, Ebix (NASDAQ: EBIX) provides end-to-end solutions ranging from infrastructure exchanges, carrier systems, agency systems and risk compliance solutions to custom software development for all entities involved in the insurance industry.

**Recent QIP Issue**

The Company has recently made a Qualified Institutional Placement (QIP) and allotted 3,261,200 equity shares of Rs.10 each at a premium of Rs.752 per share aggregating to Rs.2,485.03 million to the institutional subscribers on 13 August 2024,

## THE OFFERING

*The following is a general summary of the terms of the Bonds. The summary of the terms of the Bonds is derived from and should be read in conjunction with, the full text of the terms and conditions of the Bonds (the “Conditions”). Capitalized terms used herein and not otherwise defined have the respective meanings given to such terms in the “Terms and Conditions of the Bonds”.*

Cancellation	All Bonds, which are redeemed, purchased or in respect of which conversion rights are exercised will be cancelled and may not be reissued or resold. Certificates in respect of the Bonds redeemed, converted or purchased by the Company will be surrendered for cancellation and may not be reissued or resold.
Clearance and Settlement of Bonds	The Bonds will clear and settle solely through the book-entry transfer facilities maintained by the Clearing Systems.
Conversion Notice	A duly completed and signed notice of conversion, in the form (for the time being) obtainable from the specified office of the Principal Paying and Conversion Agent.
Conversion of the Bonds	The Bonds will be convertible at the option of the Bondholders at any time on and after Issue Date up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the 10th day prior to the Maturity Date (but, except as provided in Condition 6.1.4, in no event thereafter) or if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to and including the close of business (at the place aforesaid) on a date no later than 10 days (at the place aforesaid) prior to the date fixed for redemption thereof into our newly issued Shares. Each Bond will be convertible at the option of the holder thereof into fully paid Shares at an initial Conversion Price of INR [*] per Share. The Conversion Price is subject to adjustment in the manner provided in Condition 6.3, provided, however, that the Conversion Price, as adjusted, shall, at all times, be not less than the Floor Price. The Floor Price calculated in accordance with applicable Indian regulations is INR [*]. The initial Floor Price will be subject to adjustment in the manner provided in Condition 6.3.1. If an event triggering an adjustment to the Conversion Price under Condition 6.3 occurs so that the Conversion Price, when calculated pursuant to Condition 6.3, would fall below the Floor Price, then the Floor Price shall be deemed to be the Conversion Price. For the terms of the conversion rights, see “Terms and Conditions of the Bonds – Conversion”.
Conversion Price adjustment	Standard adjustment for any dilution will be applied, including i) bonus or special dividends paid with respect to the Shares, ii) free distribution or issuance of shares, iii) sub-division, consolidation and reclassification of Shares, iv) rights offering, v) warrants and vi) creation of additional convertible or exchangeable bonds and vii) other issues in a dilution of Shares as described in terms and conditions of the Bond.
Definitive Certificates	A certificate representing an individual holding of the Bond.
Events of Default	For a description of certain events that will cause the Bonds to become immediately due and payable, see “Terms and Conditions of the Bonds – Events of Default”.
Exchange Rate on Conversion	The exchange rate of US\$ to Indian Rupee will be fixed at the Reserve Bank of India’s US\$ to Rupee Exchange Rate on the “Relevant Date”.
Existing Shares	The equity shares in the capital of the Company of the nominal value of Rs.10 each as at the date of this Offering Circular.
Floor Price	The minimum conversion price of a convertible bond as calculated under the provisions of Press Note dated 21 November 2008 issued by Ministry of Finance, Govt. of India.
Form and Denomination of the Bonds	The Bonds are issued in registered form in the denomination of U.S.\$200,000 each or in integral multiples of U.S.\$1,000 thereof. A bond certificate (each, a “Certificate”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying

	number which will be recorded on the relevant Certificate and in the register of Bondholders which the Issuer will procure to be kept by the Registrar.
General Market for the Shares, Listing and Share Ownership Restrictions	The Company's issued and paid-up Shares are listed on the BSE. The Shares issued upon conversion of the Bonds will be listed on the BSE. There are restrictions on investments in shares of Indian companies by non-residents of India. See " <i>Foreign Investment and Exchange Controls</i> ".
Global Certificate	For as long as the Bonds are represented by the Global Certificate and the Global Certificate is deposited with a common depository for Euroclear and Clearstream, payments of principal in respect of the Bonds represented by the Global Certificate will be made without presentation and, if no further payment falls to be made in respect of the Bonds, against surrender of the Global Certificate to or to the order of the Principal Agent or such other Paying Agent as shall have been notified to Bondholders for such purpose. The Bonds which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of the relevant Clearing System.
Governance	The Company will have no more than seven board members of which at least three will be independent directors. The Bondholders will always have the right to appoint one executive director and three independent directors to the Board. The Issuer will bear the cost and expenses of all the directors appointed by the Bondholders.
Governing Law	The Bonds will be constituted under the Agency Agreement which is governed by, and construed in accordance with, the laws of England.
Government Approvals	The Companies Act, 2013, as amended and the rules framed thereunder, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019, as amended, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended and circulars or notifications issued thereunder by the RBI from time to time, allows all entities which are eligible to receive foreign direct investment are eligible to raise ECBs (including FCCBs) (i) exceeding U.S.\$750 million under the "approval route" (with prior approval of the RBI); and (ii) up to U.S.\$750 million under the "automatic route" (without prior approval of the RBI), and subject to compliance with certain conditions specified therein. In accordance with the above rules and regulations, the Company is undertaking the present Issue. See "Indian Government and other Approvals" for further details.
Interest Payment Dates	[ ] February and [ ] August of every year. First Interest Payment Date being [ ] February 2025
Interest Rate	The Bonds bear interest on their outstanding principal amount from and including [*] August 2024 at the rate of 9.50 per cent. per annum payable semi-annually in arrear in equal instalments of U.S.\$47.50 per Calculation Amount (as defined in the Conditions) on [*] February and [*] August each year, commencing on [*] February 2025, the Issuer may choose to make the interest as accrued but unpaid on the outstanding principal amount of the Bonds at the rate of 9.50 per cent. per annum. (as defined in the Conditions)
Issuer or the Company	Eraaya Lifespaces Limited, a company incorporated in and subsisting under the laws of Republic of India with limited liability.
Issue or the Offering	US\$60,000,000 9.50% Senior Secured Foreign Currency Convertible Bonds due 2031. The Bonds are being offered and sold in offshore transactions outside the United States in reliance on Regulation S under the Securities Act (" <b>Regulation S</b> "). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States (as defined in Regulation S). The Bonds may not be offered or sold directly or indirectly in India or to, or for the account or benefit of, any resident of India, except in certain limited circumstances.  The Issuer has an option to subscribe for or procure subscribers for up to an

	additional US\$60,000,000 of Bonds exercisable within 45 days of the Issue Date.
Issue Price	100 per cent.
Limitation on Security Interests	So long as any Bonds remain outstanding the Issuer will not, directly or indirectly, incur, assume or permit to exist any Security Interest on the Collateral. To the extent that any of the Collateral Documents required in connection with the creation, perfection and registration of the charge on the Collateral have not been executed and delivered on or prior to the Issue Date, or the Issuer has not procured the registration of such charge on or prior to the Issue Date (in each case, to the extent required by the Collateral Documents), the Issuer shall (i) ensure that all such actions are completed as soon as reasonably practicable, and in no event later than 90 days following the Issue Date and (ii) deliver, or cause to be a delivered, to the Security Agent, a certificate signed by two authorised signatories of the Issuer confirming that all such actions have been completed in accordance with the requirements of Condition 4.2.
Listing	The Company has undertaken to apply to have the Shares issuable upon conversion of the Bonds approved for listing on the BSE. The Company has received in-principle approval for listing of the Shares issuable upon conversion of the Bonds on the BSE dated _____2024. There are restrictions on investments in shares of Indian companies by non-residents of India. See “Foreign Investment and Exchange Controls”.
Listing of the Bonds	If required, approval may be sought from SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The Bonds will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.
Lock-up	Neither the Issuer nor any person acting on its behalf will issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Bondholder between the Issue Date and the date which is 60 days after the Closing Date (both dates inclusive); except for the Bonds and the new Shares issued on conversion of the Bonds.
Majority of Bondholders	A group of Bondholders or a Bondholder holding more than 50% of outstanding Bonds at any point of time.
Maturity Date	_____2031
Ratings	The Bonds are not, and are not expected to be rated by any rating agency.
RBI Approval Required for Early Redemption or Repurchase	ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting any redemption or repurchase prior to the Maturity Date; such approval may or may not be forthcoming. See “Risk Factors – Risks Relating to the Bonds and the Shares – RBI approval is required for repayment of the Bonds in certain circumstances, including upon redemption or an Event of Default” and Risk Factors – Risks Relating to the Bonds and the Shares – The Issuer may not have the ability to redeem the Bonds” for further details.
Repurchase of Bonds at the option of Bondholders	On [*] August 2027 and [*] August 2029 (each one referred to as the “Optional Put Date”), each Bondholder will have the right at such holder’s option, to require the Issuer to redeem all or some only of the Bonds of such holder on the Optional Put Date at their principal amount, together with any interest accrued but unpaid up to but excluding such Optional Put Date (if any). “Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation-Redemption at the option of Bondholders”.

Redemption for Taxation Reasons	Subject to certain conditions and limitations, at any time the Issuer may, having given not less than 30 nor more than 60 days' notice (a "Tax Redemption Notice") to the Bondholders (which notice shall be irrevocable) redeem the Bonds, in whole but not in part, at their principal amount, together with interest (if any) accrued but unpaid to such date of redemption on the date fixed for redemption if the Issuer satisfies majority of the Bondholders prior to the giving of such notice that (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Republic of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Under current RBI regulations the Company must obtain prior approval before serving notice or effecting such redemption prior to the Maturity.
Redemption on Maturity	Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Issuer will redeem each Bond at its outstanding principal amount on [*] October 2031 (the "Maturity Date"), together with accrued interest (if any) (calculated up to but excluding the Maturity Date so as to give YTM of 9.50 per cent save for any interest paid in cash).
Representations of Bondholders	A Bondholder will be required to represent and agree on conversion that, among other things, it is not a U.S. person or located in the United States (within the meaning of Regulation S).
Repurchase of Bonds in the Event of Change of Control	Following the occurrence of a Change of Control (as defined in the Conditions) and to the extent permitted by applicable law, Bondholders will have the right at such holder's option, to require the Issuer to redeem in whole or in part such Bondholder's Bonds on the Change of Control Put Date (as defined in the Conditions) at their principal amount, together with interest (if any) accrued but unpaid to such date. "Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Change of Control put right".
Repurchase of Bonds in the Event of Non-Permitted Conversion Price Adjustment	To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if an event triggering an adjustment to the Conversion Price under Condition 6.3 occurs so that the Conversion Price, when calculated pursuant to Condition 6.3, would fall below (i) the Floor Price or (ii) the level permitted by applicable Indian regulatory authorities (if any) (a "Non-Permitted Conversion Price Adjustment Event"), each Bondholder shall have the right, at such Bondholder's option, to require the Issuer to repurchase in whole or in part such Bondholder's Bonds at their principal amount, together with interest (if any) accrued but unpaid to such date of such redemption. See "Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Repurchase of Bonds in the Event of Non-Permitted Conversion Price Adjustment".
Repurchase of Bonds in the Event of a Relevant Event	In the event that (i) the Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on BSE, or (ii) the Promoter and Promoter Group, directly or indirectly, in aggregate hold 80 per cent. or more of the equity share capital of the Issuer (the "Liquidity Event") (each of (i) and (ii), a "Relevant Event"), each Bondholder shall have the right, to the extent permitted under applicable law, at such Bondholder's option, to require the Issuer to redeem in whole or in part such Bondholder's Bonds on the twentieth business day after notice has been given to Bondholders regarding the Relevant Event or, if such notice is not given, the twentieth business day after the Relevant Event (the "Relevant Event Put Date")

	at their principal amount, together with interest (if any) accrued but unpaid to such Relevant Event Put Date. “Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Relevant Event put right”. “Promoter and Promoter Group” means the aggregate shareholding of Ms. Sukriti Garg and Ms. Seema Garg.
Requisite Approvals	No payments of principal or interest will be made prior to the Maturity Date (including on the occurrence of an Event of Default) if the requisite RBI approvals have not been obtained or any other applicable Indian laws and restrictions have not been complied with. The Company shall use its best endeavours to obtain such requisite RBI approvals or with respect to any other applicable Indian Laws that may be necessary to make any payments of principal or interest prior to the Maturity Date.
Selling Restrictions	There are restrictions on the offer, sale and/or transfer of the Bonds in, among others, Hong Kong, India, Japan, Singapore, the United Kingdom, the EEA and the United States. For a description of the selling restrictions on offers, sales and deliveries of the Bonds, see “ <i>Plan of Distribution</i> ”.
Share Ranking	The Shares issued upon conversion of the Bonds will in all respects rank <i>pari passu</i> with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.
Status of the Bonds and Collateral	The Bonds constitute direct, general and unconditional obligations of the Issuer and the performance of all the obligations of the Issuer under the Bonds are or, as the case may be, will be secured by, inter alia, a fixed charge (by way of pledge) over the “ <i>Collateral</i> ”. The charge created on the Collateral will be created in favour of the Security Agent under the Collateral Documents for the benefit of the Bondholders.
Taxation	All payments of principal and interest in respect of the Bonds by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of India (collectively, the “ <i>Taxes</i> ”) or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law. Where such withholding or deduction is required by law, the Issuer shall pay, subject to Condition 9, such additional amounts as will result in receipt by the Bondholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required. See “ <i>Taxation</i> ”.
Trading Day	Any day of the week during which the BSE is open for business but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) if the Shares are not listed or admitted.
Transfer Restrictions	Save as otherwise permitted under the laws of India, the Bonds may not be offered, sold or otherwise transferred at any time to any Person which is ineligible under applicable Indian foreign investment regulations (including but not limited to Press Note 3 (as defined herein) to undertake foreign direct investments in India without prior approval of the Government of India.
Use of Proceeds	The net proceeds from the issue of the Bonds are estimated to be approximately US\$___ million after deducting the estimated expenses of the offering. The Company intends to use all or substantially all of the proceeds from the issue of the Bonds towards end uses, as may be permitted under applicable law or regulations, from time to time. See also “ <i>Use of Proceeds</i> ”.

Voting Rights	Bondholders will have no voting rights with respect to the Bonds at a general meeting of the Company. Bondholders will have voting rights at a meeting of Bondholders. Voting rights will attach to the Shares received upon conversion.
Identification Numbers for the Bonds	Common Code: ISIN: XS

## **RISK FACTORS**

*This Offering Circular contains forward-looking statements that involve risks and uncertainties. Prospective investors should carefully consider the following risk factors as well as other information included in this Offering Circular prior to making any decision as to whether or not to invest in the Bonds. The risks described below and any additional risks and uncertainties not presently known to the Company or that currently are deemed immaterial could adversely affect the business, financial condition, liquidity or results of operations of the Company. As a result, the trading price of the Shares and the Bonds could decline and investors may lose part or all of their investment. Any potential investor in, and purchaser of, the Bonds should pay particular attention to the fact that Eraaya Lifespaces Limited is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries.*

### **RISKS RELATED TO THE COMPANY AND ITS BUSINESS**

***The management and control of the Company has changed pursuant to the Share Purchase Agreement dated 20 April 2022 and consequent Open Offer which closed on 30 June 2022.***

Under the Share Purchase Agreement dated 20 April 2022, the then Promoter and Promoter group of the Company transferred the entire shareholding aggregating to 1,075,704 Equity Shares to Ms. Sukriti Garg and M/s. Just Right Life Limited, the acquirer, making them the current promoters of the Company. The control of the Company now vests with Ms. Sukriti Garg and M/s. Just Right Life Limited and the management has since been re-constituted.

The business operations of the Company depend on the experience and expertise of its management. The management of the Company may not hold adequate experience in the specific spheres of the recently acquired businesses. This may affect functioning, and could materially affect the Company's operational activities. Consequently, the business revenue generation and profitability of the Company may be adversely affected.

***The top -level management of the Company is associated with the Company for less than 3 years.***

In the year 2022-23, the Company was acquired by its current promoters from its earlier promoters pursuant to a Share Purchase Agreement dated 20 April 2022. Consequently, the management of the Company has been re-constituted to its current form.

***The Business of the Company was not operational since almost 18 years.***

The Company was not in operation since the financial year 2004-2005 up to the financial year 2021-2022. There was no business activity undertaken by the management of the Company. In the financial year 2022-2023, consequent to the Open Offer, the management of the Company was reconstituted. Subsequently, from the financial year 2022-23, the Company revived its business and has started to generate operating revenue and non-operating revenue. However, the revenue generation is in initial stages. The Company cannot assure you that it will be able to generate the revenue at increasing pace, which may adversely affect its business.

***The Management has recently ventured into new segment.***

After change of control of the Company, the Company ventured into new business segments namely Hospitality and Digital Marketing on revenue sharing models. Further, the Company is entering into new segment i.e. hospitality sector, which requires strategic planning and efficient use of resources. Due to limited experience in such segments, the Company may face unanticipated hurdles with respect to such new initiatives. The Company may lack sufficient expertise and experience in these segments and this may impose additional strain on its resources and consume additional time and attention of the senior management. Further, some of these initiatives may fail to commence or may have to be abruptly discontinued at their early stages, due to regulatory, commercial or other reasons such as unavailability of adequate infrastructure for operations. The Company may also fail to initiate or choose to discontinue the new initiatives if the Company does not attract significant revenue for continuous years.

The commencement of operations in new business segments and industry verticals is subject to various risks

including unfamiliarity with pricing dynamics, competition, service and operational issues as well as the ability to implement strategies, retain key management and employees. There can also be no assurance that the Company will not experience issues such as capital constraints, difficulties in expanding its operations and challenges in training an increasing number of personnel to manage and operate the expanded business, or that the Company will be able to successfully manage the impact of the growth of its operational and managerial resources and control systems. The Company may not be able to successfully manage some or all of the risks associated with such entry into new segments and new industry verticals, which may place the Company at a competitive disadvantage, limit its growth opportunities and materially and adversely affect the business, results of operations and financial condition of the Company.

***The Company has filed for revocation of suspension with Calcutta Stock Exchange and its inability to compete effectively may adversely affect the business of the Company.***

The Company was acquired by its current promoters from its earlier promoters pursuant to a Share Purchase Agreement dated April 20, 2022. Post-acquisition, through the letter dated November 16, 2023 of the Calcutta Stock Exchange, the Company learnt that the Company has been suspended from the Calcutta Stock Exchange with effect from March 21, 2012 and the erstwhile promoters has lodged an application for delisting the shares from the Calcutta Stock Exchange.

However, in resolution to this, the Company has taken action and replied to the suspension letter for further resolution. Subsequently, the Company has paid all the outstanding dues/penalty/fine in relation to this and filed an application for revocation of the suspension from the Calcutta stock exchange.

The Company is in compliance with all requirement and other regulatory procedure for revocation of suspension and the same is pending with the Calcutta Stock Exchange (CSE) for approval.

***The Company operates in a highly competitive industry and the inability to compete effectively may adversely affect the business of the Company.***

The Company operates in a highly competitive industry. Given the diversity of the businesses, in today's dynamic and ever-evolving hospitality industry, hotel owners and managers face a constant challenge to stay competitive and relevant. The key to success lies in adapting to changing market dynamics and meeting the evolving needs of travelers. Many of the competitors may have greater resources than the Company does, may be larger in terms of business volume and may have significantly lower cost of funds compared to the Company. They may also have greater geographical reach, long-standing partnerships and may offer their customers various specialises services that the Company may not be able to provide. Competition in the industry depends on, amongst others, the ongoing evolution of government and regulatory policies, the entry of new participants. The Company cannot assure you that the Company will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive industry and the inability to compete effectively may adversely affect the business of the Company.

***Changes in technology may render the current technologies of the Company obsolete or require the Company to make substantial capital investments.***

Modernization and technology upgradation is essential to reduce costs and increase the efficiency of the Company's digital marketing business to capture a large audience base. The Company's technology may become obsolete or may not be upgraded timely, hampering the Company's operations and financial conditions and the Company may lose its competitive edge. Although the Company believes that the Company is utilizing latest technology by using latest software and equipment, the Company shall continue to strive to keep its technology updated. In case of a new found technology in the Industry, the Company may be required to implement new technology employed. Further, the cost in upgrading the technology is significant which could substantially affect the Company's finances and operations.

***Interruptions or performance problems associated with the Company's technology and infrastructure may harm the business and results of operations of the Company.***

The Company's continued growth depends in part on the ability of its existing and potential customers to access

its solutions at any time. The Company may in future experience disruptions, data loss, outages and other performance problems with its technology infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial of service, cyber-attacks or other security-related incidents. Any disruptions in the services and products, including as a result of actions outside of the Company's control, would significantly impact the continued performance of our products. To the extent that the Company does not effectively address capacity constraints, upgrade its systems as needed, and continually develop the technology and network architecture to accommodate actual and anticipated changes in technology, the business, results of operations and financial condition of the Company could be affected.

***Over the years, there have been many changes in the Company's business activities and the Company has recently entered into new business and the Company may not be able to perform as anticipated or commence on time or at all or may be discontinued.***

Entry into new businesses and markets subjects the Company to various challenges, including those relating to its lack of familiarity with the intricacies of the operations, trends in customer preferences, relative strengths of competitors' products, difficulties in staffing and managing such operations, the lack of brand recognition and reputation in the segment, among other. Additionally, by entering into new business, the Company could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices; exposure to expropriation or other government actions; and political, economic and social instability. The Company may not be able to execute its plans in a timely and cost-efficient manner. Further, the Company's investment in these new businesses or segments may not be successful if they do not perform as per its expectations.

The Company's past history of unsuccessful businesses may impact its future businesses as well. And the Company cannot assure as to the success of its new ventures/ business projects and the time within which profitability may arise, cannot be anticipated.

***Some of the Company's corporate records including forms filed with the Registrar of Companies are not traceable.***

The Company was incorporated in the year 1967 under the Companies Act, 1956, hence the Company is unable to trace certain corporate and other documents in relation to the Company including Bank Statements, Corporate Records, forms filed with the Registrar of Companies prior to the year 2006. Due to change in methods of record keeping over the years, certain forms filed with ROC prior to the year 2006 such as Return of Allotment for the year 2002, Increase in Authorized Capital, etc., could not be traced by the Company. Further online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence some of these forms could not be retrieved from the Ministry of Corporate Affairs (MCA) portal. As such under the circumstances elaborated above, the Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also, the Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost records and to that extent the same could adversely affect the business operations of the Company.

***The Company has not taken any insurance which may expose the Company to potential losses to which the Company may be subject to risk and this may have a material effect on its business and financial condition.***

The Company has not taken any insurance policy related to the properties that the Company operates for its business operations of the Company. Any unforeseen situation or any liability will not be compensated due to absence of an insurance policy. Further, the Company's business involves risks which may adversely affect its profitability, including failure of systems and employee frauds. The Company cannot assure you that the operation of the Company's business will not be affected by any of the incidents listed above or by other factors. In addition, in the future, the Company may not be able to maintain insurance of the types or at levels which the Company deems necessary or adequate or at rates which the Company considers reasonable. The occurrence of an event for which the Company is not adequately or sufficiently insured or the successful assertion of one or more large claims against the Company that exceed available insurance coverage, or changes in its insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on the business, results of operations, financial condition and cash flows of the Company.

***The property used by the Company for the purpose of its operations of its registered office is not owned by the Company. Any termination of the relevant lease or leave and license agreement in connection with such property or the failure to renew the same could adversely affect the operations of the Company.***

The Company has obtained the property from where the Company is operating its registered office, on lease basis. Periodic renewals of such lease may increase the costs, since it is subject to rent escalation. Any termination of the lease and/or rental deed in connection with this property or the failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect the operations of the Company.

***The Company faces competition in its business from organized and unorganized players, which may adversely affect the business operation and financial condition of the Company.***

The market in which the Company operates, is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of the competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing competition may result in a decline in the Company's market share and may affect its margins which may adversely affect the business operations and the financial condition of the Company.

***General economic and market conditions in India and globally could have a material adverse effect on the business, financial condition, cash flows, results of operations and prospects of the Company.***

The Company's business is highly dependent on economic and market conditions in India and other jurisdictions where the Company operates. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the hospitality and hotel industry may impact the business of the Company. Market conditions may change rapidly and may increase the Company's employee cost, operating cost and may also decrease in the sale of its services.

***An inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities may adversely affect the business, financial condition and results of operations of the Company.***

The Company's business operations are subject to a broad range of health, safety and environmental laws and regulations, and violations of these laws and regulations can result in fines, penalties or litigation, which may adversely affect the business, financial condition and results of operations of the Company. For instance, the provisions of the Food Safety and Standards Act, 2006 ("FSS Act") and all rules, regulations and subsidiary legislation are applicable to the Company and its products, which sets forth scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption and requirements relating to the license and registration of food. Contravention of the requirement to obtain a license or carry a business without obtaining a license under the FSS Act is punishable with imprisonment for a period of up to three years in ordinary cases and beyond three years in special cases, along with fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, the Company may be required in the future to modify its operations or make capital improvements.

***In addition to normal remuneration, other benefits and reimbursement of expenses some of the Directors and Key Management Personnel of the Company may be interested in the Company to the extent of their shareholding and dividend entitlement in the Company.***

The Company's directors may be interested in the Company to the extent of their shareholding and dividend entitlement in the Company, in addition to normal remuneration or benefits and reimbursement of expenses. The Company cannot assure you that its directors or Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of the Company. As a result, the Company's directors will continue to exercise significant control over the Company, including being able to control the composition of its board of

directors and determine decisions requiring simple or special majority voting, and the other Shareholders may be unable to affect the outcome of such voting. The Company's directors may take or block actions with respect to the business of the Company, which may conflict with its best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. The Company cannot assure you that our directors will always act to resolve any conflicts of interest in the Company's favour, thereby adversely affecting our business and results of operations and prospects.

***The inability or failure to recognize, respond to and effectively manage the accelerated impact of social media could materially adversely affect the business of the Company.***

In recent years, there has been a marked increase in the use of social media platforms in India, including blogs, social media websites and applications, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many social media platforms immediately publish the content for their subscribers and participants post, often without filters or checks on accuracy of the content posted. The dissemination of inaccurate information online could harm the business, reputation, prospects, financial condition and operating results of the Company, regardless of the information's accuracy. The damage may be immediate without affording an opportunity for redress or correction. Other risks associated with the use of social media include improper disclosure of proprietary information, negative comments about the Company's brands, exposure of personally identifiable information, fraud, hoaxes or malicious exposure of false information. The inappropriate use of social media by the Company's customers or employees or suppliers or other third parties could increase its costs, lead to litigation or result in negative publicity that could damage the Company's reputation and adversely affect its business, results of operations and financial condition

***If the Company is unable to respond to the demands of its existing and new clients, or adapt to technological changes or advances, the business and growth of the Company could be adversely affected.***

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. The clients' needs and demands for the Company's services evolve with these changes. The Company's future success will depend, in part, on its ability to respond to its clients' demands for new services on a timely and cost-effective basis. The Company must also adapt to technological advancements and keep pace with changing regulatory standards to address its clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to the resources and the services, the Company provides and may increase the Company's reliance on third-party service providers. If the Company fails to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm its ability to compete, decrease the value of the services to its clients, and adversely affect its business and future growth.

***The Company may not be able to identify suitable locations and successfully develop and roll out new hotels/resorts, and the expansion into new regions and markets may present increased risks due to unfamiliarity with the areas in which the Company's hotels, resorts and any other leisurely properties are located.***

A key part of the Company's business and growth strategy is to maintain the pace of expansion of its hotels and resorts network, which requires the Company to continually identify suitable and available locations and develop and build out hotels and resorts at those locations. This involves substantial risks, including in relation to the following:

- the inability to identify or the unavailability of suitable sites on acceptable leasing terms;
- lack of our ability to compete successfully for suitable banquets, restaurants and retails shops sites;
- unavailability of financing;
- lack of suitable contractors for construction;
- development costs that exceed budgeted amounts;
- delays in completion of construction;
- difficulties in relation to the implementation of the systems, procedures and control measures required at

new and different locations:

- the inability to obtain all necessary governmental or local authority permits and approvals and other requisite restaurant-related licenses and permits;
- incurring substantial unrecoverable costs if a development project is abandoned prior to completion;
- consumer tastes in new geographic regions and acceptance of the Company's products;
- changes in governmental rules, regulations and interpretations; and
- changes in general economic and business conditions.

In addition, the efforts to develop and roll out new hotels and resorts may also increase the complexity of the Company's operations and place additional strain on its management and operational, financial and human resources. There can be no assurance that the Company will be able to achieve its expansion goals or that new hotels and resorts will be opened in a timely fashion, or at all. If the Company is not able to identify suitable locations and successfully develop and build out new banquets, restaurants and retail shops in a timely, cost effective and profitable manner or otherwise manage the growth of its network of banquets, restaurants and retail shops effectively, the business, results of operations, financial condition and prospects of the Company may be materially and adversely affected.

***Major fraud, lapses of internal control or system failures could adversely impact the Company's business.***

The Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect the Company's operations and financial performance. The Company's reputation could also be adversely affected by significant fraud committed by its employees, agents, customers or third parties.

***The Company continues to explore the diversification of its business and the implementation of new services. These diversifications and other strategic initiatives may not be successful, which may adversely affect the business and results of operations of the Company.***

In order to achieve its goal, the Company is constantly evaluating the possibilities of expanding its business through new models, innovations and/or starting new services. Although the Company believes that there are synergies between its current business and its expansion plans, the Company may not have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of the Company's strategic initiatives may pose significant challenges to its administrative, financial and operational resources, and additional risks, including some of which the Company is not aware of. The early stages and evolving nature of some of the businesses also make it difficult to predict competition and consumer demand therein. The strategic initiatives require capital and other resources, as well as management attention, which could place a burden on the Company's resources and abilities. In addition, the Company cannot assure you that the Company will be successful in implementing any or all of its key strategic initiatives. If the Company is unable to successfully implement some or all of its key strategic initiatives in an effective and timely manner, or at all, its ability to maintain and improve its leading market position may be negatively impacted, which may have an adverse effect on the business and prospects, competitiveness, market position, brand name, financial condition and results of operations of the Company.

***The Company faces intense competition in its businesses, which may limit its growth and prospects. The Company faces significant competition from other companies.***

The Company competes on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. The Company's competitors may have advantages over the Company, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of the Company's businesses;
- Greater brand recognition among consumers;
- More diversified operations which allow profits from certain operations to support others with lower

profitability.

These competitive pressures may affect the Company's business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

***The Company's inability to manage growth could disrupt its business and reduce its profitability. The Company proposes to expand its business activities in coming financial years.***

The Company expects its future growth to place significant demands on both its management and its resources. This will require the Company to continuously evolve and improve its operational, financial and internal controls across the organization. In particular, continued expansion increases the challenges the Company faces in:

- The ability to acquire and retain clients for its services;
- Services, products or pricing policies introduced by the competitors;
- Capital expenditure and other costs relating to its operations;
- The timing and nature of, and expenses incurred in, its marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to the high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving its internal administrative infrastructure, particularly its financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of the Company's results of operations as indicators of future performance. It is possible that in some future periods the results of operations may be below the expectations of public, market analysts and investors. If the Company is unable to manage its growth it could have an adverse effect on its business, results of operations and financial condition.

***If the Company is unable to source business opportunities effectively, the Company may not achieve its financial objectives.***

The ability to achieve its financial objectives will depend on the Company's ability to identify, evaluate and accomplish business opportunities. To grow the Company's business, the Company will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating its growth. However, the Company cannot assure you that any such employees will contribute to the success of its business or that the Company will implement such systems effectively. The failure to source business opportunities effectively could have a material adverse effect on the business, financial condition and results of operations of the Company. It is also possible that the strategies used by the Company in the future may be different from those presently in use. No assurance can be given that the analyses of market and other data or the strategies, the Company uses or plans in future to use will be successful under various market conditions.

***Brand recognition is important to the success of the Company's business, and its inability to build and maintain its brand names will harm the business, financial condition and results of operation of the Company.***

Brand recognition is important to the success of the Company's business. Establishing and maintaining the brand name "Eraaya" in the industry or for people relying on services is critical to the success of the customer acquisition process of the Company's business. Although, the Company expects to allocate significant number of resources, financial and otherwise, on establishing and maintaining its brands, no assurance can be given that the brand names will be effective in attracting and growing user and client base for the businesses or that such efforts will be cost-effective, which may negatively affect the business, financial condition and results of operations of the Company.

***Employee fraud or misconduct could harm the Company by impairing its ability to attract and retain clients and subject the Company to significant legal liability and reputational harm.***

The Company's business is exposed to the risk of employee misappropriation, fraud or misconduct. The Company's employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While the Company strives to monitor, detect and

prevent fraud or misappropriation by its employees, through various internal control measures, the Company may be unable to adequately prevent or deter such activities in all cases. The dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While the Company has not been able to identify such issues in the past, there could be instances of fraud and misconduct by its employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, the Company may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by its agents or employees, which could adversely affect its goodwill, business prospects and future financial performance. The Company may also be required to make good any monetary loss to the affected party. Even when the Company identifies instances of fraud and other misconduct and pursue legal recourse or file claims with the insurance carriers, the Company cannot assure you that the Company will recover any amounts lost through such fraud or other misconduct.

***The Company may enter into related party transactions in the future.***

The Company may enter into various transactions with its Promoters. While the Company believes that all such transactions shall be conducted on arm's length basis, there can be no assurance that the Company could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that the Company will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on the financial condition and results of operation of the Company.

***The Company is dependent on a number of Key Managerial Personnel and its senior management, and the loss of, or its inability to attract or retain such persons could adversely affect the business, results of operations and financial condition of the Company.***

The Company's performance depends largely on the efforts, expertise and abilities of its Key Managerial Personnel, senior management, and its operational personnel who possess significant experience in the industry in which the Company operates. The Company believes that the inputs and experience of its KMP and senior management, in particular, and other key personnel are valuable for the development of its business, operations and the strategic directions taken by the Company. The Company cannot assure you that these individuals or any other member of the senior management team will not leave the Company or join a competitor or that the Company will be able to retain such personnel or find adequate replacements in a timely manner, or at all. The Company may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with the Company. Moreover, the Company may be required to substantially increase the number of its qualified personnel in connection with any future growth plans, and the Company may face difficulty in doing so due to the intense competition in the technology industry for such personnel. The Company may also be required to increase its levels of employee compensation more rapidly than in the past in order to remain competitive in retaining.

***Delays or defaults in payments from the Company's clients could result into a constraint on its cash flows. The efficiency and growth of the business of the Company depends on timely payments received from its clients.***

In the event, the client's default or delay in making payments and clearing their dues, the Company may not have adequate resources to fund its business and implement its growth plans. This could have an adverse effect on the results of operations and financial condition of the Company.

***The Company's ability to pay dividends in the future will depend upon its future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in the financing arrangements.***

The Company may retain all its future earnings, if any, for use in the operations and expansion of its business. As a result, the Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of the Board of Directors of the Company and will depend on factors that the Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of its loan agreements, the Company may not be permitted to declare any dividends, if there is a

default under such loan agreements or unless the Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of the Company's Equity Shares. There can be no assurance that the Company's Equity Shares will appreciate in value.

***Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt the Company's business and harm the results of operations and its financial condition.***

The Company's success will depend, in part, on its ability to expand its business in response to changing technologies, customer demands and competitive pressures. The Company has, in the past, explored and continue to explore opportunities on its own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, the Company may also decide to acquire, or invest in, complementary technologies instead of internal development. While the Company is currently evaluating opportunities and negotiating with several potential partners, the Company has not entered into any definitive agreements. The risks, the Company faces in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating its business to addressing challenges pertaining to acquisition and integration. The failure to address these risks or other problems encountered in connection with the acquisitions and investments could result in the failure to realize the anticipated benefits of these acquisitions or investments, cause the Company to incur unanticipated liabilities, and harm the business of the Company generally.

***The Company may experience difficulties in expanding its business into new regions and markets in India***

Historically, the Company's distribution networks are concentrated in New Delhi. As part of its growth strategy, the Company strives to evaluate attractive growth opportunities to expand its business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices & customs and customer requirements in these new markets may differ from those in the current markets and the Company's experience in current markets may not be applicable to these new markets. In addition, as the Company enters new markets and geographical regions, the Company is likely to compete with other players of the industry that already have a presence in those geographies and are therefore more familiar with local regulations, business practices and customs and have stronger relationships with customers. The Company's business may be exposed to various additional challenges including obtaining necessary governmental approvals, successfully gauging market conditions in local markets with which the Company has no previous familiarity; attracting potential customers in a market in which the Company does not have significant experience or visibility; being susceptible to local taxation in additional geographical areas of India and adapting its marketing strategy and operations to different regions of India in which different languages are spoken. The Company's inability to expand its current operations may adversely affect its business prospects, financial conditions and results of operations.

***The Company's business is based on the trust and confidence of its customers; any damage to that trust and confidence may materially and adversely affect the business, future financial performance and results of operations of the Company.***

The Company is dedicated to earning and maintaining the trust and confidence of its customers and the Company believes that the good reputation is essential to its business. The reputation of the Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with the Company. As such, any damage to the Company's reputation could substantially impair its ability to maintain or grow its business. If the Company fails to maintain brand recognition with its target customers due to any issues with its product offerings, a deterioration in service quality, or otherwise, declines its market perception and customer acceptance of its brands may also decline.

***System failures or inadequacy and security breaches in computer systems may adversely affect the business of the Company.***

The Company's financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond the Company's control including a disruption of electrical or communications services. The Company's ability to operate and remain competitive will depend

in part on its ability to maintain and upgrade its information technology systems on a timely and cost-effective basis. The Company's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The Company's computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade its management information systems in a timely manner could materially and adversely affect the competitiveness, financial position and results of operations of the Company. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in the internal processes or systems, it could affect the operations or result in financial loss, disruption of the Company's businesses, regulatory intervention or damage to its reputation. In addition, the Company's ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the businesses and the localities in which the Company is located.

***The Logo used by the Company is currently not registered in the name of the Company. The logo is registered in the name of the Company's Promoter i.e. Ms. Sukriti Garg. Failure to protect the intellectual property rights may adversely affect the competitive business position, financial condition and profitability of the Company.***

The Company's logo is applied trademark under the provisions of Trademark Act, 1999 in the name of its Promoter, Ms. Sukriti Garg and therefore may be subject to counterfeiting or imitation which would adversely impact the Company's reputation and lead to loss of customer confidence, reduced sales and higher administrative costs. The Company does not enjoy any statutory protection under the Trade Marks Act, 1999 for the aforesaid trademark which is important to retain its brand image. Further, even if the trademarks are registered, the Company cannot assure that third parties will not infringe on the Company's intellectual property, thereby causing damage to its business prospects, reputation and goodwill.

***The Company's Promoters and Directors may have interests in the Company other than reimbursement of expenses incurred or remuneration or benefits.***

The Company's Promoters and Directors may be deemed to be interested in the Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in the Company. The Company's Promoters and Directors may also be interested to the extent of any transaction entered into by the Company with any other company or firm in which they are directors or partners.

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

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

The Company's Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct the business and affairs of the Company. So long as the Promoters have a majority holding, they will be able to elect the entire Board and control most matters affecting the Company, including the appointment and removal of the officers of the Company, the business strategy and policies and financing. Further, the extent of the Promoters' shareholding in the Company may result in the delay or prevention of a change of management or control of the Company, even if such a transaction may be beneficial to the other shareholders of the Company.

***The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.***

The fund requirement and deployment are based on internal management estimates and has not been appraised

by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue.

***As the Equity Shares of the Company are listed on the BSE and the CSE, the Company is subject to certain obligations and reporting requirements under SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us/our promoter liable to prosecution and/or penalties.***

The Company is subject to the obligations and reporting requirements under SEBI Listing Regulations. In the past, the Company had not complied with certain provisions of the SEBI Listing Regulations. Though the Company endeavors to comply with all such obligations/reporting requirements, there have been certain instances of non-compliance and delays in complying with such obligations/reporting requirements. Any such delays or non-compliance would render the Company to prosecution and/or penalties. Although the Company has not received any further communication from the Stock Exchange or any authority in this regard, there could be a possibility that penalties may be levied against the Company for certain instances of non-compliance and delays in complying with such obligations/reporting requirements.

***In the past, there have been instances of delayed or erroneous filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to ROC by the Company.***

In the past, there have been certain instances of delay in filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the ROC, which have been subsequently filed by payment of an additional fee as specified by ROC by the Company and our Subsidiaries.

Till date, the Company has not received any show cause notice in respect to the above and except as stated in this Offering Circular, no penalty or fine has been imposed by any regulatory authority in respect to the same. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

***The Company has not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such third-party data has not been independently verified by the Company.***

The Company has neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” of this Offering Circular. The Company has made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. The Company has not independently verified such third-party data. The Company cannot assure you that any assumptions made are correct or will not change and, accordingly, the Company’s position in the market may differ from that presented in this Offering Circular. Further, the industry data mentioned in this Offering Circular or sources from which the data has been collected are not recommendations to invest in the Company. Accordingly, investors should read the industry related disclosure in this Offering Circular in this context.

***The shares of the company are currently trading on Enhanced Surveillance Measure (ESM) Stage 4.***

The Equity Shares of the Company are presently listed only on BSE with Scrip Code: 531035 and Security ID: ERAAYA. The ISIN of Equity Shares of the Company is INE432F01024. Currently, the shares of the Company are trading under Enhanced Surveillance Measure (ESM) Stage 4. (Source: [www.bseindia.com](http://www.bseindia.com)). In Stage 4 of ESM, the trade settlement continues to follow the Trade for Trade mechanism but with a reduced-price band of 5%. Moreover, during this stage, trading is permitted on all trading days through a Periodic Call Auction.

Periodic call auctions are a measure to reduce volatility in illiquid stocks. Stocks that meet specific criteria of illiquidity, as outlined in the SEBI circular no. CIR/MRD/DP/ 6/2013 dated February 14, 2013, such as having an average daily number of trades of less than 50 and a daily trading volume of less than 10,000, among other conditions, are included in this category.

Under the Periodic Call Auction mechanism, six auction sessions are held throughout the trading day, each lasting for one hour. These sessions commence at 9:30 AM and operate similarly to the pre-market session conducted for equity stocks. During the 45-minute window, participants can place, modify, and cancel their orders. All orders received are then matched within the next eight minutes, and the resulting trades are confirmed. A seven-minute buffer period is provided before the next call auction session starts. The implementation of Periodic call auctions allows for a more structured and controlled trading environment for illiquid stocks, ensuring fair price discovery and reducing excessive volatility. Accordingly, in future this may impact the ability of our shareholders to trade smoothly in the Equity Shares of the company.

## **RISKS RELATING TO INDIA**

***Political instability and a significant change in the Central and State Governments' economic liberalisation and deregulation policies could disrupt the Company's business.***

The recent Lok Sabha election in India has resulted in formation of a coalition government after a successful ten-year tenure of the ruling party as the last ruling party could not attain the absolute majority. Any political instability could adversely affect the business and economic conditions in India.

The Government has traditionally exercised and continues to exercise influence over many aspects of the economy. The Company's business and the market price and liquidity of its 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.

New policies announced and initiatives taken by the Government may have impact on the economic policies, foreign investment policies and other matters affecting investment in the Company's securities. Whilst the Government is expected to continue the liberalisation of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued.

For instance, the demonetization move by the Government in an attempt to remove the black money and counterfeit currency from the system, had an impact on the economy, particularly on the GDP growth prospects as various sectors got affected differentially on this score.

Further, the Government of India has imposed a comprehensive National Goods and Services Tax (GST) regime that has combined taxes and levies by the Central and State Governments into unified rate structure. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

A change in the Government's policies in the future that could adversely affect business and economic conditions in India, could also adversely affect the Company's financial condition and results of operations. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India generally, and specifically those of the Company, as substantially all of the Company's assets are located in India.

***The Indian securities markets are more volatile than certain other securities markets.***

The Indian securities markets are more volatile than the securities markets in certain countries that are members of the Organisation for Economic Co-operation and Development. Recently and in the past also, the Indian Stock Exchanges have experienced substantial fluctuations in the prices of listed securities.

The Indian Stock Exchanges have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers.

In addition, the governing bodies of the Indian Stock Exchanges have from time-to-time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time-to-time disputes have occurred between listed companies, and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. A closure of, or trading stoppage on,

either of the BSE, the NSE, or any of India's securities exchanges, could adversely affect the market price and liquidity of the securities of Indian companies.

***Financial instability in other countries, particularly countries with emerging markets, could disrupt Indian markets and the Company's business and cause the trading price of the Shares to decrease.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, 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 and, indirectly, in the Indian economy in general.

***Terrorist attacks, civil disturbances and regional conflicts in South Asia and European countries may have a material adverse effect on the Company's business and on the market for securities in India.***

The continuing terrorist attacks, civil disturbances and regional conflicts in the Asian and European region and such other acts of violence or terrorism may negatively affect the Indian and other markets where the Shares of the Company are traded and can also adversely affect the worldwide financial markets.

Events of this nature in the future, as well as social and civil unrest within other countries, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies.

India has also witnessed civil disturbances in the past and it is possible that future civil unrest as well as other adverse social, economic, and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Shares.

***If regional hostilities, terrorist attacks or social unrest in India increase, the Company's business could be adversely affected and the price of the Shares could decrease.***

The Asian region has, from time to time, experienced instances of civil unrest and hostilities among neighbouring countries. Military activity or terrorist attacks in India could influence the Indian economy by creating a greater perception that investments in India involve higher degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a materially adverse effect on the Indian economy, the Company's business and future financial performance and the trading price of the Shares. Further, India has also experienced social unrest in some parts of the country. If such tensions occur in other parts of the country, leading to overall political and economic instability, it could have a materially adverse effect on the Company's business, future financial performance and the price of the Shares.

***Hostilities with neighbouring countries and civil unrest in India may have a material adverse effect on the market for securities in India***

India has from time-to-time experienced instances of hostilities between neighbouring countries, including between India, Pakistan, and China. In recent years, military confrontations between India, Pakistan and China have occurred in Kashmir and along the India-Pakistan border, although the governments of India and China have recently engaged in conciliatory efforts. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult. Such political tensions could create a greater perception that investments in Indian companies involve a higher degree of risk. Events of this nature in the future, as well as social and civil unrest, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including the FCCBs, Shares, other securities and on the business of the Company.

***Natural disasters could have a negative impact on the Indian economy and harm the Company's business.***

India has experienced significant natural disasters such as earthquakes, a tsunami, floods and drought in the past

few years. The extent and severity of these natural disasters determine their impact on the Indian economy and infrastructure. Further, prolonged spells of below normal rainfall levels or other natural calamities could have a negative impact on the Indian economy, adversely affecting the Company's business and the price of the Shares and the Bonds.

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

***An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could have a material adverse effect on the business and results of operations of the Company.***

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern around the world could have a negative impact on economies, financial markets and business activities worldwide, which could have a material adverse effect on the Company's business. The Covid outbreak in 2020 had a significant adverse impact on the economies of many of the countries affected. There can be no assurance that a future outbreak of an infectious disease among humans or animals or any other serious public health concern will not have a material adverse effect on the country's economy and the business of the Company.

***Any downgrading of India's debt rating by an international rating agency could have a negative impact on the Company's business.***

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and their commercial terms at which such additional financing is available. This could have an adverse effect on its financial performance and its ability to obtain financing to fund its growth on favourable terms or at all.

***Currency exchange rate fluctuations may affect the value of the Shares***

The exchange rate between the Indian Rupee and other foreign currencies, including the U.S. Dollar, the British Pound, the Euro, the Hong Kong Dollar, the Luxemburg Dollar, and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Indian Rupees may affect the value of your investment in our Bonds. Specifically, if there is a change in relative value of the Rupee to the U.S. Dollar, each of the following values will also be affected:

- The foreign currency equivalent of the Indian Rupee trading price of our Shares in India;
- The foreign currency of the proceeds that you would receive upon the sale in India of any of our Shares; and
- The foreign currency equivalent of cash dividends, if any, paid in Indian Rupees on our Shares.

You may be unable to convert Indian Rupee proceeds into a foreign currency of your choice or the rate at which any such conversion occurs could fluctuate. In addition, our market valuation could be seriously harmed by the devaluation of the Indian Rupee if investors in jurisdictions outside India analyze its value based on the relevant foreign currency equivalent of our financial condition and results of operations.

***There may be less information available in Indian securities markets than in securities markets in more developed countries.***

There is a difference between the level of regulation, disclosure and monitoring of the Indian securities markets and the activities of investors, brokers and other participants and that of markets in the United States and other more developed economies. SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. Moreover, under the terms of the listing agreement, which every listed company enters into with the relevant stock exchange, certain information needs to be disclosed to the

stock exchange which is then made available to the general public. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies in more developed economies. As a result, you may have access to less information about the Company's business, results of operations and financial conditions, and those of the Company's competitors that are listed on the BSE, NSE and other stock exchanges in India, on an ongoing basis than you may have in the case of companies subject to reporting requirements of other more developed countries. In addition, the Company does not maintain monthly accounts on a basis consistent with the Company's quarterly reporting on either a consolidated or a non-consolidated basis, and may be unable to readily determine and accordingly report any changes in the Company's results of operations as timely as other companies.

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

The Company's Articles of Association, regulations of its Board of Directors and Indian law govern the Company's corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

***Investors may have difficulty enforcing foreign judgments against the Company or its management.***

The Company is a limited liability Company incorporated under the laws of India. Substantially all of its directors and executive officers are residents of India and a substantial portion of its assets and the assets of such persons are located in India. As a result, it may be difficult for investors or the Agents to effect service of process upon the Company or such persons outside India or to enforce judgments obtained against the Company or such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. In the case of reciprocating territories, a judgment of a court outside India may be enforced either by initiating execution proceedings pursuant to Section 44A of the Code of Civil Procedure, 1908 (the "Civil Code") or by a suit upon it. However, in the case of a non-reciprocating territory such as the United States, a judgment of a court outside India may be enforced in India only by a suit upon the judgment, subject to Section 13 of the Civil Code and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the number of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to execute such a judgment or repatriate any amount recovered. Any judgment in a foreign currency would be converted into Indian Rupees on the date of judgment and not on the date of payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

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

There are provisions in Indian law that may discourage a third party from attempting to take control over the Company, even if a change in control would result in the purchase of your Shares at a premium to the market price or would otherwise be beneficial to you.

Indian takeover regulations contain certain provisions that may delay, deter, or prevent a future takeover or change in control of us. Any person acquiring either "control" or an interest (either on his own or together with parties acting in concert with him) in 15% or more of the voting equity shares must make an open offer to acquire at least another 20% of the outstanding voting equity Shares at a price not lower than the price determined in accordance

with the takeover regulations. Further, any person who, together with persons acting in concert with him, holds 15% or more but less than 55% of the voting equity shares cannot acquire additional voting equity shares that would entitle him to exercise 5% of voting rights in any financial year ending March 31, unless such acquirer makes a public announcement offering to acquire a further minimum 20% of the voting equity Shares. Any further acquisition of the voting equity shares by any person who holds 55% or more but less than 75% of the voting equity shares (or, where the company concerned has obtained the initial listing of its shares by making an offer of at least 10% of the issue size to the public pursuant to Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, less than 90% of the equity Shares or voting rights in such company) also requires the making of an open offer to acquire a minimum of 20% of the voting equity shares or where the further acquisition is by way of a tender offer, such number of voting equity shares as would not result in the public shareholding being reduced to less than the minimum specified in the listing agreement with the stock exchange, within the time period prescribed therein, to maintain continuous listing. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of the Company.

***The Company's business and activities are regulated by the Competition Act, 2002.***

The Parliament has enacted the Competition Act, 2002 (the "Act") for the purpose of preventing practices having an adverse effect on competition under the auspices of the Competition Commission of India. Under the Act, any arrangement, understanding or action whether or not formal or informal which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement, inter alia, which directly or indirectly determines purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the market is presumed to have an appreciable adverse effect on competition. It is unclear as to how the Act and the Competition Commission of India will affect industries in India.

***You may be restricted in your ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of your ownership position.***

Under the Indian Companies Act, 2013, as amended, a public company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution. However, if the law of the jurisdiction of the investor does not permit the exercise of such pre-emptive rights without the Company filing an offering document or registration statement with the applicable authority in the relevant jurisdiction, such investor will be unable to exercise such pre-emptive rights unless the Company makes such a filing. The Company may elect not to file a registration statement related to pre-emptive rights otherwise available by Indian law to such investors. If the Company decides not to file a registration statement, the new securities may be issued to a custodian for such holders of the equity Shares, which may sell the securities for the benefit of such holders. The value, if any, such custodian would receive upon the sale of such securities and the related transaction costs cannot be predicted. To the extent that such holders are unable to exercise pre-emptive rights granted in respect of the equity shares, such investors' proportional interests in the Company would be reduced.

***Companies operating in India are subject to a variety of central and state government taxes and surcharges. Further, any change in tax laws, may result in an increase in the tax liabilities of the Company and thus adversely affect the Company's financial results.***

Tax and other levies imposed by the Government of India and state governments that affect companies' tax liability include Income Tax, Goods & Service Tax, Excise Duty and Customs Duty and other special taxes, duties and surcharges, which are introduced on a temporary or permanent basis. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect the Company's competitive position and profitability.

The Government of India or state governments may, in the future, increase corporate income tax or other taxes or cesses that they currently impose. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could have a material adverse effect on the business, financial condition and results of operations of the

Company.

***Inflation in India may adversely affect the Company's business.***

In past, India has experienced high rates of inflation. The Company can provide no assurance that such high rates of inflation will not occur in the future. Periods of higher inflation may also slow the growth rate of the Indian economy. Moreover, the reporting currency of the Company's financial statements is the Rupee, and fluctuations in the value of the Rupee that result from inflation, could affect the Company's results of operations and financial condition. Further, inflation could cause a rise in the price of transportation, wages or any other of the Company's expenses. If the Company is unable to reduce costs or pass our increased costs along to customers, the Company's results of operations and financial condition may be materially and adversely affected. Also, a rise in interest rates will impact interest payable on any future debt, thus increasing the cost of new financing, increasing our interest expense and hindering our ability to implement our growth strategies. Such a rise in interest rates could materially and adversely affect the Company's results of operations and financial condition.

**RISKS RELATING TO THE BONDS AND THE SHARES**

***The Bonds are highly complex and may not be a suitable investment for all investors.***

The Bonds are highly complex equity-linked securities and each potential investor in the Bonds must determine the suitability of such an investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the relevant financial markets; and
- (e) have experience in buying complex securities, including convertible bonds, and securities issued by issuers operating in high-risk sectors and geographies.

***An active market for the Bonds may not develop, which may cause the price of the Bonds to fall.***

The bonds being issued pursuant to this Offering Circular are not proposed to be listed on any stock exchange. Therefore, there is no active market for the Bonds. No assurance can be given that an active trading market for the Bonds will develop or the ability of holders of the Bonds to sell their Bonds or the price at which Bondholders will be able to sell their Bonds. In addition, the market for debt securities in emerging markets has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Bonds. There can be no assurance that the markets for the Bonds, if any, will not be subject to similar disruptions. Any disruptions in these markets may have an adverse effect on the market price of the Bonds.

***Bondholders will bear the risk of fluctuation in the price of the Shares.***

The market price of the Bonds is expected to be affected by fluctuations in the market price of the Shares and it is impossible to predict whether the price of the Shares will rise or fall. Trading prices of the Shares will be influenced by, among other things, the Company's financial position, the results of operations and political, economic, financial and other factors. Any decline in the price of the Shares may have an adverse effect on the market price of the Bonds.

In addition, the market value of the Bonds or the Shares may fluctuate due to the volatility of the Indian securities market, which may be more volatile than the securities markets in other countries. Stock exchanges in India have, in the past, experienced substantial fluctuations in the prices of listed securities. The stock exchanges in India have experienced problems which, if these were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Bonds and the Shares. These problems have included broker

defaults and settlement delays. In addition, the governing bodies of the various Indian stock exchanges have from time-to-time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time-to-time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

***There is no guarantee that the Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of the Company's Equity Shares.***

Application will be made for the listing of the Equity Shares issuable upon conversion of the Bonds to each of the BSE. However, there could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict prospective investors' ability to trade in the Equity Shares.

The Indian securities markets are more volatile than the securities markets in certain other countries, which are members of the Organisation for Economic Co-operation and Development ("OECD"). The Indian Stock Exchanges, in the past, have experienced substantial fluctuations in the prices of listed securities. The Indian stock exchanges have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. A closure of, or trading stoppage on, either the BSE or the NSE could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Bonds and the Equity Shares will trade in the future. In addition, the governing bodies of the Indian Stock Exchanges have from time-to-time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time-to-time disputes have occurred between listed companies, and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

There is a lower level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants than in certain other countries that are OECD members. SEBI received statutory powers in 1992 to assist it in carrying out its responsibility for improving disclosure and other regulatory standards for the Indian securities markets. Subsequently, SEBI has prescribed certain regulations and guidelines in relation to disclosure requirements, insider dealing and other matters relevant to the Indian securities markets.

***Bondholders will have no rights as shareholders until they acquire Equity Shares upon conversion of the Bonds.***

Unless and until the Bondholders acquire Equity Shares upon conversion of the Bonds, the Bondholders will have no rights with respect to Equity Shares, including any voting rights or rights to receive any regular dividends or other distributions with respect to Equity Shares. Bondholders who acquire Equity Shares upon the exercise of a Conversion Right will be entitled to exercise the rights of Shareholders only in respect of actions for which the applicable record date occurs after the Conversion Date.

***Rights to receive payment on the Bonds are subordinated to the Company's secured indebtedness and structurally subordinated to the indebtedness and liabilities of the Company's subsidiary.***

The Bonds will be effectively subordinated to any of the Company's secured obligations with respect to the assets that secure such obligations. The terms of the Bonds do not prevent the Company from incurring additional debt.

***RBI approval is required for repayment of the Bonds prior to maturity.***

Under the guidelines on policies and procedures for external commercial borrowings issued by the RBI, any prepayment of an external commercial borrowing prior to its minimum average maturity requires the prior approval of the RBI. Therefore, any repayment of the Bonds prior to maturity as a result of early redemption pursuant to any adverse change in the tax treatment of the Bonds and any adjustment in the conversion price which is not in accordance with the terms and conditions of the Bonds or acceleration of the Bonds upon the occurrence of an event of default or otherwise would require the prior approval of the RBI. There can be no assurance that RBI approval of such action would be obtained in a timely manner or at all.

***The Company may not be in a position to redeem the Bonds in certain circumstances beyond its control.***

In the event of a Change of Control, a Delisting of the Shares from the BSE or a Non-permitted Conversion Price Adjustment Event, Bondholders may require the Company to repurchase all (or a portion of) such Bondholder's Bonds. Further information can be found under the heading "Terms and Conditions of the Bonds". The Company may not be able to repurchase all or any of such Bonds if (i) the requisite regulatory approval is not received or (ii) the Company does not have sufficient cash flow to repurchase the Bonds.

Upon the occurrence of an event triggering an adjustment of the conversion price, the conversion price shall be adjusted as provided in the "Terms and Conditions of the Bonds". It is unclear as to whether the above regulations will affect the adjustment of the conversion price upon the occurrence of an event triggering such an adjustment. Should an event triggering an adjustment to the conversion price occur and the Company is unable to provide the Registrar with an opinion of an independent legal counsel confirming to the Registrar's satisfaction that such adjustment to the conversion price is permitted under then prevailing applicable Indian laws and regulations, Bondholders may require the Company to repurchase all (or any portion of the principal amount thereof which is US\$200,000 or any integral multiples thereof) of such Bondholder's Bonds at a price equal to their Early Redemption Amount. However, the Company may not be able to repurchase all or any of such Bonds if (i) the requisite regulatory approval is not received or (ii) the Company does not have sufficient cash flow to repurchase the Bonds.

***Fluctuations in the exchange rate between the Rupee and the U.S. dollar may have a material adverse effect on the value of the Bonds or the Shares independent of the Company's operating results.***

Investors are required to pay for any Bonds they purchase in U.S. dollars. The market value of the Bonds is subject to currency fluctuation and convertibility risk since the Shares are quoted in Indian rupees on the Indian Stock Exchanges on which they are listed. Bondholders who seek to sell in India any Shares issued upon conversion of the Bonds and to convert the Rupee proceeds of such sale into foreign currency for remittance in foreign currency from India, will require the approval of the RBI for each such transaction (unless such Shares are sold on a stock exchange in India on which the Shares are listed). A delay in obtaining such approval might adversely affect the rate of exchange available for such conversion.

The exchange rate between the Rupee and the US dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Shares and returns from the Shares, independent of the Company's operating results. For historical movements, see "Exchange Rates".

***Future issues or sales of the Shares may significantly affect the trading price of the Bonds or the Shares.***

The future issue of Shares by the Company or the disposal of Shares by any of the major shareholders or the perception that such issues or sales may occur, could significantly affect the trading price of the Bonds or Shares. If, for example, the Company completes one or more significant acquisitions through the issuance of Shares, holders of Shares could suffer dilution of their interests. There is no restriction on the Company's ability to issue Shares or the Company's shareholders' ability to dispose of their Shares, and there can be no assurance that the Company will not issue Shares or that any shareholder will not dispose of, charge, or pledge, its Shares in the future.

***Conditions in the Indian securities market may affect the price or liquidity of the Company's Shares and Bonds.***

Securities markets in India are smaller and more volatile than securities markets in more developed economies. The Indian Stock Exchanges have in the past experienced substantial fluctuations in the prices of listed securities. In addition, the governing bodies of the Indian Stock Exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Future fluctuations in the Indian securities markets could have a material adverse effect on the price of the Company's Shares and Bonds.

***Settlement of trades of the Company's Shares on the Indian Stock Exchanges may be subject to delays.***

Settlement of transfers of the Shares listed on the Indian Stock Exchanges may be subject to delays and an investor who converts the Bonds into Shares may not be able to settle trades on these stock exchanges in a timely manner.

***Financial instability in other countries, particularly emerging market countries, could disrupt the Indian share market and affect the price of the Company's Shares and the Bonds.***

Although economic conditions are different in each country, investors' reactions to developments in one country may have an adverse effect on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates, this could adversely affect the Indian financial sector in particular. Any financial disruption could have an adverse effect on the Company's business, future financial performance, shareholders' equity and the price of the Company's Shares and the Bonds.

***Bondholders will bear the risk of fluctuation in the price of the Shares if there is a delay between the conversion of Bonds into Shares and the approval for listing and trading of Shares on the Indian Stock Exchanges.***

There will be a time gap from the date on which a Bondholder notifies the Conversion Agent of his intention to convert the Bonds into Shares and the date of allotment of the Shares to the Bondholder, and a further time gap from the date of allotment of the Shares to the Bondholder and the date on which the Indian Stock Exchanges grant their final approval for the Shares to be listed and traded. Within these time gaps, the price of the Shares may fluctuate and this may have an adverse effect on the price that the Bondholder anticipates to receive for the transfer of Shares received upon conversion of the Bonds.

***The price of the Company's Shares is also market driven and subject to fluctuation, which may make future prices of the Shares difficult to predict.***

The some of the factors that could affect the share price of the Company are:

1. speculation in the press or investment community about, or actual changes in, the business, strategic position, market share, organizational structure, operations, financial condition, financial reporting and results, value or liquidity of the investments, exposure to market volatility, prospects, business combination or investment transactions, or executive team of the Company;
2. the announcement of new projects, comparative services or acquisitions by the Company or its competitors;
3. quarterly increases or decreases in revenue, gross margin, earnings or cash flow from operations, changes in estimates by the investment community or guidance provided by the Company, and variations between actual and estimated financial results.

General or industry-specific market conditions or stock market performance or domestic or international macroeconomic and geopolitical factors unrelated to the Company's performance also may affect the price of the Company's shares. In particular, the stock market as a whole recently has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to those companies' operating performance.

***The Bonds are subject to restrictions on resale and transfers.***

The Bonds have not been registered under the Securities Act or any US state securities laws or under the securities laws of any other jurisdiction and are being issued and sold in reliance upon exemptions from registration provided by such laws. No Bonds may be sold or transferred unless such sale or transfer is exempt from the registration requirements of the Securities Act (for example, in reliance on the safe harbour provided by Regulation S under the Securities Act) and applicable state securities laws. For certain restrictions on resale and transfers, refer "Plan of Distribution" of this Offering Circular.

***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Bonds and the Shares and there may be higher taxes applicable in future.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. The sale of share is subject to securities transaction tax (“STT”) in India. STT will be levied on and collected by a domestic stock exchange on which the Bonds or the Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months, will be subject to long-term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Interest payments on the Bonds, until the conversion option is exercised, shall be subject to deduction of tax at source at the rate of ten per cent. Due to change in regulatory policy the rate of taxation may be enhanced in future.

***There are limitations on the ability of Bondholders to exercise their Conversion Rights.***

The Bonds are convertible into Shares at the option of the Bondholders pursuant to the Terms and Conditions. Bondholders will be able to exercise their right to convert the Bonds into Shares (the “Conversion Right”) only within the conversion period specified in the Terms and Conditions and will not be able to exercise their Conversion Right during any closed period specified in the Terms and Conditions.

***Bondholders may face uncertainties in their ability to convert Bonds into Shares and any such conversion may be subject to delay.***

India’s restrictions on foreign ownership of Indian companies limit the number of shares that may be owned by foreign investors and, in certain scenarios, require the Government of India’s approval for foreign ownership. Investors who convert Bonds into Shares will be subject to Indian regulatory restrictions on foreign ownership upon such conversion. It is possible that the conversion process may be subject to delays.

***The ability to sell Shares to a resident of India is subject to certain pricing restrictions.***

A person resident outside India (including a Non-Resident Indian) is generally permitted to transfer by way of sale the shares held by him to any other person resident in India without the prior approval of the RBI. However, the price at which the transfer takes place must comply with the pricing guidelines prescribed by the RBI. The pricing guidelines stipulate that where the shares of an Indian company are traded on a stock exchange, the sale of shares shall be at a price determined on the basis of the ICDR Regulations and in other cases it shall not be less than the fair value of the shares determined by a SEBI registered merchant banker or a chartered accountant as per any internationally accepted pricing methodology on arm’s length basis. Investors who convert Bonds into Shares will be subject to the above pricing restrictions on a sale of such Shares to residents of India.

***The Company’s ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

The amount of future dividend payments, if any, will depend upon the Company’s future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of its indebtedness and capital expenditures. Any declaration and payment as well as the amount of any dividend will also be subject to the constitutional and contractual documents including the financing documents of the Company and applicable laws and regulations in India, including in the case of any final dividend, the approval of Shareholders. There can be no assurance that the Company will or will have the ability to, declare and pay any dividends on the Shares at any point in the future.

***The Bonds are subject to modification by a majority of Bondholders without the consent of all Bondholders.***

The terms and conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

***Few Significant differences exist with Ind AS used throughout the Company’s financial information and other***

***accounting principles with which investors may be more familiar.***

The Company's Financial Statements are prepared in accordance with Ind AS, consistently applied during the period stated, except as provided and no attempt has been made to base any of the information given in this Offering Circular in any other accounting principles or accounting standards. Ind AS differs from accounting principles and accounting standards with which prospective investors may be familiar with other countries. The differences between Ind AS and IFRS may be material to the financial information contained in this Offering Memorandum. The Issuer has made no attempt to quantify the effect of any of these differences and Indian GAAP does not require such quantification.

***The failure of the Issuer to properly create and register the security interests in the Collateral securing the Bonds could result in an event of default under the Bonds, and could impair the ability of the holders of the Bonds to seek repayment.***

The Issuer will be obligated to create and register the Collateral, or to take all commercially reasonable steps to create and register the Collateral securing the Bonds. Until the Collateral Documents are entered into the Bonds will be unsecured. If the Issuer fails to take commercially reasonable steps to or fails to create and register the applicable Collateral in the form and manner prescribed, an Event of Default will occur and Security Agent could enforce the security over the Collateral. In such circumstances, the Issuer may not have sufficient resources to repay the Bonds, in full or at all.

## PRICE RANGE OF EQUITY SHARES

The Shares of the Company are listed and traded on the BSE. The prices for Shares as quoted on the official list of the BSE are expressed in Indian rupees.

The following table sets forth the reported high and low closing prices of the Shares on the BSE during each of the periods indicated:

Calendar Period	BSE				Average Daily Equity Share Trading Volume
	High		Low		
	Rs.	US\$	Rs.	US\$	
<b>2022</b>					
January	8.15	0.10	8.15	0.10	100
February	7.80	0.09	7.80	0.09	300
March	7.45	0.09	7.45	0.09	100
April	7.82	0.09	7.82	0.09	100
May	-	-	-	-	-
June	-	-	-	-	-
July	-	-	-	-	-
August	-	-	-	-	-
September	-	-	-	-	-
October	8.21	0.10	8.21	0.10	100
November	-	-	-	-	-
December	8.62	0.10	8.62	0.10	200
<b>2023</b>					
January	9.05	0.11	9.05	0.11	100
February	9.50	0.11	9.50	0.11	100
March	9.97	0.12	9.97	0.12	100
April	10.46	0.13	10.46	0.13	200
May	11.52	0.14	10.98	0.13	100
June	12.09	0.15	12.09	0.15	100
July	12.69	0.15	12.69	0.15	100
August	15.40	0.18	13.32	0.16	113
September	34.23	0.41	16.17	0.19	24,758
October	50.76	0.61	34.91	0.42	86
November	76.80	0.92	51.77	0.62	154
December	113.98	1.37	78.33	0.94	664
<b>2024</b>					
January	175.60	2.11	116.25	1.39	3,840
February	265.65	3.19	179.10	2.15	1,006
March	386.35	4.63	270.95	3.25	2,579
April	573.35	6.88	394.05	4.73	2,019
May	755.85	9.07	561.90	6.74	9,196
June	800.00	9.60	727.50	8.73	12,993
July	800.10	9.60	790.00	9.48	82,217
August (up to )	801.15	9.61	795.00	9.54	100,854

*(Source- Official website of the BSE)*

As on \_\_\_\_\_ 2024, the closing price of the Shares on the BSE was Rs. \_\_\_\_\_ per Share. As of 13 August 2024, the Company had 7,238 Shareholders.

## EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and the U.S. Dollar will affect the U.S. Dollar equivalent of the Rupee price of the Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. Dollars of any cash dividends paid in Rupees on the Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. dollar (in Rupees per U.S. dollar) based on the reference rates released by the Reserve Bank of India. The exchange rate as at \_\_\_\_\_ 2024 was Rs. \_\_\_\_\_ = US\$1. (*Source: Reference rate as released by the Reserve Bank of India*). No representation is made that the Rupee amounts actually represent such amounts in U.S. dollars or could have been or could be converted into U.S. dollars at the rates indicated, any other rates or at all.

	<b>(Rs. per US\$1)</b>			
	<b>Year ended December 31</b>			
	<b>Period End</b>	<b>Average</b>	<b>High</b>	<b>Low</b>
2019	71.2740	70.4086	72.1899	68.3665
2020	73.0536	74.0648	76.8084	70.8115
2021	74.3025	73.9783	76.2528	72.2923
2022	82.7862	78.6531	83.2042	73.9319
2023	83.1164	82.5999	83.3950	81.2196
2024 (up to 2024)	83.9700	83.3148	83.9700	82.6770
	<b>Month ends</b>			
First Quarter 2022	75.8071	75.2504	76.9239	73.9319
Second Quarter 2022	78.9421	77.2508	78.9421	75.3899
Third Quarter 2022	81.5522	79.8109	81.9005	78.6082
Fourth Quarter 2022	82.7862	82.2026	83.2042	68.3665
First Quarter 2023	82.2169	82.2596	82.9145	81.2196
Second Quarter 2023	82.0428	82.2114	82.7982	81.6526
Third Quarter 2023	83.0580	82.6554	83.2553	81.8088
Fourth Quarter 2023	83.1164	83.2707	83.3950	83.0173
First Quarter 2024	83.3739	83.0300	83.3739	82.6770
Second Quarter 2024	83.4534	83.4231	83.5860	83.0659
Third Quarter 2024 (up to 2024)	83.9700	83.6691	83.9700	83.4043

*Source: (www.rbi.org.in / www.fbil.org.in)*

## **USE OF PROCEEDS**

The net proceeds from the issue of the Bonds are estimated to be approximately US\$\_\_\_ million after deducting the fee and expenses of the offering.

The aggregate net proceeds received by the Company from the offer will be used towards the acquisition of 100% Equity of EBIX Inc.

Pending the use of the net proceeds from the offering for the purposes described above, the Company intends to invest the net proceeds in the instruments as permitted by applicable laws or regulations issued by RBI and the Govt. of India.

The Company will not directly or indirectly use the proceeds from the issue to lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or any other person or entity for the purpose of financing the activities of, or otherwise for the benefit of, any country, territory, person or entity currently subject to any international sanctions or such that the same will result in a violation of international sanctions by any person, including any person participating in the issue whether as underwriter, advisor or investor.

## DIVIDEND POLICY

Under the Companies Act, a company pays dividends upon a recommendation by the board of directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the board of directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits of previous fiscal years.

Dividends are payable within 30 days of approval by shareholders at the Company's AGM which is held not later than six months from the close of the financial year (or as extended for up to another three months by permission of Indian Government authorities). The Shares issued upon conversion of the Bonds will rank *pari passu* with existing shares in respect of dividends. When dividends are declared, all the Shareholders whose names appear in the share register as at the "Record Date" or "book closure date" are entitled to be paid the dividend declared by the Company. Under the Companies Act, 2013, the Board has been granted the discretion to declare and pay interim dividends without obtaining Shareholder approval.

The management of the Company does not have a stated dividend policy and determines the amount of dividends to be recommended for approval by the Shareholders on a year-by-year basis by reference to the Company's earnings, cash flow, financial condition and other factors prevailing at the time.

Currently, the Company is liable to pay a dividend distribution tax of 15% (plus surcharge and education cess at applicable rates) computed on the amount determined after grossing up dividend paid by the rate of tax, in respect of dividends paid by the Company. These are direct taxes paid by the Company and are not payable by shareholders and are not withheld or deducted from the dividend payments.

### **Historic dividends**

The Company has not declared any dividend during the last five years.

### ***Future Dividends***

***The form, frequency and amount of future dividends on the Shares will depend upon the Company's earnings, cash flow, financial conditions and other related factors and moreover, the same shall be at the discretion of the Board.***

There is no assurance that the Company will declare or pay any dividend in the future.

## CAPITALISATION

The following table sets forth the Company's capitalisation as at 30 June 2024 prepared in accordance with Ind AS, and adjusted to give effect to the issuance of the Bonds offered hereby.

The following table should be read together with the financial statements included under the heading "Financial Statements" in this Offering Circular.

	<b>As at 30 June 2024</b>			
	<b>Actual</b>		<b>As Adjusted for Offer</b>	
	<b>(Rs. millions)</b>	<b>(US\$ millions)</b>	<b>(Rs. millions)</b>	<b>(US\$ millions)</b>
<b>Short term debt</b>				
Secured	-	-	-	-
Unsecured	-	-	-	-
<b>Long term debt</b>				
Secured	-	-	-	-
Unsecured	-	-	8,337.39	100.00
<b>Total debt</b>	<b>-</b>	<b>-</b>	<b>8,337.39</b>	<b>100.00</b>
<b>Shareholders' funds</b>				
Equity share capital	151.23	1.81	151.23	1.81
Preference share capital	-	-	-	-
Reserves and surplus	(17.80)	(0.21)	(17.80)	(0.21)
<b>Total Shareholders' funds</b>	<b>133.43</b>	<b>1.60</b>	<b>133.43</b>	<b>1.60</b>
<b>Total</b>	<b>133.43</b>	<b>1.60</b>	<b>8,470.82</b>	<b>101.60</b>

**Notes:**

- 1 The above table contains the capitalisation statement of the Company as on 30 June 2024 based on un-audited results.
- 2 Reserves and surplus do not include revaluation reserves and is net of Miscellaneous Expenditure (to the extent not written off/adjusted).
- 3 The authorised share capital of the Company as on 30 June 2024 was Rs. 750,000,000 divided into 75,000,000 equity shares of Rs.10 each.
- 4 **Material Change:** The Company has made a qualified institutional placement of 3,261,200 equity shares of Rs.10 each at a premium of Rs.752 per share aggregating to Rs.2,485.03 million (US\$29.81 million) on 13 August 2024. Resultantly, the Shareholders' funds are increased by Rs. 2,485.03 million (US\$29.81 million).

## SELECTED REFORMATTED FINANCIAL INFORMATION

*The following financial data should be read in conjunction with the financial statements and schedules attached thereto included elsewhere in this Offering Circular. The selected data has been derived from the Company's audited financial statements and schedules attached thereto for the fiscal year ending 31.03.2024 and from the Company's unaudited standalone & financial statements for three months period ended 30 June 2024.*

Particulars	Year ended					
	31-Mar-24		31-Mar-23		31-Mar-22	
	US\$/Mn.	Rs./Mn.	US\$/Mn.	Rs./Mn.	US\$/Mn.	Rs./Mn.
Total Income	35.69	2,975.75	0.03	2.44	-	-
Expenditure	35.63	2,970.77	0.02	1.39	0.01	0.61
EBITDA	0.06	4.98	0.01	1.05	(0.01)	(0.61)
EBITDA margin (%)	0.17	0.17	43.00	43.00	-	-
Financial Expenses	0.00	0.38	0.00	0.28	-	-
Depreciation & amortisation	0.00	0.35	-	-	-	-
Profit before Tax	0.05	4.25	0.01	0.77	(0.01)	(0.61)
Profit after Tax	0.04	3.39	0.01	0.77	(0.01)	(0.61)
PAT margin (%)	0.11	0.11	31.50	31.50	-	-
	<b>(US\$)</b>	<b>(Rs.)</b>	<b>(US\$)</b>	<b>(Rs.)</b>	<b>(US\$)</b>	<b>(Rs.)</b>
<b>Earnings Per Equity Share</b>						
Basic	0.00	0.22	0.01	0.52	-	-
Diluted	0.00	0.22	0.01	0.52	-	-

**Note:** EPS is expressed in US\$/Rs. and not in million.

<b>UNAUDITED RESULTS FOR THREE MONTHS PERIOD ENDED 30 JUNE 2024</b>			
<b>S. No.</b>	<b>Particulars</b>	<b>US\$/Mn.</b>	<b>Rs./Mn.</b>
	<b>Revenues</b>		
<b>1</b>	Revenue from Operations	0.24	19.99
<b>2</b>	Other Income	-	-
<b>3</b>	Total Revenue (1+2)	<b>0.24</b>	<b>19.99</b>
<b>4</b>	<b>Expenses</b>		
	(a) Cost of Materials consumed	-	-
	(b) Purchase of Stock-in-Trade	0.06	5.01
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	(0.02)	(1.49)
	(d) Employee benefits expense	0.01	1.16
	(e) Finance Cost	-	-
	(f) Depreciation and amortisation expense	0.00	0.41
	(g) Other expenses	0.03	2.14
	<b>Total Expenses</b>	<b>0.09</b>	<b>7.23</b>
<b>5</b>	Profit / (Loss) before exceptional items and Tax (3-4)	0.15	12.76
<b>6</b>	Exceptional items	-	-
<b>7</b>	Profit / (Loss) before Tax (5 - 6)	0.15	12.76
<b>8</b>	Tax Expense:		-
	a) Current Tax	0.04	3.21
	b) Deferred Tax	-	-
<b>9</b>	Profit/ (Loss) for the period from Continuing operations (7-8)	0.11	9.55
<b>10</b>	Profit/ (Loss) for the period from Discontinued operations	-	-
<b>11</b>	Tax Expense of Discontinued operations	-	-
<b>12</b>	Profit/ (Loss) for the period from Discontinued operations (After Tax)	-	-
<b>13</b>	Profit/ (Loss) for the period (After Tax)	<b>0.11</b>	<b>9.55</b>
<b>14</b>	Other Comprehensive Income A) (i) Items that will not be reclassified to profit or loss (ii) Income Tax relating to item that will not be re-classified to profit or loss B) (i) Items that will be reclassified to profit or loss (ii) Income Tax relating to item that will be re-classified to profit or loss	-	-
<b>15</b>	Total Comprehensive income for the period (13+14)	<b>0.11</b>	<b>9.55</b>
<b>16</b>	Paid up equity Share Capital (Face value of the shares shall be indicated)	1.81	151.23
<b>17</b>	Other Equity excluding revaluation reserve	(0.10)	(8.25)
<b>18</b>	Earnings Per Share (EPS) Equity shares of Par value at Rs. 10 Each.		
	(a) Basic	0.01	0.63
	(b) Diluted	0.01	0.63

**Note:** EPS is expressed in US\$/Rs. and not in million.

## INDUSTRY OVERVIEW

*The information in the section below has been derived from various publicly available sources, government publications and other industry sources. This information has not been independently verified by the Company, or any of their respective affiliates or legal advisors and none of these parties makes any representation as to the accuracy of this information. The information may not be consistent with other information compiled within or outside India.*

*Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.*

## GOLBAL ECONOMY

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and then assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

Policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt

sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

### Forces shaping the outlook

The global economic recovery from the COVID-19 pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favourable supply-side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

Growth resilient in major economies. Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting

consumption amid still-tight—though easing—labour markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labour force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their pre-pandemic (2017–19) paths amid elevated borrowing costs.

### **Inflation subsiding faster than expected**

Amid favourable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the pre-pandemic average for both headline and underlying (core) inflation. Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter-over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks— notably those to energy prices—and their associated pass-through to core inflation.<sup>1</sup> The decline also reflects an easing in labour market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labour supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

### **High borrowing costs cooling demand**

To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding post-pandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets. Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks' policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

### **Fiscal policy amplifying economic divergences**

Governments in advanced economies eased fiscal policy in 2023. The United States, where GDP had already exceeded its pre-pandemic path, eased policy more than did euro area and other economies in which the recovery was incomplete. In emerging market and developing economies, in which output has on average fallen even further below the pre-pandemic trend, on average the fiscal stance is estimated to have been neutral. The exceptions include Brazil and Russia, where fiscal policy eased in 2023. In low-income countries, liquidity squeezes and the elevated cost of interest payments—averaging 13 percent of general government revenues, about double the level 15 years ago—crowded out necessary investments, hampering the recovery of large output losses compared with pre-pandemic trends. In 2024, the fiscal policy stance is expected to tighten in several advanced and emerging market and developing economies to rebuild budgetary room for manoeuvre and curb the rising path of debt, and this shift is expected to slow growth in the near term.

## **OVERVIEW OF THE INDIAN ECONOMY**

The real GDP in 1H of 2023-24 registered a YoY growth of 7.7% over the previous year. The real GDP in Q2 of 2023-24 registered a growth of 7.6%, indicating the sustenance of growth momentum in the financial year. These estimates reaffirm the ability of the Indian economy to grow on the robustness of its domestic demand even when a rise in global uncertainties slows global output. India's real GDP expanded by 7.2% in FY23, the highest among major economies.

The nation has shifted to a modern economy, demonstrating increased global integration, and exporting a fifth of its output, a significant rise from one-sixteenth at independence. The demographic transition, marked by a lower infant mortality rate and a consistent growth in literacy rates, further enhances India's advantageous position. With improved income distribution, heightened employment rates, and globally competitive social amenity

provisions, there is potential for India's per capita GDP to expand in the next 25 years, mirroring the growth seen in the preceding 75 years.

In the fiscal year 2023-24 (Budget Estimate), there has been a substantial 37.4% increase in the allocation for capital expenditure, rising from Rs. 7.28 lakh crore (US\$ 89 billion) in the previous year (2022-23) to Rs. 10 lakh crore (US\$ 120 billion). The strong growth of the Indian economy in the first half of FY23 has surpassed that of major economies, contributing to the reinforcement of macroeconomic stability.

India's economy outpaced other economies during the first half of FY24, propelled by robust demand and increased investment. As of December 2023, the annual retail price inflation in India has escalated to 5.69%, marking a modest uptick in recent months, yet remaining below the upper target band set by the Reserve Bank of India (RBI). The real investment rate during Q2 of FY23, prevailing at a high level of 34.6%, demonstrates the Government's continued commitment towards asset creation.

An overall rise in Rabi coverage with adequately filled irrigation reservoirs plays a pivotal role in the agricultural output growth in 2022-23. An increase in minimum support prices for both Kharif and Rabi crops in 2022-23 and progress in rice procurement have already been supplementing rural incomes in the country. Higher incomes have further resulted in an increase in sales of passenger vehicles, two-wheelers and three-wheelers, and tractors by a good year-on-year margin in October-November. The increase in GST collection, the strong generation of e-way bills, and the growth in e-toll collection serve as reaffirmations of the resilience within economic activity.

In addition, steady growth momentum in service activity continues with healthy PMI levels during October to December, attributing to the growth in output and accommodating demand conditions, leading to a sustained upturn in sales. The growth impetus in rail freight and port traffic remains upbeat, with further improvement in the domestic aviation sector. Strong growth in fuel demand, domestic vehicle sales, and high UPI transactions also reflect healthy demand conditions.

Continuous capital spending by the Government during the initial seven months expanded by 61.5%, amounting to Rs. 4.1 trillion (US\$ 49 billion) which totals up to 54.6% of the available budget.

The Union Budget for FY24 emphasizes four pivotal areas: (i) Sustaining Growth in agriculture, industry, and services, with a specific focus on fostering the green economy; (ii) Inclusive Growth of women, children, and 74 deprived and disadvantaged sections of the society for broad-based development of the economy; (iii) Stimulating growth through capital expenditure, employment generation, and exports; and (iv) Financing Growth by strengthening the banking and in general, the financial sector.

Strengthening the banking and financial sector is evident, given the stability in foreign direct investment (FDI) inflows, a resurgence in Foreign Portfolio Investment (FPI) inflows, and ample foreign exchange reserves providing a robust import cover of 9 months. The external front remains resilient, contributing to the commendable performance of the INR compared to other Emerging Market Economies (EMEs).

India's services exports demonstrated robust performance in H1 of FY24, registering growth compared to H1 of FY23. This growth is predominantly fuelled by the software and business services sector. With a projected 4.3% increase in global IT spending for 2023, India's services exports outlook remains favourable. The narrowing merchandise trade deficit and the upward trajectory of net services receipts are anticipated to contribute to an enhancement in India's current account deficit.

As we approach 2024, the global economic landscape is anticipated to introduce further complexities, necessitating sustained vigilance to uphold India's external resilience. It is important for India to address medium-term challenges, including securing technology and resources for energy transition and skill development for the 21st-century economy. Concurrently, maintaining fiscal consolidation at the general government level is crucial.

The collective efforts invested over the past several years have laid a robust foundation, providing a sturdy platform upon which the framework of a middle-income economy can be erected.

(Source: IBEF, <https://www.ibef.org/economy/monthly-economic-report> )

## Digital Marketing

Businesses make use of email, social media, web-based advertising, and text and multimedia messages, as different forms of digital marketing. India is considered a fast-paced market outgrowing China in terms of internet consumption. India's large population is becoming more reliant on the Internet for a variety of purposes including online learning, paying bills, watching movies, etc., thereby increasing the amount of time spent online. Hence, businesses are employing digital marketing strategies to target customers online in an efficient manner, which is boosting the India digital marketing market expansion.

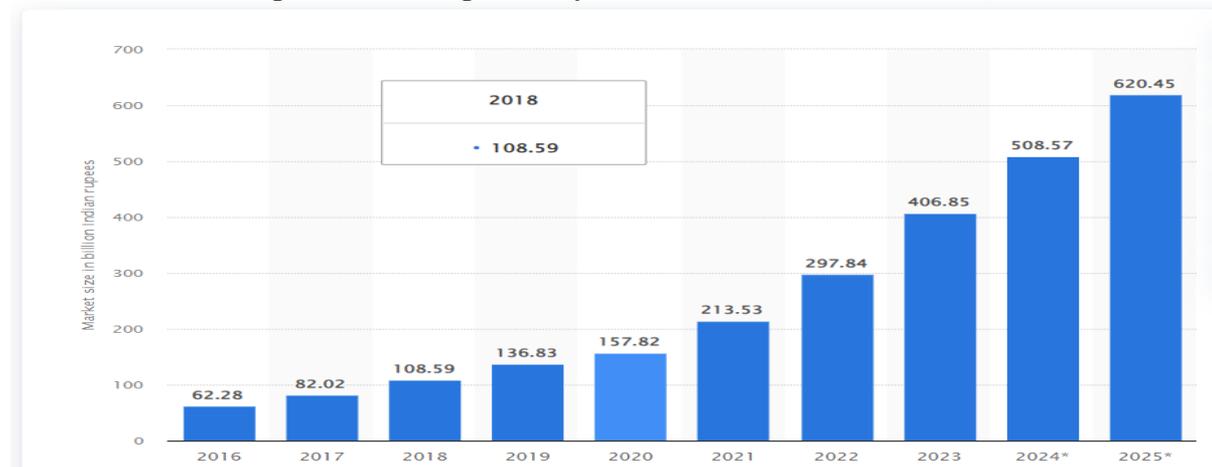
Business owners are focusing on enhancing their presence on search engines like Google by increasing their expenditure on digital marketing campaigns and bringing about brand awareness to increase profits.

## India Digital Marketing Market Trends

The digital marketing landscape in the country has evolved, with considerable growth anticipated for the sector amidst the constantly advancing technologies such as the artificial intelligence (AI) and their integration with e-commerce. In addition to AI, several other technologies such as voice searches, virtual reality, and others, are proving to be a game changer for brands trying to establish themselves in the market. Over the forecast period, influencer marketing is expected to be a key market trend owing to its cost-effectiveness and the increased social media penetration in the country.

The rising popularity of e-commerce websites such as Amazon, Flipkart, Myntra, Nykaa, among others, has been a major driver for the Indian digital marketing market. The expansion strategies set out by e-commerce websites primarily involved digital marketing solutions rather traditional, further leading to their steady establishment in the Indian scenario.

## Market size of the digital advertising industry across India from 2016 to 2023, with estimates until 2025



### Rapid technological advancements

Artificial intelligence (AI) helps digital marketers to analyse customers' data to create competitive marketing strategies and provide them with a customised experience. Further, AI can help businesses provide real-time customer support and improve social media marketing.

### Rise of social media influencers

The rising popularity of social media influencers among consumers is positioning influencer marketing as a profitable opportunity for businesses to connect with their target audience, enhance product awareness, and increase consumers' trust in their business.

### Significant government support

The advancement of digital marketing in India is supported by ongoing initiatives set out by the Government of India such as the 'Digital India' initiative to improve the country's online infrastructure and internet accessibility.

## What is Digital Marketing?

Any form of marketing that uses digital channels such as SEO, websites, social media, mobile applications, emails, SMS, etc to market. Using electronic devices for selling products and services to reach consumers is

known as digital marketing. It helps companies to reach out to a larger audience and understand their behaviour.

It refers to the marketing campaigns like ads, social media posts and ads, online videos, and search engine marketing that appear on mobiles, tablets, computers, etc. Marketing on digital platforms generates more revenue than any traditional media company as it attracts more eyeballs.

### **Growth of the Digital Marketing Industry in India**

India has 700+ million internet users and the number is expected to increase to over 950 million internet users by 2025. According to Statista, there will be a rise in the digital marketing industry to ₹539 billion by the year 2024. Almost all the Indian business sectors have shown active participation in e-marketing like shopping, online banking, online payment systems, content management, and social media marketing.

Consumers around the globe have access to all sorts of e-marketing anywhere and anytime. Therefore, making the whole world the potential buyers and suppliers by removing the geographical boundaries.

- To begin with, it was Flipkart 2007 that changed the marketing structure in India. It increased the number of online shoppers and gave a huge opportunity to marketers to sell products online.
- It was followed by a shift from traditional marketing to online marketing as so many brands wanted to popularize their names.
- Gradually, the digital marketing sector flourished by bringing a huge percentage of businesses online through social media marketing, email marketing, SEO, etc.
- On average, an Indian spends around 4 hours a day on social media and browsers. The online content engagement has influenced a lot of lives which empowers digital marketers to sharpen their strategies and attract more audiences through new ideas with images, texts, and videos.
- This market will expand in the near future which allows huge opportunities for the Indian marketers to grow more and earn more.

### **Different Types of Digital Marketing in India**

#### **Search Engine Optimization**

- SEO or Search Engine Optimization is a marketing tool that involves all the processes to improve a website's visibility or rank higher in search engines.
- It is responsible for getting organic or unpaid online traffic.
- Keywords are the most important factor considered for optimizing a web page. SEO identifies and analyses proper keywords and ingrates them in your website content skilfully so that your webpage appears on the Search Engine Results Page (SERP).
- There is no constant rule to rank higher in SEO as Google keeps changing its algorithm constantly. You cannot predict exact things but you can definitely monitor your page's performance closely and do adjustments accordingly.

#### **Social Media Marketing**

- Social media platforms are used by companies and individuals to promote their products, services, and brands by driving traffic, building trust, and brand awareness.
- Instagram, YouTube, Facebook, Twitter, LinkedIn, etc. are the commonly popular and used social media platforms.
- These platforms have huge advertising potential and attract a large audience if coupled with good content creation.
- Various platforms are also offering Analytics tools to track performance and understand the audience better like Instagram Insights and Facebook Insights.
- It is a great way to engage with potential consumers and get leads through promoted posts, tweets, etc.

#### **Email Marketing**

- Email marketing is the most effective digital marketing strategy yet very affordable. Even a company with the least online presence uses email as its marketing strategy.

- It is a proven effective technique and is called an effective lead generator by professionals.
- The purpose is to reach out to more audiences through creative email campaigns and make them click the link and go to your desired content. It helps to convert potential leads into sales.
- You can add marketing automation which allows you to schedule and segment emails that can help you to meet your consumer's needs effectively.

### **Content Marketing**

- Content marketing focuses on attracting leads and converting them into buyers through videos, messages, pictures, etc.
- It helps engage with your audience and keep the stable by promoting and creating different types of content.
- Engagement with the audience will help in inviting new customers while retaining the present ones.
- Relevant content will not only engage people but also motivate them to read, share and further interact with the brand

### **Affiliate Marketing**

- It is one of the oldest forms of marketing and the digital world has brought a new life to it.
- When companies pay a certain amount or a commission to any outside party and ask in return to generate sales for them is called Affiliating Marketing.
- It is the work of affiliate marketers to promote the services or products of a company by doing reviews and writing blogs to increase the conversion rate.
- You get a commission as an affiliate every time someone purchases the product or service that you are promoting. As a merchant, you need to pay the affiliates every time they help you sell a product or service.

### **Video Marketing**

- YouTube is counted as one of the most popular search engines. People want to learn more about a product or service they might be willing to buy.
- Video marketing campaign is run on various platforms like Facebook, Instagram, and YouTube.
- Video marketing can successful when it is coupled with content marketing, SEO, and social media marketing.

### **Influencer Marketing**

- An influencer is someone who has a huge social media following on social media platforms like Instagram, YouTube, etc., and has established trust and loyalty within the audience.
- Some influencers use their social media presence to promote a company's product or service and market it for them. They influence their audience to make purchases.
- Nowadays, influencer marketing is becoming very popular as both sides are benefitted. Influencers get paid for doing promotions for a company and that company is receiving profits in terms of sales.

### **Future of the Digital Marketing Industry in India**

The exceeding return on investment for companies through digital platforms has convinced other businesses to shift digitally and empower them to make use of the golden period of digital marketing. Nearly 80% of the Indian audience makes online purchases on e-commerce platforms like Myntra, Amazon, Flipkart, Ajo, etc.

The digital revolution in India will soon make it among the top marketers of the world along with the highest numbers of internet users. 30% of the world's population will connect internet through mobile. This means marketing strategies will be heavily incorporated now more than ever.

As per Global Data, the online business market in India is pushing towards 7 trillion rupees by 2023. Digital Marketing is worth \$68 billion and has a growth rate of 40%. The rise in internet users, companies adopting digital marketing strategies, and demanding digital job roles only make sense that the future scope of this industry in India is bright.

The Global Digital Marketing Market size is expected to be worth around USD 1,310.3 Billion by 2033, from USD 366.1 Billion in 2023, growing at a CAGR of 13.6% during the forecast period from 2024 to 2033.

Digital marketing has revolutionized the way businesses promote their products and services in the modern era. It encompasses various online strategies and channels to reach and engage with target audiences, leveraging the power of the internet and digital technologies. Digital marketing offers a range of advantages over traditional marketing methods, including greater reach, cost-effectiveness, targeting capabilities, and real-time measurement of campaign performance.

The digital marketing market continues to expand rapidly, fueled by the growing reliance on digital platforms for information, entertainment, and commerce. Organizations across industries are increasingly allocating a larger portion of their marketing budgets to digital channels to capitalize on the opportunities presented by online connectivity and data-driven strategies. As businesses seek to enhance their online presence and maximize their reach in an increasingly competitive digital landscape, the demand for digital marketing services and expertise is expected to soar.

According to data from the World Advertising Research Center (WARC), the global digital advertising spend is expected to reach \$526 billion in 2023, showing steady growth from the estimated \$491 billion in 2022. This upward trend indicates the continued importance and investment in digital advertising by businesses worldwide.

Among the various segments of digital advertising, search advertising remains the largest, commanding over 40% of the market share. This is followed by social media advertising and video advertising, which have gained significant traction in recent years due to the popularity of platforms like Facebook, Instagram, YouTube, and TikTok.

When it comes to the major players in the digital advertising market, Google and Meta (formerly known as Facebook) dominate, collectively accounting for over 50% of the global digital ad market. These tech giants have established powerful advertising platforms that provide extensive reach and targeting capabilities for advertisers. Additionally, Amazon's advertising business has been rapidly growing, becoming a significant player in the digital advertising landscape.

Venture capital (VC) funding for AdTech companies in 2022 reached an impressive \$14 billion across 564 deals globally, as reported by Pitchbook. This indicates the strong investor interest in the adtech sector. Ecommerce advertising, streaming/CTV (Connected TV), and privacy-focused marketing technologies are some of the major areas attracting significant investment.

Source: <https://market.us/report/digital-marketing-market/#:~:text=The%20Global%20Digital%20Marketing%20Market,services%20in%20the%20modern%20era.>

### **Scope of Digital Marketing in India**

According to a survey by Forbes magazine, 82% of consumers shop or conduct research online. Companies have introduced visibility through digital platforms to close the gap between customers and brands. India is the second-largest country in terms of population and active internet users, with a population of almost 2 billion. This makes it one of the biggest markets, and the market's soaring demand reflects the vast growth potential of the nation. Therefore, if one has the necessary expertise and understanding in this area, they can succeed in this dynamic sector.

In addition, the use of digital platforms in India has been rising steadily ever since the Ministry of Electronics & IT announced the creation of Digital India. According to economists, this plan might increase the GDP by up to \$1 trillion USD by 2025. It can also aid in a variety of other areas, including the creation of jobs, increased labour productivity, expansion of the private sector, and governmental income generation. According to a Goldman Sachs research, digital marketing will have a future value of US\$160 billion by 2025, which is three times its current value. This figure only applies to the Indian internet business.

### **Personalised digital marketing strategies**

Companies are investing in customising their digital marketing strategies to provide their customers with a personalised experience. Digital marketing tools help businesses set clear consumer targets based on gender, age,

occupation, hobbies, or other interests. The personalisation of digital marketing advertisements reduces the search time for consumers to make purchases, consequently boosting the sales of businesses.

Based on type, social media marketing dominates the India digital marketing market share

With the increasing number of social media users in the country, the interest in social media marketing to enhance brand recognition and visibility cost-effectively has grown. In India, startups such as Zomato (an online food delivery platform) have been engaging with audiences by posting on social media to drive customer engagement, thereby contributing to the India digital marketing market development.

Further, SEO is crucial in promoting brands by increasing their online visibility, driving customer engagement, and offering effective and credible user experiences. There is a growing integration of artificial intelligence (AI) and machine learning (ML) in SEO to propel the ranking of a web page or a website, automate tasks like keyword research and content creation, and support SEO experts to gain insight into SERP data.

Moreover, the growing listenership to audio content has pushed brands and advertisers to effectively use podcast features, including branded URLs, promo codes, and checkout surveys. Companies like Swiggy and Boat have partnered with popular podcasters to offer discounts to listeners and create branded content while promoting their services and products.

## **HOSPITALITY INDUSTRY**

The hospitality industry encompasses a range of services, including lodging, food and beverage, and event planning. Its importance lies in its role as a major economic contributor, providing employment opportunities and facilitating global cultural exchange and tourism. The hospitality industry refers to various businesses and services linked to leisure and customer satisfaction. A defining aspect of the hospitality industry is that it focuses on ideas of luxury, pleasure, enjoyment, and experiences instead of catering to necessities and essentials.

The hospitality industry has all along been at the forefront in ushering a 'service-oriented economy' and in cementing a culture of 'customers always come first. Ever since the inception of the industry, it has focused on understanding its customers, exploring their requirements, and proactively embracing change initiatives towards meeting and excelling customer aspirations.

Dynamism and integrating new-age technologies in providing the best of service standards has seen the industry grow vibrantly, despite business challenges and constraints in an environment that has now and then made new demands on the industry.

Over the years, the hospitality sector has redefined systems and processes towards bettering outcomes for all stakeholders, besides continually pushing performance standards towards pursuing excellence.

This industry always extends a warm welcome to one and all, greets them with a cherubic and a warm smile, and strives towards creating beautiful memories that would get permanently etched in the minds of its customers.

The fact that team members associated with this industry can make a genuine difference in providing an outstanding or a 'Wow' experience to its customers, in itself is a big motivational turn-on'. Every day is a new challenge, a newer engagement, and an opportunity to do something different, which fuels us with boundless enthusiasm and positive energy to handle the daily chores.

This industry provides us a good platform to understand and respect the culture, traditions of countries across the globe. It enables us to interact with the world by offering us an opportunity to serve people from diverse backgrounds and nationalities.

Most importantly, as I see it from the experiences and insights that I have gathered thus far, that this is one industry that shapes your personality significantly and if learnings are imbibed and reflected upon in the right spirit, evolves you into a strong team player, capable of offering nothing but the best by 'doing it right, the first time, every time. Every interaction with customers, be it internal or external is capable of chiselling you into being a better human being.

The smile and love shared conquer the language barriers and builds trust which is the secret of the progress, growth, and development of this industry. To be in this industry is to be dealing with challenges as each day unfolds itself with a new perspective.

This industry is meant only for those aspirants who have passion, dedication, positive outlook, and innovative ideas to fulfil the bucket lists of travellers and tourists. I have identified three main reasons to be in the hospitality Industry.

### **Key Takeaways**

- **Diverse Sectors:** Encompasses accommodation, food and drinks, travel, and tourism, offering various services like hotels, restaurants, and travel agencies.
- **Technology Integration:** Emphasizes the growing importance of technology in enhancing customer experiences and operational efficiency in hospitality services.
- **Revenue Management:** Highlights the significance of revenue optimization methods for profitability in sectors like hotels, resorts, and restaurants.
- **Sustainable Practices:** Increasing emphasis on eco-friendly operations and sustainability in hospitality, responding to environmental concerns.
- **Global Economic Impact:** Highlights the industry's significant contribution to global economies through job creation and tourism revenue.

### **Sectors Within the Hospitality Industry**

The key sectors within the hospitality industry.

#### **1) Accommodation**

The accommodation sector of the hospitality industry is concerned with providing customers with a place to stay temporarily. It is most commonly associated with the tourism industry, where people book holidays or trips and require lodgings. Still, the accommodation sector also caters to locals seeking a short break from their everyday routine or those who require temporary accommodation for almost any other purpose.

#### **Bed & Breakfasts**

Bed & breakfasts, or B&Bs, are small establishments offering overnight stays and breakfast in the morning. Most B&B owners live on the property, while guests are provided with a private room and, in most cases, will also have a private or suite bathroom. However, bathroom facilities are sometimes shared.

#### **Hotels**

Arguably the most obvious form of accommodation in the hospitality industry, hotels cater to people who require overnight or longer-term stays. Aside from offering lodgings, they tend to provide various other services, including room service, housekeeping, and facilities for eating and drinking.

#### **Resorts**

A resort is similar to a hotel but will provide a wider range of facilities and amenities. This means that guests can access sleeping facilities, food and drink facilities, entertainment facilities, shopping facilities, and other amenities without needing to leave the resort. Many resorts also offer all-inclusive pricing.

#### **Serviced Apartments**

Another form of accommodation that shares similarities with hotels is that serviced apartments are self-contained units supplied for either short-term or long-term stays. These apartments will typically be fully furnished, contain a kitchen, and may include various hotel-like services, such as laundry and cleaning.

#### **Time Sharing**

Finally, time-shared accommodation is where ownership or usage rights are shared between multiple people. It may be a house, condo, or similar type of property, and each owner will typically be allocated a particular time of the year when they will have the right to use it.

#### **2) Food & Drinks**

While food and drinks are necessities, most food and drinks services also fall under the hospitality industry umbrella because they offer people a way of spending their leisure time and disposable income and an opportunity

to socialize and enjoy an experience. Again, the food and drinks sector caters to many customers, including tourists, locals, ex-pats, and passers-by.

### **Restaurants**

Restaurants provide customers with food and drink services, with the food either being eaten in the establishment or taken away for consumption. This section of the hospitality industry includes fine dining restaurants, takeaway restaurants, fast food restaurants, and a variety of other restaurant types.

### **Catering**

Catering services are food services provided within a particular site or in a more remote location, where food and drink are not necessarily the main service. Examples include catering provided at parks, arenas, stadiums, hotels, event venues, and certain forms of public transport.

### **Bars & Cafés**

Bars and cafés offer customers options to socialize and enjoy food and drinks. They also tend to be a more casual option than most sit-in restaurants. Cafés generally focus on coffee, tea, and light snacks, while bars tend to prioritize alcoholic drinks and soft drinks and may also offer additional entertainment.

### **Nightclubs**

Nightclubs are one of the main ways the hospitality industry caters to people searching for night-time entertainment. They serve alcoholic drinks, are kept open until late, and often emphasize music and dancing. Many nightclubs have specific themes, and they may cater to locals, visitors, or tourists.

### **Tea & Coffee Shops**

Tea rooms and coffee shops provide a similar function to cafés, primarily serving varieties of tea and coffee, as the name suggests. With that being said, tea and coffee shops are often individual rooms within larger buildings, such as hotels, and they may also sell products to be taken away, such as tea bags and coffee beans.

## **3) Travel and Tourism**

It is important to understand that the hospitality and travel industries are closely linked. Many of the services that are classed as travel industry offerings are also hospitality offerings because they are linked to leisure, customer satisfaction, pleasure, experiences, and disposable income. Importantly, the cross-over between the tourism and hospitality industries centers on services rather than end products.

### **Travel Agents**

Essentially, travel agents serve to sell travel products to customers on behalf of suppliers. They will often receive a commission for successful sales and can be a convenient option for inexperienced travellers, providing them with advice on the best travel products for their particular needs.

### **Tour Operators**

A tour operator offers a combination of travel and tour products, combining them into a package, which is then sold to customers. This might, for instance, include travel to a destination, transfers from a hotel or train station to a hotel, as well as several trips, activities, or experiences throughout the customer's stay.

### **Online Travel Agencies (OTAs)**

Online travel agents, or OTAs, perform many of the same functions as traditional travel agents, albeit over the Internet. However, using online platforms means customers often have access to a greater level of self-service, with the OTAs helping users search for the travel products that best suit their requirements. According to Companies Market Cap, Booking Holding is the largest travel company at a market cap of \$130.4 billion in 2024.

### **Cruises**

Cruises are voyages on cruise ships undertaken for pleasure rather than transportation. A cruise may have various stops, but passengers will spend most of their time aboard the ship, providing them with lodgings, entertainment, catering, and more.

### **Car Rental**

Car rental services cater to customers who require short-term access to a car. In many cases, these services are

used by tourists traveling to other parts of the world. However, some locals may also wish to rent a car, especially if they do not have regular access to one or if they require a larger number of passenger seats.

### **Casinos**

Finally, a casino is an entertainment establishment that provides customers with opportunities to gamble. These gambling opportunities are predominantly offered via luck-based games. In addition to the gambling component, many casinos also stage live performances, offer food and drinks, and are connected to hotels.

### **The Latest Hospitality Trends**

The most successful hospitality companies are constantly evolving, but if you are going to achieve this, you must keep up with the latest hospitality trends. This includes marketing efforts and hospitality processes to embrace the latest technology and respond to global events.

With marketing, keeping up with the latest trends will give you the best possible chance of reaching your target audience and conveying what you want to convey. Meanwhile, embracing new technology can help make a business more efficient, while in other cases, it can improve the overall customer experience.

### **Factors Responsible for Upcoming Hospitality Developments**

The term ‘trend’ describes a shift in behaviour or a more generalized situation change. With this in mind, hospitality trends may include changes in how customers behave, new ways of providing hospitality services, or general moves towards adopting new hospitality technology. A range of different factors typically influences trends.

For instance, the rise of technology like artificial intelligence has led to a trend where machine learning is used more regularly, and AI technology is deployed more frequently for customer service purposes. Meanwhile, virtual reality technology’s emergence has altered how many hospitality companies promote their products.

Often, wider global events can influence hospitality trends too. A good example of this can be seen with the COVID-19 pandemic, which forced hospitality businesses to focus more on hygiene, cleanliness, safety, and local markets. Similarly, climate change concerns have caused companies to focus on eco-friendly solutions.

Adopting the latest hospitality trends in response to the changed behaviour of customers due to the coronavirus pandemic is essential. Still, most trends emerged out of more general changes in consumer behaviour.

#### **1. Renewable Energy**

Today’s travellers and diners are increasingly interested in ensuring their leisure doesn’t come with a heavy environmental price tag. At the same time, businesses in the hospitality sector are seeing the benefits of reducing energy consumption and switching to renewables where possible. Along with the reduction of waste, cutting down on energy consumption and embracing green energy can help hospitality businesses to become more efficient and attract environmentally conscious consumers. Hotels can utilize five renewable energy sources: solar, wind, combined heating and power, geothermal, and biofuels. Funding and space constraints pose challenges, but the hospitality industry acknowledges the environmental responsibility and cost-saving potential amid energy market fluctuations.

#### **2. Sustainability**

Customers are very concerned with environmental issues and want to know that the businesses they deal with are behaving ethically. For this reason, sustainability has been one of the most noticeable hospitality trends of recent times, with many hospitality businesses promoting their eco-friendliness. Examples of this range from restaurants promoting their vegetarian and vegan options to hotels that use smart light bulbs and smart heating to save energy. Within the accommodation sector, there are also decisions to be made about using more sustainable materials for things like towels and bedsheets.

#### **3. Safety & Hygiene**

Several hospitality trends can be broadly described as being related to safety and hygiene. These have become especially important after the COVID-19. These concepts must be a priority for hotels, restaurants, bars, and cafes. Any special rules need to be made clear ahead of time and enforced to make people feel safe. Moreover, your hospitality marketing efforts also need to emphasize the safety and hygiene steps you are taking. Explaining

these steps could be the difference between generating bookings and having customers look elsewhere. In the article “Hygiene is the New Marketing Message for Hotels” you find tips to highlight safety in your marketing & guest.

#### **4. Digital & Mobile**

Digital marketing has been one of the most significant hospitality trends for many years now, but this digital focus needs to be targeted toward mobile devices more than ever before. Most people regularly use a smartphone to access the internet, and many hotel and restaurant bookings are mobile. For hospitality companies, this means website content needs to be mobile-optimized. This could include moving away from longer-form content towards content that can be more easily displayed on and consumed via a smaller mobile screen. Booking engines must also be mobile-friendly, and mobile check-ins are growing in importance.

#### **5. The Metaverse Opens a New Door to the Hospitality Industry**

The metaverse is another of the emerging hospitality trends that those within the industry need to stay up-to-date on. Essentially, this refers to using technology like virtual reality and augmented reality, to create interactive virtual worlds. It can also coincide with the use of NFT (non-fungible token) technology.

#### **Future Prospects of the Hospitality Industry**

The hospitality market size has grown strongly in recent years. It will grow from \$4673.63 billion in 2023 to \$4993.71 billion in 2024 at a compound annual growth rate (CAGR) of 6.8%. The growth observed in the historic period can be attributed to the expansion of travel and tourism, cultural and social transformations, global events including pandemics, and increased investment in infrastructure.

The hospitality market size is expected to see strong growth in the next few years. It will grow to \$6189.59 billion in 2028 at a compound annual growth rate (CAGR) of 5.5%. Forecasted growth is driven by sustainability, wellness tourism, flexible bookings, community collaboration, and health standards. Key trends include AI personalization, contactless tech, technological advancements, personalized guest experiences, and enhanced digital marketing with social media influence.

The growth trajectory of the hospitality market is strongly influenced by the anticipated stability in economic growth across various developed and developing countries. This trend is exemplified by the economic data reported by the US-based Bureau of Economic Analysis in September 2023, revealing a 2.1% annual increase in the real gross domestic product (GDP) during the second quarter of the same year. The recovery of commodity prices, following a notable decline in the historical period, is poised to further bolster market expansion. Developed economies are positioned to exhibit consistent growth, while emerging markets are anticipated to outpace their developed counterparts slightly. The overall projection is that sustained economic stability will serve as a driving force for the hospitality market throughout the forecast period.

The hospitality market is set to experience substantial growth, propelled by the expanding tourism industry. The tourism sector encompasses a wide range of economic activities and services related to travel and leisure. Within this context, hospitality assumes a pivotal role by providing accommodation, dining, and services that enrich the travel experience and create welcoming destinations. Notably, data from the Spain-based World Tourism Organization in May 2023 indicates that international tourism reached a significant milestone, surpassing the \$1 trillion mark in 2022, marking a 50% real-term growth compared to the previous year. Moreover, the first quarter of 2023 witnessed a remarkable surge, with an estimated 235 million international tourists, more than double the figures recorded in the corresponding period of 2022. As a result, the thriving tourism industry emerges as a key driver fostering the growth of the hospitality market.

The hospitality industry is undergoing a transformative phase with the integration of cutting-edge technologies that significantly enhance the customer experience while driving improvements and cost savings. Notable advancements in this sector include the adoption of near field communication (NFC) technology, infrared technologies, and the deployment of robots. NFC technology facilitates seamless data exchange between devices, facilitating instant and secure mobile payments. Infrared sensors find application in addressing customer complaints related to housekeeping disruptions, ensuring a smoother and more comfortable stay. Hotels are increasingly leveraging robots for tasks such as delivering amenities to guest rooms and performing various functional roles. Consequently, hotel operators are strategically investing in automated systems and technologies to streamline processes and tailor experiences for their guests.

Leading companies in the hospitality market are intensifying their focus on incorporating customization features to maintain their competitive edge. Customization features empower users to personalize their experiences within a product, service, or system based on individual preferences and needs. A case in point is the initiative undertaken by HotelPort, a US-based software company, in July 2023. HotelPort launched Hospitality Software Development and Platform Integration Services, designed to assist hotels of all sizes in optimizing operations, streamlining workflows, and elevating guest experiences. Through the integration of existing hotel systems, HotelPort's platform integration services create a unified and efficient operational framework. This not only simplifies guest processes such as room booking, check-in/out, and access to services but also contributes to an overall enhanced guest experience. Furthermore, HotelPort's services play a pivotal role in increasing hotel revenue by improving online visibility and simplifying the booking process.

Major companies operating in the hospitality market report are Compass group Holdings plc; Starbucks Corporation; Sodexo SA; Marriott International Inc.; Aramark corporation; McDonald's Corporation; Four Seasons Hotels and Resorts Limited; Darden Restaurants Inc.; Yum China Holdings Inc.; Hilton Worldwide Holdings Inc.; Chipotle Mexican Grill Inc.; InterContinental Hotel Group plc; IDEaS Revenue Solutions Inc.; The Ritz-Carlton Hotel Company LLC; Mandarin Oriental Hotel Group Ltd.; Radisson Hotel Group AB; Extended Stay America Inc.; AIR Communities LLC; Rosewood Hotel Group LLC; La Quinta Inns & Suites Holdings Inc.; Apple Leisure Group LLC; Evolve Vacation Rental Network Inc.; Shangri-La Hotels and Resorts Ltd.; American Cruise Lines Inc.; Ennismore Lifestyle Group Limited; Hotel Engine Inc.; OTA Insight Limited; Red Lion Hotels Corporation; Mint House Holdings Inc.; Wonders Legal Inc.; BentoBox Media Inc.; Berkshire Hathaway Inc. Asia-Pacific was the largest region in the hospitality market in 2023. North America was the second largest region in the hospitality market. The regions covered in the hospitality market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, Africa. The countries covered in the hospitality market report are Australia; China; India; Indonesia; Japan; South Korea; Bangladesh; Thailand; Vietnam; Malaysia; Singapore; Philippines; Hong Kong; New Zealand; USA; Canada; Mexico; Brazil; Chile; Argentina; Colombia; Peru; France; Germany; UK; Austria; Belgium; Denmark; Finland; Ireland; Italy; Netherlands; Norway; Portugal; Spain; Sweden; Switzerland; Russia; Czech Republic; Poland; Romania; Ukraine; Saudi Arabia; Israel; Iran; Turkey; UAE; Egypt; Nigeria; South Africa.

The main types of hospitality are non-residential accommodation services, food and beverage services. The non-residential accommodation services provide lodging or short-term accommodation for travelers, vacationers, and others. The different ownerships include chained and standalone.

The hospitality market research report is one of a series of new reports that provides hospitality market statistics, including hospitality industry global market size, regional shares, competitors with hospitality market share, detailed Hospitality market segments, market trends, and opportunities, and any further data you may need to thrive in the hospitality industry. This hospitality market research report delivers a complete perspective of everything you need, with an in-depth analysis of the current and future scenarios of the industry.

The hospitality market includes revenues earned by entities by providing accommodation and food services such as lodging and/or preparing meals, snacks, and beverages for immediate consumption. The market covers both accommodation and food services because the two activities are often combined at the same establishment. The market value includes the value of related goods sold by the service provider or included within the service offering. Only goods and services traded between entities or sold to end consumers are included.

The market value is defined as the revenues that enterprises gain from the sale of goods and/or services within the specified market and geography through sales, grants, or donations in terms of the currency (in USD, unless otherwise specified).

The revenues for a specified geography are consumption values that are revenues generated by organizations in the specified geography within the market, irrespective of where they are produced. It does not include revenues from resales along the supply chain, either further along the supply chain or as part of other products.

### **Revenue Sharing Model**

Indian retail has moved into a consumption-based mode. Retailers offer minimum guarantee and revenue share, where the revenue share is a percentage of the profits generated by actual performance. Mall rentals in most

locations are high, and minimum guarantees in the first couple of years are always above revenue share. This brings into play the retailers ability to pay therefore, the revenue share does not kick in over the short term. Revenue share usually becomes a factor after anything between 3 months to 3 years of active tenancy, depending on how the center is priced during its initial leasing.

The revenue share model is a means to make the expensive real estate viable. There is an underlying interest of the landlord to reach a higher rent, which the retailer is unable to pay. Good retailers take the benefit of a reduced minimum guarantee, thus reducing their fixed cost and thereafter ensuring that they deliver superior returns by reaching revenue share and sharing the upside with the landlord. More retailers should adopt this philosophy.

### **A model concept**

The mall developers are left with no other option but to share the burden with retailers. As a result, rising rentals are playing spoilsport, forcing thinktanks of both parties to come out with a formula which works well for both. Revenue sharing is an innovative idea wherein mall developers rather than charging a specific rent from retailers or leasing the property, share a certain amount of revenues generated by the retailer occupying space in their mall, thus, bringing down the rental costs of retailers.

Says Deepak Aggarwal, Chief Operating Officer, Era Landmarks, ERA Group, “A revenue sharing model is an arrangement between a retailer and a developer to share the sales proceeds of the retailers from a particular outlet in lieu of a fixed rent. Under the arrangement, the developer shares the revenues and thus becomes partner in the prosperity of the retailer.”

This model has separate advantages for retailers and developers. For retailers, the rental burden gets reduced, developers make extra efforts to increase footfalls and maximise the conversion ratio. As far as developers are concerned, they are able to fill vacant spaces in malls and get more footfalls, thus, proving beneficial for mall developers and retailers in the long run.

Harmit Chawla, Vice-President-Sales, Uppal Group, says, “The whole business is about mutual co-existence. Here, revenue sharing provides a win-win option to both the developer as well as the retailer. Revenue sharing model certainly improves occupancy in the mall. Retailers and the developers get to share both risks and reward.” Revenue sharing model works on trust and mutual understanding between mall developers and retailers. It’s easy for mall owners to practice this model with company-owned and operated outlets rather than franchise outlets, as there is now a particular system through which they can track the revenues generated by the retailer on a regular basis and no retailer would allow others to look into their respective data on regular basis.

Aggarwal opines, “In the present scenario, all organised retailers are using the latest accounting software and normally, the developer trusts the declarations made by the retailers in this behalf. However, there is always an audit clause, which empowers the developer to check the accounting records, if felt necessary.”

Though there is the provision of software through which the actual number of sales taking place and revenues generated can be checked, but still this format banks entirely on trust.

Tushar Harduley, Principal Consultant, Retail and Consumer Products, Technopak, says, “The mall developer can keep a track of the sales if they use a centralised system of billing. When the retailer bills an amount, it is stored in a database, which can be viewed by the mall developer at any time. Another way for the mall developer to keep a track of sales is by looking at the audited results of the retailers.”

**Ref:** <https://www.indianretailer.com/magazine/2008/october/Revenue-sharing-model-Sharing-the-costs.m21-2-6#:~:text=Revenue%20sharing%20is%20an%20innovative,the%20rental%20costs%20of%20retailers.>

### **Pre-leased Properties**

Pre-leased properties are those, which are already rented out at the time of sale, and the owner receives a fixed income in the form of monthly rentals paid by the tenant. These properties could be commercial shops or offices rented out to banks, corporate organisations, franchises, and institutions. Investors prefer pre-leased commercial properties as they offer a steady guaranteed income. Moreover, the owner does not have to go through the hassle of finding a suitable tenant as it is already arranged by the developer.

## Types of pre-leased properties

There are several types of commercial pre-leased properties that investors can consider:

- **Office Spaces:** These include pre-leased buildings, floors, or individual units that are leased to companies or individuals for office use. They are usually located in commercial areas or business districts.
- **Retail Spaces:** These are pre-leased properties that are leased to retail businesses like supermarkets, shopping malls, department stores, and standalone shops. They are usually located in high-traffic areas like malls, high-streets, and commercial areas.
- **Industrial Spaces:** These include pre-leased warehouses, factories, manufacturing units, and other industrial properties that are leased to companies for their production or storage needs. They are usually located in industrial areas or on the outskirts of cities.
- **Hospitality Spaces:** These include pre-leased hotels, serviced apartments, and resorts that are leased to hospitality companies or individual operators. They are usually located in tourist or business areas.
- **Healthcare Spaces:** These include pre-leased hospitals, clinics, nursing homes, and diagnostic centers that are leased to healthcare providers. They are usually located in areas with a high demand for healthcare services.
- **Mixed-Use Spaces:** These are pre-leased properties that have a mix of different commercial uses like office, retail, hospitality, and healthcare. They are usually located in prime areas and offer a diverse stream of rental income.

## Revenue Share Model

The revenue share model is a form of revenue sharing in which companies grant a percentage of their revenues to external partners for providing services.

This model works especially well with software companies' businesses, as they rely heavily on third-party developers and marketing firms to help them grow their customer base.

Most organizations using the revenue share model fit one of these profiles:

- Businesses with long-term contracts and recurring revenue from customers.
- Corporations with a large user base and relatively low customer acquisition costs.
- Organizations that use third-party services to grow their customer base.
- Companies that need to offset their risk to make growth more feasible.
- Smaller firms looking for ways to monetize products or services without investing in marketing or development teams.

Unlike profit-sharing plans, the revenue share model is based on gross sales and can include operating expenses. The amount distributed to partners depends on their contribution to the company's growth or success over a set period of time.

*Ref:* <https://dealhub.io/glossary/revenue-sharing/#:~:text=Franchising%3A%20Franchise%20businesses%20share%20revenue,access%20their%20resources%20and%20support.>

## Quick Service Restaurants

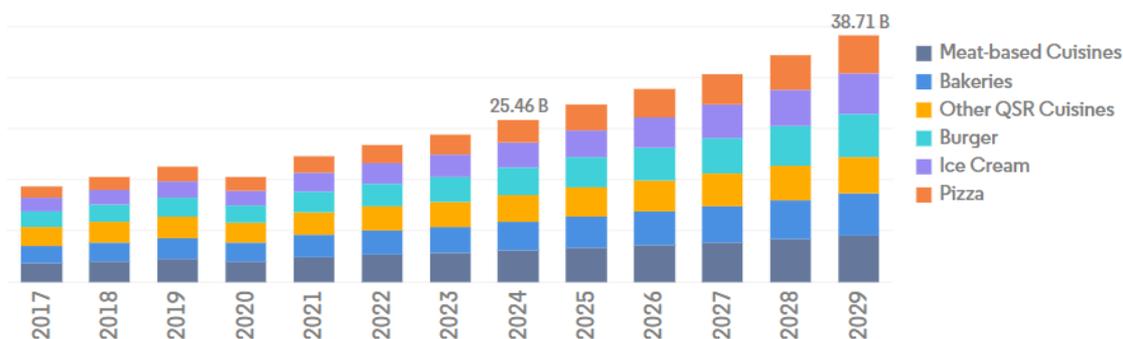
Quick service restaurant (QSR) is a restaurant which offer certain food items that require minimal preparation time and are delivered through quick services. Typically, quick service restaurants or QSRs cater to fast food items over a limited menu as they can be cooked in lesser time with minimum possible variation.

QSR restaurants are known to have standardized, modular and efficient processes which help them in reducing the lead times to fulfil the orders but still maintain the quality expected by the customers. Preparation methodology and usage of technology are pillars of a Quick service restaurant (QSR).

Quick service restaurants have much variety when it comes to the type of service they offer. There are also drive-through restaurants, which do not offer any tables or seats but rather collect the order and deliver it through a single counter. The orders are generally pre prepared and are highly standardized with no room for customization. These types of businesses don't rely on margin over their services rather rely on the frequency of footfall. A key strategy used by quick service restaurants is the bundle pricing. QSR combine their food items on the menu into a bundle of complementary meals for example McDonald's value meal of fries, a soft drink and a burger.

Usually, customers prefer these meals over individual food items as the former creates a sense of value addition and diversity to their expenditure. For the retailers, they give attractive discounts over bundled meals and set a substantial profit margin to lure from these offerings.

**Value of Quick Service Restaurants Foodservice Market by cuisine, USD, India, 2017 - 2029**



Source: Mordor Intelligence

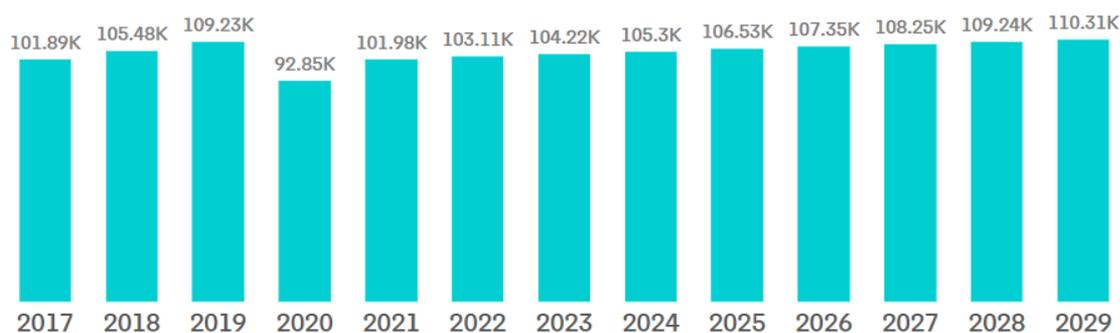


Ref: <https://www.mordorintelligence.com/industry-reports/india-quick-service-restaurant-market>

### Examples of Quick Service Restaurant (QSR)

Some real-life examples of quick service restaurants are Mc Donald's, Subway, Burger King, KFC etc. Recent trends have shown a tremendous shift in the operations of local quick service restaurants. With rising number of food delivery services, these restaurants have started separating a division for food items which are cooked in bulk and then stored to be supplied to the delivery services. This does not only gives them an opportunity to earn margins by not investing in the restaurant seating spaces but also provides brand marketing for their restaurant brands.

**Number of Outlet Units by Quick Service Restaurants, India, 2017 - 2029**



Source : Mordor Intelligence



Indians spend a significant portion of their food budget on fast food, with french fries, pizzas, sandwiches, burgers, wraps/rolls, and garlic bread being the most popular dishes.

Indians spend 35.3% of their total expenditure on food. The average spending on fast food has reached USD 2.98 to USD 3.65 during review period. However, in 2021, it was noted that 94% of men and 96% of women in India prefer to consume fast food once a week. Popular QSR dishes preferred by the Indians are French fries (USD 1.63 per serving), pizzas (USD 4.47 per serving), sandwiches (USD 1.33 per serving), and burgers (around USD 1.75 per serving). The popularity of wraps/rolls and garlic bread is growing and is widely accepted by young adults. The average price of garlic bread is USD 2.11 per serving, and wraps/rolls cost 2.17 per serving. There is an increased preference for bakery products in India. However, popular bakery products are cakes, pastries, and cookies. The average price for black forest cake/pastry is around USD 5.203 per 500-g, choco lava cake costs around USD 1.21 per piece, and red velvet cake/pastry costs USD 5.8 per 500 g. Among all, choco lava cake is highly preferable, and the majority of global QSR chains, such as McDonald's and KFC, have added this to their

dessert menu. The average order value increased by 23.65% from 2017 to 2022. The rising inflation rate increased by an average of 5.13-7.54% from 2017 to 2022, and the number of orders per year increased to more than 64,647 in 2022. The growth has been attributed to chained fast-food brands that have started expanding by opening new outlets in metro and non-metro cities. For instance, in the first half of 2023, KFC and Subway opened new stores in Delhi and Punjab with all its foods and beverages on the menu and planned to expand in the nation by 2024 with more new outlets

Source: <https://www.mordorintelligence.com/industry-reports/india-quick-service-restaurant-market>

Quick Service Restaurants (QSR) market in India is projected to grow at a CAGR of over 18% during 2021 – 2025 due to increasing urbanization, rapid expansion in food delivery services, expanding young & working population, growing number of dual-income families and rising disposable income in the country. QSR market is broadly categorized into Food & Beverages segments with Food category holding the majority share in the market. Nevertheless, the Beverage segment is expected to grow at a faster rate in the coming years on account of innovative offerings being launched in this product category.

The QSR industry in India is not merely about grabbing a quick meal, it has evolved into a dynamic sector catering to the diverse tastes and preferences of millions. From global giants to homegrown favourites, QSRs have become an integral part of India's culinary landscape. In FY 2020, as per the industry data, India's QSR industry boasted a market valuation of approximately Rs 188 billion and this figure is expected to soar, surpassing the Rs 500 billion mark by 2025. This substantial growth owes itself to the increasing familiarity with Western culinary influences and culture, coupled with a rise in disposable income, which has propelled this sector forward.

## **INDIAN FINANCIAL SERVICES INDUSTRY**

The Indian financial services industry has experienced consistent growth due to economic growth and increase in adoption by consumers.

### ***Total Insurance Premiums to Cross ₹14 trillion by the Financial Year 2025***

Total insurance premiums, including life and general insurance, has grown at a 12% CAGR from the Financial Years 2015 to 2021. The double-digit growth in premiums can be attributed to expansion in the distribution network, various government schemes and financial inclusion drives, which have increased awareness about the need for insurance and have propelled industry growth. Additionally, the COVID-19 pandemic has made consumers much more cognizant of the need to have adequate life and health insurance coverage, which is reflected in the enhanced popularity of term life insurance plans and retail health coverage since the onset of the pandemic.

### ***Mutual Funds' AUM to Sustain Double-Digit Growth between the Financial Year 2022 and 2025***

The mutual fund industry's quarterly average AUM (QAAUM) is expected to grow approximately 23% year-on-year in the Financial Year 2022. Between March 2021 and March 2025, the overall industry's AUM is projected to sustain a high growth trajectory of 14-16% CAGR, to reach approximately ₹56 trillion by March 2025. This growth is largely due to increased corporate earnings following stronger economic growth, higher disposable incomes and investable household surplus, increases in aggregate household and financial savings, deeper regional penetration as well as better awareness of mutual funds as an investment vehicle, continuous improvements in the ease of investing, due to technological innovations and expanding internet access, continuing increase in the popularity of investment vehicles such as systematic investment plans ("SIPs"), which are used to invest regular sums in mutual funds, the rising number of new players entering the space, and the increasing perception of mutual funds as long-term wealth creators, driven in part by initiatives like 'Mutual Fund Sahi Hai' campaign.

Source: AMFI, CRISIL Research

### ***Wealth Management Industry to Grow at 15-17% CAGR over the Financial Years 2021 to 2025***

The wealth management industry provides professional investment advice, financial planning and management services to clients, catering to each client's goals and constraints of clients. Investment products provided by wealth management firms include mutual funds, PMS, AIFs, and insurance, among others. According to CRISIL Research, the wealth management industry in India is still at a very nascent stage. It has the potential to become a high-growth market, supported by a young and affluent investor base, rising wealth levels, a supportive regulatory environment, and an increasing share of organized players, including banks, independent wealth advisors, and brokers, who act as financial advisors. The trends towards customization, technology dependence,

rising awareness, and shifting preferences for financial assets instead of for physical assets are also creating large opportunities for the wealth management industry in India. In addition, family office solutions and estate planning services have seen increasing demand in recent years.

### ***Insurance Broking Industry***

Insurance intermediaries facilitate the placement and purchase of insurance, and provide services to both insurance companies and consumers to complement the insurance placement process. Insurance intermediaries can be categorized as either insurance agents or insurance brokers. An insurance agent is duly licensed by IRDA to sell insurance policies to the public, and to provide after-sales services, including assisting at the time of a claim. Insurance brokers represent their clients, work for the policy holder during the insurance process and are licensed to sell policies from any insurance company. They do not represent any one insurance company and work independently in relation to the insurers. They provide expert advice regarding the insurance policies suitable for their clients and are paid a brokerage fee by the insurance company whose policy their customers choose. Insurance intermediaries, with broad knowledge of the insurance marketplace, play an important and unique role, and increase the availability of insurance services.

### ***Technology to Play an Important Role in Financial Services Industry***

Over the years, there has been tremendous growth in technology across the world. Exponential growth in information technology has prompted companies to leverage digitization to transform their business processes. SaaS (Software as a service) has become increasingly popular, and many industries like travel, financial services, tourism and hospitality have adopted technology solutions for their business processes. Progressive financial services companies are constantly on the lookout for new technologies to improve efficiencies, scale up businesses and facilitate game-changing innovations while also lowering costs and continuing to support legacy systems. Meanwhile, fintech companies in India are beginning to establish their presence in the financial services market by offering customer friendly solutions using technology effectively. With technology industries, customers are also demanding better services, smoother customer experiences, and more value for their money in the financial services industry

### ***Outward Remittance Industry in India***

Overall, outward remittances from India under the Liberalised Remittance Scheme (“**LRS**”) grew at a 70% CAGR over the Financial Years 2015 to 2020. Growth was particularly strong after the Financial Year 2015, driven by the RBI increasing the outward remittance limit from USD125,000 to USD250,000 per financial year in June 2015. Demonetisation, the Black Money Act, introduction of Aadhaar and GST over the past years, and the shift towards digitisation have led to significant formalisation in the economy and has increased the potential market for authorised money exchangers in India. The government’s efforts to reduce black money and hawala transactions in the economy, and any positive change in the Liberalised Remittance Scheme (LRS) scheme by the RBI, will further support growth in this market.

### ***Foreign Exchange Market is Huge in India***

Globalisation and liberalisation in forex outward remittances has provided a boost to the overall foreign exchange industry in India. The foreign exchange market has grown multi-fold over the past decade, with many non-traditional players entering the industry. Authorised dealers involved in the foreign exchange market, depending on their respective licensing categories, provide services like the release (sale) of foreign currencies, travellers’ cheques and foreign currency prepaid cards, as well as the issue of foreign currency drafts and wire transfers.

Foreign exchange players purchase foreign currencies from other forex players and retail clients, which they then sell to other parties in the form of various products, making fees and commissions in the process. They facilitate the sale of foreign currencies in the form of travellers’ cheques, wire transfers, forex cards, foreign currency demand drafts, etc. Banks with an AD I license can deal in all current and capital account transactions (including trade transactions), whereas the forex businesses of most non-bank entities are bifurcated into retail and wholesale segments.

### ***The Online Ticketing Market in India***

Indian Online Ticketing Market to Grow at 8-10% CAGR between the Financial Years 2020 and 2025. The Indian online ticketing market was estimated to be approximately ₹1,480-1,500 billion in the Financial Year 2020, more than doubling from ₹ 670-690 billion in the Financial Year 2015. This translates to a CAGR of approximately 16-18% between the Financial Years 2015 and 2020. This growth can be attributed largely to the increasing

penetration of internet and smartphones. Growth in the share of low-cost airlines and the increasing popularity of online railway ticket booking system, due to its convenience, have further supported this growth. Hence, the Indian online ticketing market is estimated to register an 8-10% CAGR, growing to ₹ 2,270-2,290 billion in the Financial Year 2025. While increasing penetration of internet and smartphones will continue to aid growth in the medium to long term, the pent-up demand after Covid 19 will support growth in the near term.

## **BUSINESS OF THE COMPANY**

**Eraaya Lifespaces Limited (ELL)** is a listed public company incorporated under the provisions of the Companies Act, 1956 on 14 February 1967. The Company was originally incorporated under the name Tobu Enterprises Private Limited on 14 February 1967, which was subsequently changed to Tobu Enterprises Limited vide fresh certificate of registration dated 13 October 1987. Further, the name of the Company was changed to Justride Enterprises Limited vide fresh certificate of registration dated 29 November 2013. The name of the Company further changed to Eraaya Lifespaces Limited vide fresh certificate of registration dated 20 March 2024.

The Company was primarily engaged in the business of manufacturing of Bicycles, Automobile parts, Engineering goods, Electrical appliances i.e. motors, insulators, refrigerators etc. At present the company is indulged in the field of digital marketing and the company has recently ventured into the business of hospitality.

The Company was acquired by Ms. Sukriti Garg and M/s. Just Right Life Limited in pursuance of the Share Purchase Agreement (SPA) entered by the acquirers on 20 April 2022. Consequently, the aforesaid acquirers became the Promoters and Promoter Group of the Company.

The Promoter Ms. Sukriti Garg is a young and dynamic entrepreneur, having a Master's degree in Architecture. The Company is one of a kind as it is a pink company where all the top management including all the Directors, Chief Financial Officer and the Company Secretary are women. The vision of the management is to make a big brand in the field of hospitality industry. The team is working hard to achieve its goal and to make huge profits for its shareholders.

### **The Products**

The Company offers a versatile range of Hospitality services which includes but not limited to accommodation related to traveling for leisure, pleasure, or business purposes and visiting various destinations, such as cities, countries, natural attractions, historical sites, and cultural events, to experience new cultures, activities, and environments.

The Hospitality includes a range of businesses, such as hotels, restaurants, bars, resorts, cruise ships, theme parks, and other service-oriented businesses that provide accommodations, food, and beverages through various tie-up companies and plans, we believe that Hospitality is all about creating a welcoming and comfortable environment for guests and meeting their needs.

As Quality hospitality means providing excellent customer service, anticipating guests' needs, and ensuring comfort and satisfaction. The hospitality industry is essential to tourism as both industries often work closely together.

Along with hospitality we offer Digital Marketing services which helps businesses to develop its marketing and customer reach at large scale.

Further for our new vertical we are in process of acquiring some different properties, which will be utilize to some branded outlet at a fixed rent + revenue sharing model. In this segment we are providing our commercial space to the reputed Quick Service Restaurant (QSR) which is focused on providing customers with food as quickly and efficiently as possible.

## **BUSINESS STRATEGY**

### ***Maintain and Expand Long-term Relationships with Clients***

The Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that long-term client relationship fetches better dividends. Long-term relations are built on trust and continuous satisfaction of the customers. It helps understanding the basic approach of our Company, its products and its market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

### ***Leveraging of our Marketing Skills and Relationships***

The Company continues to enhance its business operations by ensuring that its network of customers increases through its marketing efforts. The core competency lies in our deep understanding of the customers' preferences and behaviour, which has helped the Company in achieving customer loyalty. The Company endeavours to continuously improve the product mix offered to the customers as well as strive to understand and anticipate any change in the expectation of the clients towards its services.

### ***Continuity with caution***

The Company intends to continuously expand its product offering ranging from manufacturing of bicycles, digital marketing and last but not the least the hospitality business.

### ***Channelizing the efforts for creating a user-friendly website for generating new business customers.***

Adopting the right hotel marketing strategy in the right situation is crucial, but some strategies are applicable at all times too. As the Company is required to ensure its website loads quickly and is responsive across all devices, including computers, smartphones, and tablets. Website should be user-friendly, easy to understand and navigate, and should use up-to-date security features. Support multiple payment options and try to make the entire user experience as friction-free as possible. The Company is required to add a direct booking channel to its website and design the booking system to be easy to use.

### ***Placing the Company at prominent place across the various search engine optimization (SEO)***

Ensuring, the Company is listed accurately on Google My Business and other local directories. Including location-specific keywords on its website and to create location-based content to enhance our visibility in local search results.

### ***Setting up of quick check-in and check-out facilities***

The use of digitalized marketing strategy for the hotels, such as a digital check-in and check-out system, can be highly beneficial to prevent unwanted scenarios and saving time. Fast check-in and check-out in hotels also favour elderly customers, who may be too old to stand and wait for their check-in and check-out to be processed. Self-check-in via hotel terminals or smartphone client self-service websites is in high demand nowadays, particularly among youthful visitors.

### ***Establishment of loyalty programs***

The perfect marketing plan for a perfect hotel marketing strategy includes a loyalty scheme to encourage customers to come back regularly. These programs will assist in increasing the value and image of the Company's brand in the marketplace. Through a customized rewards program, the Company may attract and keep recurring business by giving what business travellers value, such as free nights and cheap stays. Business travellers appreciate benefits like free travel, complimentary refreshments, and subsidized spa services that make their journeys less taxing.

### ***Growth of the business through increasing geographical presence across India***

The Company intends to continue to grow by expanding its network through the addition of new hotels, or allied properties. A good reach to customers is very important in the business of the Company. Increased revenue, profitability and visibility are the factors that drive the network. The strategy for expansion includes further strengthening the presence of the Company in various parts of India by providing higher accessibility to customers.

## **THE STRENGTH**

### ***Experienced Leadership Team***

The company is managed by people who have a track record of delivering results & they possess the right acumen necessary in the build out phase of any organization. The senior management have diverse experience in various services and horizontals. The Company believes that the knowledge and experience of our senior and mid-level management team members provides us with a significant competitive advantage as we seek to grow our business and expand to new geographies.

### ***Strong Corporate Governance Standards***

Creating an institution that is built to last requires strong corporate governance standards. The governance

standards are further strengthened by strong policies and processes enshrined in the Articles of Association and strong human resource. The Company believes in fair trade practices and follow high standards of governance in managing the business of the Company.

### **Marketing**

The Company has dedicated marketing teams who cater to the demands of the customers and ensure that tailor made solutions are offered to attract and retain the customers.

### **Competition**

The Company faces competition from organized as well as unorganized players in the domestic market. The hospitality services industry is highly competitive and the Company expects competition to intensify in the future. In particular, many of the competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalising related operational costs.

### **Employees**

The Company believes that its human capital is one of its most important strengths and a key driver of growth, efficiency and productivity. The Company invests in developing its talent and leadership through various initiatives aimed at strengthening the ability of its managers to bring together people, strategies, and execution to drive business results.

### **Focus on customers**

The Company chooses to focus on the customer's needs right from day one, by addressing its customer needs. The Company believes that the existing client relationships help the Company to get continued business from its customers. The job responsibilities and resources are aimed at the fact that the customers get services and products that are designed to suit their needs. This has helped to maintain a prospective long-term working relationship with the customers and improve the customer retention strategy of the Company. The Company believes that its existing relationship with its clients represents a competitive advantage in gaining new clients and increasing the business.

### **ACQUISITION OF EBIX INC.**

A consortium of members led by Eraaya had submitted a term sheet to the Independent Directors of Ebix, Inc. ("Ebix") to acquire 100% of the equity of Ebix which, if accepted by the Company, would be effectuated under a Chapter 11 Plan of Reorganization ("Plan") to be negotiated between the parties and other major stakeholders. The Plan would be subject to Bankruptcy Court approval in accordance with the provisions of the United States of America Bankruptcy Code. The bid for the acquisition of 100% of the equity of Ebix, submitted by the consortium led by Eraaya has been declared by Ebix as the highest and best bid, ascribed at an enterprise value of US\$362 Million.

Founded in 1976, Ebix, Inc. is listed on the NASDAQ (EBIX) Global Market and is a part of the Russell 2000 Index and Standard & Poor's Smallcap 600 Index. Headquartered in Johns Creek, Georgia, Ebix has 50+ offices across the world in countries like Australia, Brazil, New Zealand, Singapore, Canada, U.K. and India. Through its various SaaS based software platforms, Ebix employs 7,800+ professionals providing products, support and consultancy to thousands of customers on six continents across 69+ countries.

Ebix Inc. is a leading international supplier of On-Demand software and E-commerce services to the insurance, financial and healthcare industries, Ebix Inc., provides end-to-end solutions ranging from infrastructure exchanges, carrier systems, agency systems and risk compliance solutions to custom software development for all entities involved in the insurance industry.

The "Phygital" strategy at EBIX combines 320,000 physical distribution outlets in many Southeast Asian Nations ("ASEAN") countries, to an Omni-channel online digital platform, the Company's EbixCash Financial exchange portfolio includes domestic & international money remittance, foreign exchange (Forex), travel, pre-paid & gift cards, utility payments, lending, wealth management etc. in India and other markets.

EbixCash's Forex operations have emerged as a leader in India's airport Foreign Exchange business with operations in 32 international airports including Delhi, Mumbai, Bangalore, Hyderabad, Chennai and Kolkata, conducting over \$4.8 billion in gross transaction value per year. EbixCash's inward remittance business in India

conducts approx. \$5 billion gross annual remittance business, confirming its undisputed leadership position in India. EbixCash, through its travel portfolio of Via and Mercury, is one of Southeast Asia’s leading travel exchanges, with over 500,000 agents and approximately 18,000 registered corporate clients, combined having processed an estimated \$2.5 billion in gross merchandise value per annum.

With 50+ offices across Australia, Brazil, Canada, India, New Zealand, Singapore, US and UK, Ebix powers multiple exchanges across the world in the field of life, finance, health and property & casualty insurance while conducting in excess of \$100 billion in insurance premiums annually on its platforms. Through its various SaaS-based software platforms, Ebix employs thousands of professionals from the Insurance and Financial Technology fields to provide products, support and consultancy to thousands of customers across six continents

### RECENT QIP ISSUE

The Company has recently made a Qualified Institutional Placement (QIP) and allotted 3,261,200 equity shares of Rs.10 each at a premium of Rs.752 per share aggregating to Rs.2,485.03 million to the institutional subscribers on 13 August 2024. The shares have been allotted to following allottees:

S. No.	Name of Shareholder	No. of Shares	%
1.	Ebisu Global Opportunities Fund Limited	1,250,000	38.33
2.	UNICO Global opportunities Fund Limited	950,000	29.13
3.	Nexpact Limited	900,000	27.60
4.	Nakshatra Stressed Assets Fund Scheme I	135,000	4.14
5.	Vedas Opportunities Fund	26,200	0.80
	<b>Total</b>	<b>3,261,200</b>	<b>100.00</b>

### PROPERTIES

The Company’s registered office is situated at B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Sec – III, West Delhi, New Delhi, India – 110026 and has been availed on rent for 11 months ending on 28 February 2025.

As on 31 March 2024, the Company has made capital advances of Rs.49.674 million towards purchase of property bearing (i) Unit no. T-005-006, T-008, T-011, T-015 situated at CP67 Mall Mohali, Plot No. 252, Sector 67, Airport Road, S.A.S Nagar (Mohali) Punjab – 160067, and (ii) Plot No.7 ( as per PMRD approved plan dated 27/12/2018 & 20/11/2020)area admeasuring H.00.40.00 Ares, Equivalent to 4000 Sq. Meter situated at Mahagaon.

### INTELLECTUAL PROPERTY

The Company’s logo  is the trademark applied under the provisions of Trademark Act, 1999 in the name of its Promoter, Ms. Sukriti Garg. For risk relating to the intellectual property, please refer to section “Risk Factors”.

### INVESTMENTS

As on 30 June 2024 and during the last three financial years, the Company has made no investments either in subsidiaries or otherwise.

Besides aforesaid, the Company does not hold a proportion of the capital of any other undertaking, which is likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

### OUTSTANDING DEBT

As at 30 June 2024, the Company does not have any outstanding debts.

### INSURANCE

The Company has not taken any insurance policy related to the properties that the Company operates for operations of the Company. For risk relating to insurance, please refer to section “Risk Factors”.

## SEGMENTAL REVENUES

In accordance with Ind AS 108, the operating segments are established on the basis of those components that are evaluated regularly in deciding how to allocate resources and in assessing performance. These are identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Company has three principal operating and reporting segments by nature of products. The segmental revenues of the Company for the last three years are as follows:

Segment	(Rs. in million)		
	31.03.2024	31.03.2023	31.03.2022
Trading of securities	2,961.08	-	-
Marketing & Support Services	10.43	1.95	-
Hospitality Business	0.51	-	-
<b>Total</b>	<b>2,972.02</b>	<b>1.95</b>	<b>-</b>

## EMPLOYEES AND EMPLOYEE RELATIONS

As at 30 June 2024, the Company had 4 employees.

The Company has harmonious and cordial relations with its employees and has, so far, not suffered any labour problem. However, there can be no assurance that the Company will not experience future disruptions in its operations due to disputes or other problems with their work force, which may adversely affect its business and results of operations.

## EMPLOYEE STOCK OPTION SCHEME

The officials of the Company do not hold any stock under the employees' stock option scheme.

## EMPLOYEES' BENEFITS

So far, the Company has no scheme for employees' benefit.

## GOVERNMENTAL REGULATIONS

ELL, like other companies, is required to obtain certain approvals from various Government authorities in respect of its business. The Company has all the requisite approvals for carrying on its existing activities and no further approval from any government authority is at present required by the Company to undertake its current activities. For further details, please see "*Regulations and Policies*".

## LITIGATION

See the section entitled "Legal Proceedings" in this Offering Circular.

## CONTINGENT LIABILITY

As on 30 June 2024, the Company has following contingent liabilities:

S. No.	Particulars	(Rs. in million)	
		30.06.2024	31.03.2024
1.	Capital Commitment in respect of Purchase of Properties	219.79	219.79

The Company has intended to purchase the property for Rs. 244.22 million at Mohali, Punjab. The Company has made the payment of Rs.24.18 million for the same till 31 March 2024. Balance payment will be done in due course at the time of possession and after successful completion of registration and other legal formalities.

## WORKING CAPITAL

Taking into account the available banking facilities, the Company believes that it has sufficient working capital for the Company's present and budgeted expenditure for the forthcoming 12 months at least.

## LEGAL PROCEEDINGS

Save as described below, the Company is not involved in any material legal proceedings, and in the opinion of the Company no proceedings are threatened, which may have or have had during the 12 months preceding the date of this Offering Circular, a material adverse effect on the Company's business, financial position, profitability or results of operations. A summary of legal proceedings involving the Company is set forth below.

### A. LITIGATION INVOLVING THE COMPANY

As on the date of Offering Circular, there is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against the Company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

### B. LITIGATIONS INVOLVING THE PROMOTER

(i) ***Vraj Enterprises, A Partnership Firm V/S State of Rajasthan & Others - Crl.M.Pet. 2287/2023 - High Court of Judicature for Rajasthan Bench at Jaipur***

The Petitioner has filed a petition under section 482 Cr. PC for directing the Respondents (Just Right Life Limited) to remove the hold on 1,000 shares of Best Agro Life Limited purchased by the Petitioner firm on 3 November 2022 as the Petitioner has no connection whatsoever with the disputed subject matter raised by the Complainant in the FIR in question. The next date of hearing is 27 August 2024.

(ii) ***Jignesh Shah Vs. State of Rajasthan & Others - Crl.M.Pet. 5726/2023 - High Court of Judicature for Rajasthan Bench at Jaipur***

The Petitioner has filed a petition under section 482 Cr. PC for Quashing / set aside the Respondent No.2's Order No. CL-11-17 /31/2021-0/o DGCoA-MCA dated 20 September 2022 directing SFIO inquiry in relation to companies related to the Petitioner; and Quash/ set aside the proceedings undertaken by SFIO and the summons dated 17.08.2023 issued by Respondent (Just Right Life Limited) to the Petitioner. The next date of hearing is 27 August 2024.

(iii) ***Atul Shah Vs. State of Rajasthan & Others - Crl.M.Pet. 3367/2023 - High Court of Judicature for Rajasthan Bench At Jaipur***

The petition is filed by the Petitioner seeking quashing/ setting aside of the Respondent (Just Right Life Limited) Order No. CL-II-17 /31/2021-0/o DGCoA-MCA dated 20 September 2022, as also quashing of the consequential summons issued by Respondent (Just Right Life Limited) to the Petitioner directing his presence for the purposes of investigation and production of documents as also proceedings initiated by Serious Fraud Investigation Office (SFIO). The next date of hearing is 27 August 2024.

(iv) ***Chintan Sanghavi S/O Shri Mahendra Sanghavi Vs State of Rajasthan & Others - Crl.M.Pet. 472/2021 - High Court of Judicature for Rajasthan Bench at Jaipur***

This petition is filed under section 482 CrPC for quashing the FIR. No.213/2020 lodged against the petitioner (Just Right Life Limited) and others at Police Station Shahjahanpur, District Bhiwadi, Rajasthan. Offence under sections 420 of I.P.C. The next date of hearing is 27 August 2024.

(v) ***Anil Shah S/O Heeralal Shah & Others. Vs State of Rajasthan & Others. High Court of Judicature for Rajasthan Bench at Jaipur - Crl.M.Pet. 471/2021***

The petitioner has filed an quashing petition under section 482 CrPC for quashing of F.I.R.No. 213/2020 dated 10 August 2020 registered at Police Station Shajahanpur, District Bhiwadi, for offence punishable under Section 420 IPC, which was filed by the Just Right Life Limited. The next date of hearing is 27 August 2024.

**(vi) *Just Right Life Limited vs. State of NCT of Delhi & Others - Delhi High Court - W.P.(CRL) 2305 / 2023***

The petitioner (Our Promoter Company i.e. Just Right Life Limited) has filed an writ petition under article 226 of the constitution of India read with section 482 of CrPC for issuance of appropriate writ/ order/ direction in the nature of mandamus or any other appropriate writ/order/directions thereby transferring the investigation pending in FIR no. 26/2023 dated 16 January 2023 police station Punjabi Bagh to the economic offences wing (EOW) or any other special investigating agency/team given the peculiar facts and circumstances of the case and for filing of detailed status report as to the investigation undertaken including all companies operated by the accused persons.

**(vii) *Just Right Life Ltd. vs. State of Rajasthan & Others -High Court of Judicature for Rajasthan Bench at Jaipur - Crl.W. 867/2023***

The Petitioner has filed the present petition for call the record from serious fraud investigation office in relation to FIR No. 0213 /2020 transferred to the office vide order dated 15 December 2021 in Crl. Misc. Petition No. 5867/2020, examining the same in detail, accept/allow this writ petition, and further, this Hon'ble Court be pleased to: - (i) Issue an appropriate writ, order or directions to the SFIO to place on record the current status of investigation done so far; (ii) Issue an appropriate order or direction to refer the matter to Enforcement Directorate (ED) . (iii) By way of writ order or direction the SFIO be directed to bring on record if any notices are issued to either petitioner or the accused named in the FIR; (iv) By an appropriate writ, order or directions, the SFIO be directed to place on record how many companies are investigated whether accused named in the complaint are directly or indirectly involved. The next date of hearing is 27 August 2024.

**(viii) *Just Right Life vs. M/s. Cerebra Integrated Tech. Ltd & others - In the National Company Law Tribunal Bengaluru Bench, Bengaluru - C.P.(Ib) No. 59/Bb/2024***

The petitioner (Our Promoter Company i.e. Just Right Life Limited) has filed an application under section 7 of IBC for the recovery of the total amount of Rs. 2,63,34,740/- (Rupees Two Crore Sixty-three lacs thirty-four thousand seven hundred and forty only) from the Corporate Debtor.

**C. *PROCEEDINGS UNDER THE COMPANIES ACT***

There has been no inquiry, inspection or investigations initiated or conducted against the Company under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of this Offering Circular against either the Company or its subsidiaries. Further, there have not been any prosecutions filed (whether pending or not), fines imposed, compounding of offences under the Companies Act, 2013 or any previous company law, in the last three years immediately preceding the year of circulation of this Offering Circular with respect to the Company or its Subsidiaries.

**D. *MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE YEARS***

There have been no material frauds committed against the Company in the last three years.

## REGULATIONS AND POLICIES

*Given below is an indicative summary of certain relevant laws and regulations applicable to the Company. 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 statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Labour Laws**

#### **The Employees' Provident Funds and Miscellaneous Provisions Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”), as amended from time to time (latest amendment on 22nd April 2019) came into force on 4th March 1952 mandates provisioning for provident fund, family pension fund and deposit linked insurance fund in factories and other establishments for the benefits of the employees. The EPF Act applies to all establishments engaged in any industry specified in Schedule I (of the EPF Act) that employ 20 (twenty) or more persons and to any other establishment employing 20 (twenty) or more persons or class of such establishments which the Central Government may specify by a notification.

Under the EPF Act, the Central Government has framed the Employees Provident Fund Scheme, Employees Deposit-Linked Insurance Scheme and the Employees Family Pension Scheme. Liability is imposed on the employer and the employee to contribute to funds mentioned above, in the manner specified in the EPF Act. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments require to be made under the abovementioned schemes.

#### **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965, as amended from time to time (“**Bonus Act**”), provides for payment of bonus based on profit or based on production or productivity, to persons employed in factories or in establishments employing 20 (twenty) or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. Allocable bonus is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

#### **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972, as amended from time to time (“**Gratuity Act**”), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakh.

#### **The Employees State Insurance Act, 1948**

The Employees State Insurance Act, 1948 (“**ESI Act**”) provides for certain benefits to employees in case of sickness, maternity, and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions

to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **The Code of Wages, 2019**

The Code on Wages, 2019 enacted on 8th August 2019 is proposed to be shortly notified to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Code will apply to all employees. The central government will make wage-related decisions for employments such as railways, mines, and oil fields, among others. State governments will make decisions for all other employments. Wages include salary, allowance, or any other component expressed in monetary terms. This does not include bonus payable to employees or any travelling allowance, among others. According to the Code, the central government will fix a floor wage, taking into account living standards of workers. Further, it may set different floor wages for different geographical areas. Before fixing the floor wage, the central government may obtain the advice of the Central Advisory Board and may consult with state governments. The Code specifies penalties for offences committed by an employer, such as (i) paying less than the due wages, or (ii) for contravening any provision of the Code. Penalties vary depending on the nature of offence, with the maximum penalty being imprisonment for three months along with a fine of up to one lakh rupees.

### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961, as amended from time to time (“**Maternity Benefit Act**”), is aimed at regulating the employment of women in certain establishments for certain periods before and after childbirth and for providing for maternity benefit and certain other benefits. It applies to every establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

### **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 as amended from time to time (“**Remuneration Act**”) aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/ her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favorable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature.

In addition, no employer shall, for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training, or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

### **The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986**

The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986, (“**Child Labour Act**”) as last amended in 2016 was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently

exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

### **The Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 as last amended in 2010 (“**ID Act**”) provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labor court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labor courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The Industrial Disputes Act provides for direct access for the workers to labor courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

### **The Trade Union Act, 1926**

The Trade Union Act, 1926 (“**Trade Union Act**”) provides for registration of trade unions (including association of employers) with a view to render lawful organization of labor to enable collective bargaining. The Trade Union Act also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers and aims at regularizing labor-management relations.

No trade union shall be registered unless a minimum of seven workers engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration. However, a trade union shall not be registered unless at least ten per cent, or one hundred of the workers, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of the Trade Union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal, or non-verbal conduct of sexual nature.

The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e., a written complaint to be made within a period of three months from the date of incident. If the establishment has less than ten employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee constituted under section 6 of the SHWW Act.

### ***Anti-Trust Laws***

#### **The Competition Act, 2002**

The Competition Act, 2002, as last amended in 2009 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Act prohibits anti-competitive agreements, abuse of dominant position and regulates combinations (mergers and acquisitions) with a view to ensure that there is no adverse effect on competition in the relevant market in India.

Under the Competition Act, the Competition Commission has powers to pass directions / impose penalties in cases of anti-competitive agreements, abuse of dominant position and combinations, provided the penalty is not more than ten per cent of the average turnover of the last three years.

## **Intellectual Property Laws**

India has certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000.

### **The Trademarks Act, 1999**

The Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

### **The Copyright Act, 1957**

This Act governs the copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

### **The Designs Act, 2000**

This Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration, or composition of pattern or color, or combination of pattern and color in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

### **The Patents Act, 1970**

This Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

## ***Tax Laws***

### **Income Tax Act, 1961**

The Income Tax Act, 1961 (“**Income Tax Act**”) consolidates all the provisions in relation to income tax and is applicable to every domestic / foreign company whose income is taxable under the Income Tax Act depending upon its “residential status” and “kind of income” earned by the company. Further, every company is required to file a return for the income earned in the previous year with the authorities under the Income Tax Act by 31st October of the assessment year. The Income Tax Act inter alia provides for tax deduction at source, fringe benefit tax, advance tax and minimum alternative tax and the like which is required to be complied with by every Company.

### **Goods and Services Tax Act, 2017**

The Goods and Services Tax Act, 2017 enacted on 12th April 2017 is an act to make a provision for levy and collection of tax on inter-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. It is a comprehensive, multistage, destination-based tax: comprehensive because it has subsumed almost all the indirect taxes except a few state taxes. Multi-staged as it is, the GST is imposed at every step in the production process but is meant to be refunded to all parties in the various stages of production other than the final consumer and as a destination-based tax, it is collected from point of consumption and not point of origin like previous taxes.

### **The Customs Act, 1962**

The Customs Act, 1962, as amended from time to time (Customs Act“) regulates import of goods into and export of goods from India. Further, the Customs Act regulates the levy and collection of customs duty on goods in accordance with the Customs Tariff Act, 1975. Under the Customs Act, the Central Board of Customs and Excise (CBEC) is empowered to appoint, by notification, ports or airports as customs ports or airports.

The Customs duty is payable as a percentage of value which is known as assessable value or customs value. The value may be either value or tariff value as defined in the Customs Act. According to the Customs Act, the value of the imported goods and export goods shall be the transaction value of such goods i.e., the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of import or export from India for delivery at the time and place of export where the buyer and seller of the goods are not related and price is the sole consideration for the sale. Any company requiring import or export any goods is required to get itself registered under the Custom Act and obtain Importer Exporter Code number.

#### **Material Approvals obtained in relation to the business and operations of the Company**

As on the date of this Offering Circular, the Company provides hospitality services which includes but not limited to accommodation related to traveling for leisure, pleasure, or business purposes and visiting various destinations, such as cities, countries, natural attractions, historical sites, and cultural events, to experience new cultures, activities, and environments.

We require various approvals, licenses and registrations under several central or state level acts, rules and regulations to carry on our business and operations. These licenses differ based on the locations as well as the nature of operations carried out at such locations.

An indicative list of the Material Approvals required by us for the business and operation of our owned hotels is provided below:

#### **Trade license from relevant municipal authorities:**

We are required to obtain trade licenses from the municipal authorities of the respective areas where our hotels are located, where local laws require such trade licenses to be obtained.

#### **FSSAI registration:**

We are required to obtain registration from the Food Safety and Standards Authority of India, under the FSSAI read with the Food Safety and Standard (Licensing and Registration of Food Business) Regulations, 2011, for sale, storage or distribution of food products.

#### **Shops and establishments registrations:**

In states where our hotels are located, registration under the respective shops and establishment acts of those states, wherever enacted or in force, is required. The terms of registration, renewal procedure and requirement for such registrations may differ under the respective state legislations.

#### **Liquor license under excise laws:**

Under the scheme of excise laws, different state legislatures have enacted state legislations dealing with licenses for sale of alcohol. Any person selling alcohol, of various types and form, is required to obtain appropriate license under the state legislation. Such license is issued and classified based upon the nature and type of the alcohol. The categories of alcohol licenses may include Indian made foreign liquor, foreign liquor, country liquor, beer and wine, or a combination thereof. In states where we serve liquor at our hotels, we are required to obtain license to serve and store liquor under the respective legislation of the state.

#### **Environment related approvals:**

We are required to obtain various environment related approvals and consents to operate under the Environment Protection Act, Air Act and Water Act, the Environmental Impact Assessment Notification and authorisation for collection, storage and disposal of hazardous waste under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 in respect of our hotels, wherever applicable.

#### **No objection certificates from fire department:**

We are required to obtain a no objection certificate (“NOC”) from the relevant fire department, as applicable in the concerned jurisdictions of our hotels, to continue operations of our hotels.

#### **NOC from police department:**

We are required to obtain a NOC from the relevant police department, as applicable in the concerned jurisdictions of our hotels. In addition to the Material Approvals mentioned above, we are also required to obtain certain other

Approvals such as, *inter alia*, licenses from the local municipal corporations, such as, lodging license, hotel room license, restaurant license, bar license, retail license, hotel registration, as applicable in the concerned jurisdictions of our hotels, to continue operations of our hotels

### ***Miscellaneous Laws***

#### **Environment Protection Act, 1986**

The aim/purpose of bringing the Act into force is to provide for the protection and improvement of environment and for matters connected there with. The Act was passed on 23rd May 1986 & came into force on 19th November 1986. To take appropriate steps for the protection and improvement of human environment that was laid down in United Nations Conference on the Human Environment held at Stockholm in June 1972, in which India also participated. The Act empowers the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment in coordination with the State Governments.

#### **The Foreign Trade (Development and Regulation) Act, 1992**

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 (FTA). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (EXIM) Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

### ***General Laws***

In addition to the above-mentioned laws and policies, the provisions of the Indian Contract Act, 1872, the Specific Relief Act, 1963, the Consumer Protection Act, 1986, the Companies Act 1956 or the Companies Act, 2013 (as may be applicable/amended/modified from time to time), etc., is applicable to the business and activities of the Company.

### ***Policies Applicable***

#### **The Foreign Direct Investment**

Foreign investment in companies is governed by the provisions of the Foreign Exchange Management Act, 1999 read with the applicable regulations. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry (MoCI) has issued the Consolidated FDI Policy the (FDI Circular) which consolidates the policy framework on Foreign Direct Investment (FDI), with effect from October 15, 2020. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT till October 15, 2020. At present 100% (One Hundred Per Cent) FDI is permitted through the automatic route in the sector, in which the company operates.

## DIRECTORS AND MANAGEMENT

### BOARD OF DIRECTORS

The composition of the Board of Directors is governed by the provisions of the Companies Act, SEBI Listing Regulations and the Listing Agreements.

Pursuant to the Companies Act, not less than two-thirds of the total numbers of Directors shall be persons whose period of office is subject to retirement by rotation and one third of such Directors, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office at every annual general meeting. The Directors to retire are those who have been the longest in the office since their last appointment. A retiring director is eligible for re-election. The Company's Directors are not required to hold any shares of the Company by way of qualification shares.

The Board of Directors may appoint any person as an additional Director, but such Director shall hold office only up to the date of the next annual general meeting unless appointed by the shareholders in accordance with the provisions of the Companies Act.

Presently, the Board of Directors of the Company comprises six Directors with three executive directors and three non-executive & independent directors. The following table sets forth information on the Company's Directors, their residential address and directorships in other companies:

S. No.	Name and Address	Designation	Category	Other Directorships
1	<b>Mr. Robin Raina</b> 510 Covington Cove, Alpharetta, GA, United States of America, 30022 <i>Business</i> (DIN: 00475045) <i>Nationality: USA</i>	Chairman and Executive Director	Executive, Non- Independent	Ebixcash Mobility Software India Limited Ebix Travels Private Limited Bse Ebix Insurance Broking Private Limited Ebixcash Limited Ebix Payment Services Private Limited Zillious Solutions Private Limited
2	<b>Mr. Vikas Garg</b> House No. 7/41, West Punjabi Bagh, New Delhi-110026 <i>Business</i> (DIN: 00255413) <i>Nationality: Indian</i>	Vice Chairman and Executive Director	Executive, Non- Independent	Vikas Ecotech Limited Genesis Gas Solutions Private Limited Advik Capital Limited IGL Genesis Technologies Limited
3	<b>Ms. Bhawna Sharma</b> 36/9, N.S Road, Rishra Hooghly, West Bengal 712248 <i>Professional</i> (DIN: 10288658) <i>Nationality: Indian</i>	Wholetime Director	Executive, Non- Independent	Nil
4	<b>Mr. Ravi Kumar Gupta</b> Regal House, SCF-17, HUDA Commercial, (Near UBI), Rohtak- 124001, Haryana <i>Professional</i> (DIN: 01018072) <i>Nationality: Indian</i>	Director	Non-Executive, Independent	Vikas Ecotech Limited

5	<b>Mr. Devender Kumar Garg</b> G-801 La Lagune, Golf Course Road, Sector 54, Chakarpur (74), Gurugram, Haryana-122002 <i>Professional</i> (DIN: 02316543) <i>Nationality: Indian</i>	Director	Non-Executive, Independent	Advik Capital Limited Zomato Financial Services Limited
6	<b>Ms. Swati Gupta</b> F-722A, Street No. 24, Laxmi Nagar, East Delhi, Delhi 110092 <i>Chartered Accountant</i> (Din: 09652245) <i>Nationality: Indian</i>	Director	Non-Executive, Independent	M K Proteins Limited G G Engineering Limited Advik Capital Limited Cellecor Gadgets Limited

### Brief Profile of Directors

**Mr. Robin Raina:** He is a visionary entrepreneur and the driving force behind EbixCash, leading it to prominence in global finance and insurance exchanges. Since 1999, he has pioneered innovative concepts that propelled Ebix to be featured five times on Fortune’s 100 Fastest Growing Companies list. With a remarkable 22-year track record of profitability and delivering over 110x shareholder return, Robin Raina epitomizes consistent financial success. Beyond business, Robin is a dedicated philanthropist who has significantly impacted lives by providing homes and education to thousands in India. He is an alumnus of Thapar University, holding a degree in Industrial Engineering.

**Mr. Vikas Garg:** He is a veteran businessman with over 25 years of diverse experience spanning Business Marketing, Strategic Planning, Financial Strategy, and specialization in Chemicals. Holding a Ph.D. in Business Administration, he has successfully steered the group from its conventional focus on polymer compounds and specialty chemical additives towards new age businesses. His leadership has been pivotal in fostering the group’s foray into new ventures, driving innovation and expansion into emerging markets. Mr. Garg provides strategic direction and guidance, setting the stage for sustainable growth and excellence in new business endeavours.

**Ms. Bhawna Sharma:** She holds a degree in MBA Finance, possesses hands-on experience in the financial sector, specifically that of a Non-Banking Financial Company, with practical exposure of financial analysis, risk management, and strategic financial planning. Her proficiency in navigating financial challenges makes her an asset in achieving organizational objectives effectively.

**Mr. Ravi Kumar Gupta:** He is a distinguished professional with a Ph.D. in Commerce, alongside Master's degrees in MFC, MIB, M.Com, and PGDCA. He boasts over 25 years of expertise in Financial Management, Business Policy, and Corporate Social Responsibility. His robust academic background and extensive professional experience underscore his leadership in driving strategic initiatives within the corporate sector.

**Mr. Devender Kumar Garg:** He is a seasoned banker with over four decades of experience, retired as Chief General Manager from a premier PSU Bank. His expertise includes managing NPAs, BIFR and CDR accounts, and chairing committees on securitization and asset reconstruction. With qualifications in B.Com, Post-Graduation Diploma in Personnel Management, and CAIIB, he has also served as a director in multiple prestigious companies. Mr. Garg's profound knowledge spans banking, international banking environments, Indian economy, corporate affairs, and risk management, enhancing his strategic contributions to various organizations.

**Ms. Swati Gupta:** She is a young, dynamic and Qualified Chartered Accountant having an experience of more than 5 years in the field of Accounts/Finance/ Internal Audit/ Taxation field. She also has knowledge of Corporate Law, Strategic/ Financial Planning, Working Capital Management, Filings, Statutory Compliances and MIS among other aspects of corporate functioning.

### Relationship between the Directors

No Directors are related to each other.

### **Borrowing powers of the Board of Directors**

As per the special resolution passed by the Members of the Company in the Extra Ordinary General Meeting on 29 July 2024 the Board has been given powers to borrow a sum not exceeding Rs.15,000 million (Rs. Fifteen Thousand million Only) other than the outstanding temporary loan borrowed from the Company's bankers in the ordinary course of business.

### **Interest of the Directors**

All of the directors may be deemed to be interested to the extent of remuneration and/or fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses payable to them.

All the directors may also be regarded as interested in the equity shares held by, or subscribed by and allotted to the companies, firms and trusts, in which they are interested as directors, members, partners or Registrars.

### **Directors' Compensation**

The following table sets out details of remuneration paid to the directors for the financial year 2023-24:

<b>Name</b>	<b>Designation</b>	<b>Remuneration (Rs./mn)</b>
Ms. Bhawna Gupta	Director	0.05
Ms. Meenakshi Sharma	Wholetime Director	0.04

There is no sitting fee paid to the Non-Executive Directors during the financial year 2023-24.

### **Directors' Shareholding**

The following table sets out the shareholdings of the Directors in the Company as at 13 August 2024:

<b>Name of the Director</b>	<b>Designation</b>	<b>No. of Shares held</b>
	NIL	

Besides the above, no other Director holds any Shares in the Company.

### **Loan and guarantees to Directors and Management**

As at the date of this Offering Circular, there are no loans or guarantees which have been provided or are outstanding to either the Directors or the management of the Company.

### **ESOP Option**

As at the date of this Offering Circular, neither any option nor any right to subscribe for any option on the Shares has been granted by the Company to the Directors of the Company.

## **CORPORATE GOVERNANCE**

The Company has complied with the corporate governance code in accordance with the listing agreements with the Stock Exchanges, particularly in respect to appointment of independent directors on the Board and constitution of the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee. The Company's corporate governance policies recognize the accountability of its Board of Directors and the importance of transparency to all of its constituents, including employees, customers, investors and the regulatory authorities and of demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities.

The Board functions through various committees, which have been constituted and function in accordance with the relevant provisions of the Companies Act and the Listing Agreement. The constitution and main functions of the various committees are given below:

#### **1. Audit Committee**

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties,

disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the CEO, CFO, Statutory Auditor, Internal Auditor and other executives to attend the meetings of the Committee.

The Audit Committee is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

1. Overseeing your Company's financial reporting process and the disclosure of its information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management quarterly, half-yearly, nine months and annual financial statements, standalone as well as before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Sec 134(3)(c) of the Companies Act, 2013;
  - b. Changes in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
  - c. Compliance with the Listing Regulations and other legal requirements relating to financial statements;
  - d. Disclosure of any related party transactions; and
  - e. Qualifications in the draft audit report, if any.
5. Reviewing the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures);
6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
  - (a) qualifications and experience of the individual/ firm proposed to be considered for appointment as auditor;
  - (b) whether such qualifications and experience are commensurate with the size and requirements of the company; and
  - (c) giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
7. Recommending to the Board, the appointment, re- appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
8. Discussion with the 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;
9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditors;
10. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
12. 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;
13. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
14. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
15. Evaluating the internal financial controls and risk management policies system of the Company;
16. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;

17. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
18. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the company by its officers/employees;
19. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company, its subsidiary company or associate company;
20. Reviewing the statements of significant related party transactions submitted by the management;
21. Reviewing and Scrutinizing the inter-corporate loans and investments;
22. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
23. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
24. Approving the auditors (appointed under the Companies Act 2013) to render any service other than consulting and specialized services;
25. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
26. Review the cost audit report submitted by the cost auditor on audit of cost records, before submission to the Board for approval;
27. Appointing registered valuers and defining the terms and conditions for conducting the valuation of assets/net-worth/ liabilities of the Company. Reviewing the valuation report and follow-up thereon;
28. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
29. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
30. Review and approve, policy formulated for determination of material subsidiaries;
31. Review and approve, policy on materiality of related party transactions and also dealing with related party transactions; and
32. Any other matter referred to by the Board of Directors.

The Audit Committee consists of three non-executive & independent directors namely Mr. Devender Kumar Garg, Mr. Ravi Kumar Gupta and Ms. Swati Gupta. Mr. Devender Kumar Garg is the Chairman of the Audit Committee. The Company Secretary of the Company acts as Secretary to the Committee.

## **2. Nomination & Remuneration Committee**

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

1. Formulate criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
3. Devise a policy on Board Diversity;
4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/ Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;

6. Reviewing and recommending to the Board, the remuneration, payable to Directors of your Company; and
7. Undertake any other matters as the Board may decide from time to time.

The Nomination & Remuneration Committee consists of three non-executive & independent directors namely Mr. Ravi Kumar Gupta, Mr. Devender Kumar Garg and Ms. Swati Gupta. Mr. Ravi Kumar Gupta is the Chairman of the Nomination & Remuneration Committee. The Company Secretary of the Company acts as Secretary to the Committee.

### 3. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve the grievance of the security holders of the Company.

The Stakeholders Relationship Committee consists of three non-executive & independent directors namely Ms. Swati Gupta, Mr. Ravi Kumar Gupta and Mr. Devender Kumar Garg. Ms. Swati Gupta is the Chairperson of the Committee.

The Company Secretary of the Company is the compliance officer for complying with the requirements of Securities Law and acts as Secretary to the Committee.

### 4. Corporate Social Responsibility Committee (CSR Committee)

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 and rules made there under. The terms of reference of the CSR Committee, inter alia include the following:

1. Recommend the amount of expenditure to be incurred on the activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects /programmes/ activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

### Code for prevention of insider trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive code of conduct for its directors, management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violations.

### BRIEF PROFILE OF COMPANY'S SENIOR MANAGEMENT

S. No.	Name & Address	Designation	Age	Qualification	Years with the Company	Experience in years	Present Remuneration per annum (Rs./million)
1	<b>Ms. Meenakshi Sharma</b> H. No. 674, Kangar Mohalla, Tughlakabad Village, Jaitpur Delhi 110044	Chief Financial Officer	25	B.Com (Hons)	1 year	2	0.504
2	<b>Ms. Shweta Singh</b> A-41/42, Pandav Nagar, A Block, Mother Dairy Shakar Pur Baramad Delhi 110092	Chief Operating Officer	32	Master of Business Administration (Finance & Production and	1 month	10	0.66

				Operations Management)			
3	<b>Ms. Vasudha Aggarwal</b> BN- 57, Third Floor, Shalimar Bagh (east), Delhi 110088	Company Secretary and Compliance Officer	43	Company Secretary	1 year 4 months	4	0.648

### **Brief Profile of Senior Management Personnel**

*Ms. Meenakshi Sharma*, is a graduate (B. Com (Hons)) from Delhi University having an adequate experience in handling business management, Accountancy, Finance, Auditing and other related matters.

*Ms. Sweta Singh*, holds a degree in Master of Business Administration (Finance & Production and Operations Management) and she is having a wide experience of more than 10 years in procurement, purchase and operations.

*Ms. Vasudha Aggarwal*, is a Qualified Company Secretary having experience of more than 4 years, she is also holding a degree of LLB from Chaudhary Charan Singh University, Meerut. She is prudent in handling Corporate Secretarial, Statutory Compliance, Corporate Governance and allied matters

### **Relationship between Key Managerial Personnel and Directors**

None of the Key Managerial Personnel are related to the Directors or to each other.

### **Interests of Key Managerial Personnel**

The key managerial personnel do not have any interest in the Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and to the extent of the Equity Shares held by them or their dependents in the Company, if any.

Other than as disclosed in this Offering Circular, there are no outstanding transactions other than in the ordinary course of business undertaken by the Company, in which the key managerial personnel are interested.

### **Bonus or profit sharing plan for Senior Management Personnel**

Currently, the Company does not have any performance linked bonus policy and a profit-sharing scheme for its employees.

### **Code of Conduct**

The Company has laid down a Code of Conduct and Ethics for Directors and Senior Management (“Code”) applicable to all its Board members and the senior management and the Code is available with all the Directors and Senior Management.

In the preceding financial year and in the current financial year, the Company has not entered into any transaction of an unusual nature with members of the Board of Directors or any of its senior management employees.

### **Shareholding of Senior Management Personnel**

As on date, none of the senior management personnel is holding shares in the Company.

### **ESOP**

As at the date of this Offering Circular, neither any option nor any right to subscribe for any option on the Shares has been granted by the Company to the Key Managerial Personnel of the Company.

## PRINCIPAL SHAREHOLDERS

The Company's principal Shareholders as at 13 August 2024 who are holding more than 1% of the paid-up capital of the Company are:

S. No.	Name of Shareholder	No. of Shares	%
1	Sukriti Garg	5,895,230	32.07
2	Ebisu Global Opportunities Fund Limited	1,250,000	6.80
3	UNICO Global opportunities Fund Limited	950,000	5.17
4	Nexpact Limited	900,000	4.90
5	Mukesh Mittal	875,000	4.76
6	Nirmal Aggarwal	873,000	4.75
7	Babita Mittal	852,500	4.64
8	Renu Mittal	804,500	4.38
9	Renu Aggarwal	773,845	4.21
10	Seema Garg	755,000	4.11
11	Aarti Mittal	751,342	4.09
12	Urvashi Mittal	681,000	3.70
13	Sneha Garg	552,650	3.01
14	Vishal Jai Kumar Garg	400,000	2.18
15	Ag Dynamic Funds Limited	250,000	1.36
16	G G Engineering Limited	187,209	1.02
	<b>TOTAL</b>	<b>16,751,276</b>	<b>91.12</b>

## Shareholding Pattern

The table below sets forth the shareholding pattern of the equity share capital of Company as on 13 August 2024:

S. No.	Category	No. of Shareholders	No. of Shares held	% of total number of shares	Number of Locked in Shares		Number of Shares held in dematerialised form		Number of Shares pledged or otherwise encumbered	
					No. of Shares	As % of total number of shares held	No. of Shares	% of total number of shares	No. of Shares	% of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family	2	6,650,770	36.18	6,150,000	92.47	6,650,770	36.18	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(d)	Any other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub – Total (A) (1)</b>	<b>2</b>	<b>6,650,770</b>	<b>36.18</b>	<b>6,150,000</b>	<b>92.47</b>	<b>6,650,770</b>	<b>36.18</b>	<b>-</b>	<b>-</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident/ Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub – Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>	<b>2</b>	<b>6,650,770</b>	<b>36.18</b>	<b>6,150,000</b>	<b>92.47</b>	<b>6,650,770</b>	<b>36.18</b>	<b>-</b>	<b>-</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>(1)</b>	<b>Institutions (Domestic)</b>									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Banks	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-

(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	1	2,400	0.01	-	-	2,400	0.01	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub – Total (B) (1)</b>	<b>1</b>	<b>2,400</b>	<b>0.01</b>	-	-	<b>2,400</b>	<b>0.01</b>	-	-
<b>(2)</b>	<b>Institutions (Foreign)</b>									
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	3	2,226,200	12.11	-	-	2,226,200	12.11	-	-
(e)	Foreign Portfolio Investors Category II	1	900,000	4.90	-	-	900,000	4.90	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(g)	Any Other (specify)	1	135,000	0.73	-	-	135,000	0.73	-	-
	<b>Sub – Total (B) (2)</b>	<b>5</b>	<b>3,261,200</b>	<b>17.74</b>	-	-	<b>3,261,200</b>	<b>17.74</b>	-	-
<b>(3)</b>	<b>Central Government / State Government</b>									
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-
	<b>Sub – Total (B) (3)</b>	-	-	-	-	-	-	-	-	-
<b>(4)</b>	<b>Non-Institutions</b>									
(a)	Associate companies / Subsidiaries	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category	-	-	-	-	-	-	-	-	-

	is 'trustee', 'beneficiary', or 'author of the trust'									
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	7,070	380,607	2.07	-	-	380,607	2.07	-	-
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	17	7,740,420	42.10	-	-	7,740,420	42.10	-	-
(i)	Non Resident Indians (NRIs)	4	254	0.00	-	-	254	0.00	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	119	296,404	1.61	-	-	296,404	1.61	-	-
(m)	Any Other (specify)	20	52,305	0.28	-	-	52,305	0.28	-	-
	<b>Sub - Total (B) (4)</b>	<b>7,230</b>	<b>8,469,990</b>	<b>46.07</b>			<b>8,469,990</b>	<b>46.07</b>		
	<b>Total Public Shareholding (B) = (B) (1) + (B) (2) + (B) (3) + (B) (4)</b>	<b>7,236</b>	<b>11,733,590</b>	<b>63.82</b>	<b>-</b>	<b>-</b>	<b>11,733,590</b>	<b>63.82</b>	<b>-</b>	<b>-</b>
<b>(C)</b>	<b>Statement showing shareholding pattern of the Non Promoter -Non Public Shareholders</b>									
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-	-	-	-	-
	<b>Total Non Promoter- Non Public Shareholding (C) = (C) (1) + (C) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>7,238</b>	<b>18,384,360</b>	<b>100.00</b>	<b>6,150,000</b>	<b>33.45</b>	<b>18,384,360</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

As far as known to the Company, except promoters, no natural or legal persons indirectly, severally or jointly, exercise or could exercise control over the Company and apart from the promoters, no person directly or indirectly, hold 10% or more of its capital.

Any company in which the Company has a direct or indirect holding of more than 50% has not acquired or holds any shares of the Company.

The detail of the promoters who directly or indirectly, exercise or could exercise the control over the Company is given as under:

S. No.	Name of Shareholder	No. of Shares	%
1	Sukriti Garg	5,895,770	32.07
2	Seema Garg	755,000	4.11
	<b>TOTAL</b>	<b>6,650,770</b>	<b>36.18</b>

#### **Build-up of Authorised and Issued Share Capital of the Company:**

##### *Authorised Share Capital*

S. No.	Particulars of Increase	Date of Meeting	Nature of Meeting
1	Rs.55 million		Prior to Takeover
2	From Rs.55 million to Rs.300 million	5 May 2023	EGM
3	From Rs.300 million to Rs.750 million	23 November 2023	Postal Ballot

##### *Issued Share Capital*

The following are the particulars of the changes affecting the issued and paid-up equity share capital of the Company as available –

Date of Allotment	No. of Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Issue
-	473,160	10	10	Cash	Prior Promoters
01-May-19	1,000,000	10	10	Cash	Preferential allotment made to Mr. Shubhal Goel erstwhile Promoter of the Company
05-Sep-23	6,000,000	10	10	Cash	Preferential allotment made pursuant to conversion of 60,00,000 warrants into equity.
10-Oct-23	7,650,000	10	10	Cash	Preferential allotment made pursuant to conversion 76,50,000 of warrants into equity
13-Aug-24	3,261,200	10	762	Cash	Qualified Institutional Placement
<b>Total</b>	<b>18,384,360</b>				

#### **Information on the Company's Share Capital as on 13 August 2024:**

Share Capital	Rs.
Authorised Share Capital: 75,000,000 Equity Shares of Rs.10 each	750,000,000
Issued, Subscribed and Paid-up Capital: 18,384,360 Equity Shares of Rs.10 each	183,843,600

#### **Information concerning the Company's shares**

- In the preceding financial year and in the current financial year, there has been –
  - Neither a takeover or exchange offer by a third party in respect of the Company's shares;
  - Nor the Company has made a takeover or exchange offer in respect of any other company's shares.
- The Company has not issued either to the public or for private placement, any share of the same class or other classes simultaneously with the issue of shares in terms of this Offering Circular.

## DESCRIPTION OF THE SHARES

*Set forth below is certain information relating to the Company's share capital, including brief summaries of certain provisions of the Company's Memorandum and Articles of Association, the Companies Act, the Securities Contracts (Regulation) Act, 1956 and certain related legislation of India, all as currently in effect relating to the rights attached to the Shares. All disclosures of provisions of the Companies Act in this section refer to the newly notified provisions under the Companies Act, 2013 unless specifically stated.*

### **General**

As on the date of the Offering Circular, the authorised share capital of the Company was Rs.750,000,000 divided into 75,000,000 equity shares of Rs.10 each. The issued, subscribed and paid-up capital is Rs. 183,843,600 divided into 18,384,360 Equity Shares of Rs.10 each. All of the Company's issued and paid-up Equity Shares are in registered form and substantially all are held in dematerialised form.

### **Dividends**

Under the Companies Act, unless the Board recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act 2013, no dividend can be declared or paid by a company for any financial year except out of the profits of the company in accordance with the provisions of the Companies Act or out of the profits of the company for any previous financial year(s) arrived at after providing for depreciation in accordance with the provisions of the Companies Act and remaining undistributed or out of both or out of moneys provided by the Central or State Government for payment of dividend in pursuance of a guarantee given by that government. Under the company's articles of association, the shareholders at a general meeting may declare a lower, but not higher, dividend than that recommended by the Board. Dividends are generally declared as a percentage of the par value. The dividend recommended by the Board and approved by the shareholders at a general meeting is distributed and paid to shareholders in proportion to the paid-up value of their Shares as of the record date for which such dividend is payable. In addition, as permitted by the company's articles of association, the Board may announce and pay interim dividends. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders on the date which is specified as the "record date" or "book closure date" or to those shareholders keeping their shares in dematerialized form, a list of which is provided by the National Securities Depository Limited (the "NSDL") and the Central Depository Services (India) Limited (the "CSDL"). No shareholder is entitled to a dividend while any lien in respect of unpaid calls on any of his/her Shares is outstanding.

Any dividend declared shall be deposited in a separate bank account within five days from the date of the declaration of such dividend. Dividends must be paid within 30 days from the date of the declaration and any dividend which remains unpaid or unclaimed after that period must be transferred within seven days of the expiry of the 30-day period (mentioned aforesaid) to a special unpaid dividend account held at a scheduled bank. Any money which remains unpaid or unclaimed for seven years from the date of such transfer must be transferred by the company to the investor education and protection fund established by the government pursuant to which no claim shall lie against the company or the investor education and protection fund. Directors of the company may be held criminally liable for any default of the provisions.

### ***Pre-Emptive Rights and Alteration of Share Capital***

Subject to the provisions of the Companies Act, the company may increase its share capital by issuing new Shares. Such new Shares shall be offered to existing shareholders listed on the members' register on the record date in proportion to the amount paid-up on those Shares at that date. The offer shall be made by notice specifying the number of Shares offered and the date (being not less than 15 days from the date of the offer) after which the offer, if not accepted, will be deemed to have been declined. After such date, the Board may dispose of the Shares offered in respect of which no acceptance has been received, in such manner as they think most beneficial to the company. The offer is deemed to include a right exercisable by the person concerned to renounce the Shares offered to him/her in favour of any other person provided that the person in whose favour such Shares have been renounced is approved by the Board in their absolute discretion.

Under the provisions of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders if a special resolution to that effect is passed by the shareholders of the issuer in a general meeting, unless not required under the applicable laws.

The company may, by ordinary resolution, from time to time, alter the company's memorandum of association to subdivide the shares for a larger amount than is fixed by the memorandum of association provided that the same proportionate liability shall continue on the shares so reduced or increased as existed on the original Shares before

such subdivision or consolidation, or it may cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares cancelled.

The company's issued share capital may, among other things, be increased by the exercise of warrants attached to any of the company's securities, or individually issued, entitling the holder to subscribe for the company's shares or upon the conversion of convertible debentures issued. The issue of any convertible debentures or the taking of any convertible loans, other than from the Government and financial institutions, requires the approval of a special resolution of shareholders.

The company can also alter its share capital by way of a reduction of its capital or by undertaking a buyback of its Shares under the prescribed SEBI guidelines. The company's articles of association provide that the company may in a general meeting, from time to time increase its capital by the creation of new shares and may consolidate or sub-divide its share capital, convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares or cancel shares which have not been taken up by any person. The company may also from time to time by special resolution reduce its capital and pay capital on the grounds that it may be called up again or otherwise.

The company's articles of association also provide that if at any time the company's share capital is divided into different classes of shares, the rights attached to any one class (unless otherwise provided by the terms of issue of the shares of that class) may 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.

### **Preference Shares**

Preference share capital is that part of the paid-up capital of the company which fulfils both of the following requirements, namely:

- (i) that as respects dividends, it carries or will carry a preferential right to be paid a fixed amount or an amount calculated at a fixed rate; and
- (ii) that as respects capital, it carries or will carry on a winding-up of the company, a preferential right to be repaid the amount of the capital paid up or deemed to have been paid-up.

The preference shares do not confer any further rights to participate in the company's profits or assets. Holders of preference shares are not entitled to vote at the company's general meetings except:

- A. in relation to resolutions placed before the company that directly affect the rights attached to the holder's preference shares and/or
- B. where the dividend due on such capital has remained unpaid:
  - (i) in the case of cumulative preference shares, in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting; and
  - (ii) in the case of non-cumulative preference shares, either in respect of a period of not less than two years or in respect of an aggregate period of not less than three years comprised in the six years ending with the expiry of the financial year immediately preceding the commencement of the meeting.

Under the Companies Act, the company may issue redeemable preference shares, but (i) no such shares shall be redeemed except out of the profits which would otherwise be available for dividends or out of the proceeds of a fresh issue of shares made for the purposes of the redemption; (ii) no such shares shall be redeemed unless they are fully paid; (iii) the premium, if any, payable on redemption shall have been provided for out of the company's profits or out of the company's securities premium account, before the shares are redeemed; (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall be transferred, to a reserve fund to be called the Capital Redemption Reserve Account, out of profits which would otherwise have been available for dividends, a sum equal to the nominal amount of the shares redeemed; and (v) the provisions of the Companies Act relating to the reduction of the share capital of a company shall apply as if such reserve account were paid-up share capital of such company. Preference shares must be redeemable before the expiry of a period of 20 years from the date of their issue.

### **General Meetings of Shareholders**

The company must hold its annual general meeting each year within 15 months of the previous annual general meeting and in any event not later than six months after the end of each accounting year, unless extended by the Registrar of Companies at the company's request for any special reason. The Board may convene an extraordinary

general meeting of shareholders when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than 10.0% of the company's paid-up capital (carrying a right to vote in respect of the relevant matter on the date of the deposit of the requisition).

Written notices convening a meeting setting out the date, place and agenda of the meeting must be given to members at least 21 days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received from all shareholders, in the case of an annual general meeting, and from shareholders holding not less than 95.0% of the company's paid-up capital, in the case of any other general meeting. Currently, the company gives written notices to all members and, in addition, give public notice of general meetings of shareholders in a daily newspaper of general circulation in Mumbai. General meetings are generally held in Mumbai or through VC. The quorum for a general meeting of the company is five shareholders personally being present.

A company intending to pass a resolution relating to matters such as, but not limited to, amending the objects clause of the Memorandum, issue of shares of differential voting rights as to voting or dividend or otherwise, variation in the rights attached to a class of shares or debentures or other securities, buyback of shares under the Companies Act or giving loans or extending guarantees in excess of limits prescribed under the Companies Act and guidelines issued thereunder, is required to obtain passage of the resolution by means of a postal ballot instead of transacting the business in the general meeting of the company. A notice to all shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting each shareholder to send his/her assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

### ***Voting Rights***

At a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy, are in the same proportion as the capital paid-up on each share held by such shareholder to the total paid-up capital of the company. Voting is by show of hands unless a poll is ordered by the Chairman of the meeting or demanded by a shareholder or shareholders holding at least 10.0% of the voting rights in respect of the resolution. The Chairman of the meeting has a casting vote.

Ordinary resolutions may be passed by simple majority of those present and voting at any General Meeting for which the required period of notice has been given. Special resolutions require that the votes cast in favour of the resolution by those present and voting must be at least three times the votes cast against the resolution. Under the Companies Act some of the matters that require special resolution are amendment to the Articles of Association, members voluntary winding up, dissolutions, merger, or consolidation.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association of the company. The instrument appointing a proxy is required to be lodged with the company at least 48 hours before the time of the meeting. A shareholder may, by a single power of attorney, grant a general power of representation regarding several general meetings of shareholders. Any shareholder of the company may appoint a proxy. A corporate shareholder is also entitled to nominate a representative to attend and vote on its behalf at general meetings. A proxy may not vote except on a poll and does not have a right to speak at meetings. A shareholder which is a legal entity may appoint an authorised representative who can vote in all respects as if a member both by show of hands and by poll.

The Companies Act allows for a company to issue shares with differential rights as to dividends, voting or otherwise, subject to certain conditions. In this regard, the laws require that, for a company to issue shares with differential voting rights: (i) the company must have had distributable profits (in accordance with the requirements of the Companies Act) for the three financial years preceding the year in which it was decided to issue such shares; (ii) the company must not have defaulted in filing annual accounts and annual returns for the three financial years immediately preceding the financial year of the year in which it was decided to issue such shares; (iii) the Articles of Association must allow for the issuance of such shares with differential voting rights; and (iv) such other conditions set forth in Rule 4 (Equity Shares with Differential Voting Rights) of The Companies (Share Capital and Debentures) Rules, 2014 are referred.

Registered holders of the Shares withdrawn from the depository arrangements will be entitled to vote and exercise other direct shareholder rights in accordance with applicable Indian law.

### ***Convertible Securities/Warrants***

The company may from time-to-time issue debt instruments that are partly or fully convertible into Shares and/or warrants to purchase Shares.

### ***Annual Reports and Financial Results***

The Annual Report must be laid before the annual general meeting. This report includes certain financial information, a corporate governance section and management's discussion and analysis. It is sent to the company's shareholders, and also made available for inspection at the company's registered office during normal working hours for 21 days prior to the annual general meeting.

Under the Companies Act, the company must file its Annual Return with the jurisdictional Registrar of Companies within 30 days from the date of the relevant annual general meeting. The company must also publish its financial results in at least one English language daily newspaper circulating in the whole or substantially the whole of India and also in a newspaper published in the language of the region where the company's registered office is situated. The company files certain information online, including its Annual Report, quarterly financial statements, report on corporate governance and the shareholding pattern statement, statement of action taken against the company by any regulatory agency and such other statements/information/report as may be specified by SEBI from time to time in accordance with the requirements of the SEBI LODR Regulations.

### ***Transfer of Shares***

Following the introduction of the Depositories Act, 1996, and the repeal of Section 22A of the SCRA, which enabled companies to refuse to register transfers of shares in some circumstances, the equity shares of a public company became freely transferable, subject only to the provisions of Section 59 of the Companies Act. Since the company is a public company, the provisions of Section 59 will apply to the company. The company's articles of association currently contain provisions which give the company's Board discretion to refuse to register a transfer of shares in some circumstances. However, the enforceability of such a provision is uncertain. Furthermore, in accordance with the provisions of Section 59 of the Companies Act, the company's Board may refuse to register a transfer of shares within two months from the date on which the instrument of transfer or intimation of transfer, as the case may be, is delivered to the company, if they have sufficient cause to do so. If the company's Board refuses to register a transfer of shares, the shareholder wishing to transfer his, her or its shares may file an appeal with the National Company Law Tribunal and the National Company Law Tribunal can direct the company to register such transfer.

Pursuant to Section 59(4), if a transfer of shares contravenes any of the provisions of the Securities and Exchange Board of India Act, 1992 or any other law for the time being in force, the Tribunal may, on an application made by the depository, company, depository participant, the holder of the securities or the Securities and Exchange Board, direct any company or a depository to set right the contravention and rectify its register or records concerned.

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These regulations provide for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. The Company has entered into an agreement for such depository services with the NSDL and the CSDL.

The SEBI requires that for trading and settlement purposes, the company's shares be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange.

Pursuant to the listing agreement, in the event the company has not effected the transfer of shares within one month or where the company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of one month, the company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay.

### ***Acquisition of the Company's Own Shares***

The Company is prohibited from acquiring its own shares unless the consequent reduction of capital is effected by an approval of at least 75.0% of its shareholder's voting on the matter in accordance with the Companies Act and is also sanctioned by the High Court of Judicature at Mumbai (that is, the city where the Company's registered office is situated). Moreover, subject to certain conditions, a company is prohibited from giving whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial

assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the company or its holding company.

However, pursuant to certain amendments to the Companies Act, a company is empowered to purchase its own shares or other specified securities out of its free reserves, the securities premium account or the proceeds of any shares or other specified securities (other than the kind of shares or other specified securities proposed to be bought back), subject to certain conditions, including:

- (i) the buyback should be authorised by the company's articles of association;
- (ii) a special resolution should have been passed in a general meeting authorizing the buyback;
- (iii) the buyback is for less than 25.0% of the total paid-up capital and free reserves provided that the buyback of equity shares in any financial year shall not exceed 25.0% of the total paid-up equity share capital in that year;
- (iv) the debt (including all amounts of unsecured and secured debt) the company owes is not more than twice the capital and free reserves after such buyback; and
- (v) the buyback is in accordance with the Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018.

The condition mentioned in (ii) above would not be applicable if the buyback is for less than 10.0% of the total paid-up equity capital and free reserves of the company and provided that such buyback has been authorised by the board of directors of the company. Further, a company buying back its securities is not permitted to buyback any securities for a period of one year from the buyback or to issue new securities for six months from the buyback date. The aforesaid restriction relating to the one year period does not apply to a buyback authorised by a special resolution of the shareholders in general meeting. Every buyback has to be completed within a period of one year from the date of passing of the special resolution or resolution of the Board of directors as the case may be.

A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buyback.

A company is also prohibited from purchasing its own shares or specified securities through any subsidiary company, including its own subsidiary companies or through any investment company (other than a purchase of shares in accordance with a scheme for the purchase of shares by Agents of or for shares to be held by or for the benefit of employees of the company) or if the company is defaulting on the repayment of deposit, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act.

The buyback of securities can be from existing security holders on a proportionate basis or from the open market or from odd lots, that is to say, where a lot of securities of a public company, whose shares are listed on a recognised stock exchange, is smaller than such marketable lot, as may be specified by the stock exchange or by purchasing securities issued to the employees of the company pursuant to a scheme of stock option or sweat equity.

### ***Disclosure of Ownership Interest***

Section 89 of the Companies Act requires beneficial owners of shares of Indian companies who are not holders of record to declare to the company details of the holder of record and the holder of record to declare details of the beneficial owner. Any person who fails to make the required declaration within 30 days may be liable for penalty. Any charge, promissory note or other collateral agreement created, executed, or entered into with respect to any share by the registered owner thereof, or any hypothecation by the registered owner of any share pursuant to which a declaration is required to be made under Section 89 shall not be enforceable by the beneficial owner or any person claiming through the beneficial owner if such declaration is not made. Failure to comply with Section 89 will, inter alia, not affect the obligation of the company to register a transfer of shares or to pay any dividends to the registered holder of any shares pursuant to which such declaration has not been made. 153

### **Main Objects to be pursued by the Company as per its Memorandum of Association**

The main object of the Company to be pursued by the Company as per its Memorandum of Association is as under:

1. To establish, conduct, manage, takeover, construct, acquire, purchase, sell, lease, rent, promote, develop and run holiday resorts, castles, inns, hotels, motels, restaurants, cafes, vacation resorts, villas, rest houses, guest houses, cottages, holiday camps, spas, health rejuvenation centres, clubs, breweries, pubs, bars, swimming pool and other facilities, commercial, ceremonial, residential constructions, premises of all descriptions across the country and abroad, and to carry on the business of all types and forms of hospitality,

leisure activities, tourist, travel services, hosting, organising, managing lavish parties, food and beverage centenaries, concerts, exhibitions, branding activities including events, holidays, trips, corporate and family functions, brand launches, brand promotion, celebrity management, and own, maintain, operate places of amusements, recreation, sports, entertainments, theme parks, water parks, motor sports, yacht, luxury cruise lines, other watercrafts, and all such other businesses which enhances quality, pleasure, leisure, comfort, indulgence, opulence, finer things in life, ceremonies, travel and spaces.

2. To organize, sponsor, manage, host, produce, either individually or various other arrangements like sponsorship, assignment of rights, titles licensing, sharing, collaboration with others, various events like beauty pageant, beauty contests, quiz shows, fashion shows, jewelry exhibition, designers conclave, film festivals, sports events, folk carnivals, collaborations of International brands, design, launching, promotion, management of brands, celebrities, and to make, produce, sponsor various shows, series, serials, movies, short films, documentaries, for different mediums and other allied activities.
3. To carry on business of purchase, sale, subscription, acquisition or dealing in shares, units, negotiable instruments, debentures, bonds, obligations, mortgages, and securities of any kind, movable and immovable assets and any interest therein.
4. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere, and to carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company and to act as broker, trader, agent, shipper, distributor, representative, franchiser, collaborator, stockiest, liaison, job worker, export house of goods, merchandise and services of all grades, commodities of any specifications, descriptions, applications, modalities, fashions, including by-products, spares or accessories thereof.
5. To carry on the business of providing digital marketing services such as website design and development, search engine optimization, advertising, social media marketing, email marketing, content marketing, influencer marketing, video marketing, mobile marketing, ecommerce marketing, local SEO, display advertising, affiliate marketing, analytics and data analysis, remarketing, voice search optimization, digital PR, virtual and augmented reality marketing, online reputation management, and digital marketing consultancy, online presence along with conducting research and analysis on digital marketing trends and technologies. And to acquire, invest in, and manage any other businesses or entities that are complementary to the company's digital marketing services along with entering into partnerships, collaborations, and agreements with other businesses or entities for the provision of digital marketing services and engage in any other activities that are related or incidental to the said business objects.
6. To carry on new edge technology and data driven businesses, trades and activities, essentials for enhancing quality of life, environment or otherwise, having economic values and to undertake these businesses either individually or in collaboration with other persons, companies or corporations and to enter into agreements and contracts, strategic alliances, business association, joint-ventures, partnerships or into any arrangement for sharing profits, union of interest, cooperation, reciprocal concession or other alike business propositions, with such person, firm, corporate or other entity carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

## TERMS AND CONDITIONS OF THE BONDS

*The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Bonds:*

The issue of U.S.\$100,000,000 aggregate principal amount of 9.50 per cent. Secured Convertible Bonds due 2031 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further Bonds issued in accordance with Condition 16 and consolidated and forming a single series therewith) of Eraaya Lifespaces Limited (the “**Issuer**”) was authorised by a resolution of the Board of Directors of the Issuer passed on 29 June 2024 and by the shareholders of the Issuer by way of special resolution at the extraordinary general meeting of shareholders held on 29 July 2024. The Bonds have the benefit of certain security on the Collateral as set out in Condition 1.2. The creation of security in respect of the Bonds was approved by a resolution of the Board of Directors of the Issuer passed on [ \* ]. The Issuer has entered into a paying agency agreement (as amended or supplemented from time to time, the “**Agency Agreement**”) dated on or about [ ] August 2024 with GLAS Trust Company LLC- as principal paying agent (the “**Principal Paying Agent**”) and as conversion agent (the “**Conversion Agent**”), GLAS Trust Company LLC as registrar (the “**Registrar**”) and the other paying and transfer agents appointed under it (each respectively, a “**Paying Agent**”, or “**Transfer Agent**” (references to which shall include the Registrar) and together with the Registrar and the Principal Paying Agent, the “**Agents**”) relating to the Bonds. References to the “Principal Paying Agent”, “Registrar” and “Agents” below are references to the principal paying agent, registrar and agents for the time being for the Bonds. The statements in these terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Agency Agreement. The Agency Agreement is available for inspection upon prior written request and satisfactory proof of holding of Bonds between 9:30 a.m. and 3:30 p.m. Monday to Friday (except public holidays) at the specified office of the Principal Paying Agent. The Bondholders are deemed to have notice of, all the provisions of the Agency Agreement applicable to them.

### 1 Status of the Bonds and Collateral

#### 1.1 Status of the Bonds

The Bonds constitute direct, general and unconditional obligations of the Issuer and the performance of all the obligations of the Issuer under the Bonds are or will be secured by, *inter alia*, a fixed charge (by way of pledge) over the “**Collateral**”, and any other instruments pursuant to which the security interests in the Collateral are created, the “**Collateral Documents**”).

#### 1.2 Collateral

The charge created on the Collateral will be created in favour of the Security Agent under the Collateral Documents for the benefit of the Bondholders in compliance with the Collateral Documents. The Bonds will at all times rank *pari passu* among themselves and be subordinated to any of the Company’s secured obligations with respect to the assets that secure such obligations, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

*See “Description of the Collateral” for more details of the Collateral to be granted by the Issuer and a description of the Collateral Documents.*

### 2 Form, Denomination and Title

#### 2.1 Form and denomination

The Bonds are issued in registered form in the denomination of U.S.\$200,000 each or in integral multiples of U.S.\$1,000 in excess thereof (each an “**Authorised Denomination**”). A bond certificate (each, a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders which the Issuer will procure to be kept by the Registrar.

*Upon issue, the Bonds will be represented by a Global Certificate registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and*

*Clearstream Banking S.A. (“Clearstream”). The Conditions are modified by certain provisions contained in the Global Certificate.*

*Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.*

## 2.2 Title

Title to the Bonds passes only by transfer and registration in the register of Bondholders as described in Condition 3. The holder of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of a Bond registered in its name for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered in the Register (as defined below).

## 3 Transfers of Bonds; Issue of Certificates

### 3.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of the Bonds (the “**Register**”). Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

### 3.2 Transfers

Subject to Conditions 3.5, 3.6 and 3.7 and the terms of the Agency Agreement, a Bond may be transferred or exchanged in whole or in part in an Authorised Denomination by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents. No transfer of title to a Bond will be valid unless and until entered on the Register.

*Transfers of interests in Bonds evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.*

### 3.3 Delivery of new certificates

3.3.1 Each new Certificate to be issued upon a transfer or exchange of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the original Certificate and form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the Bondholder and at the Issuer’s expense) to the address specified in the form of transfer.

*Except in the limited circumstances described herein (see “The Global Certificate”), owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates.*

3.3.2 Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, exchanged, converted, redeemed or repurchased, a new Certificate in respect of the Bonds not so transferred, exchanged, converted, redeemed or repurchased will, within seven business days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds

not so transferred, exchanged, converted, redeemed or repurchased (but free of charge to the Bondholder and at the Issuer's expense) to the address of such holder appearing on the Register.

3.3.3 For the purposes of these Conditions (except for Condition 7 and Condition 8), “**business day**” shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Agent with whom a Certificate is deposited in connection with a transfer or conversion is located.

#### 3.4 **Formalities free of charge**

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any tax, duty or other governmental charges which may be imposed in relation to such transfer; and (ii) the Issuer or the relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

#### 3.5 **Restricted transfer periods**

No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the dates for redemption pursuant to Condition 8.2 and Condition 8.3; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after a Change of Control Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; (iv) after a Purchase Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (v) after an Optional Put Exercise Notice (as defined in Condition 8.6) has been deposited in respect of such a Bond; or (vi) during the period of seven days ending on (and including) any Interest Record Date (as defined in Condition 7.1). Each such period is a “**Restricted Transfer Period**”.

#### 3.6 **Regulations**

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Bondholder upon request in writing.

#### 3.7 **Transfer Restriction under Indian Law**

Save as otherwise permitted under the laws of India, the Bonds may not be offered, sold or otherwise transferred at any time to any Person which is ineligible under applicable Indian foreign investment regulations (including but not limited to Press Note 3 of 2020 issued by the Department for Promotion of Industry and Internal Trade of the Ministry of Commerce and Industry, Government of India) to undertake foreign direct investments in India without prior approval of the Government of India (any such Person, a “**Restricted Person**”). Neither Agent shall be under any duty to determine whether any transfer of Bonds is restricted pursuant to this Condition 3.7 and will not be responsible to the Issuer or any Bondholder for any loss arising from any failure by it to do so.

### 4 **Covenants**

#### 4.1 **Limitation on Security Interests**

So long as any Bond remains outstanding, the Issuer will not, directly or indirectly, incur, assume or permit to exist any Security Interest, such as assignment, pledge, lien or other form of encumbrance on the Collateral.

#### **4.2 Post-Closing Collateral Requirement**

To the extent that any of the Collateral Documents required in connection with the creation, perfection and registration of the fixed charge over the Collateral have not been executed and delivered on or prior to the Issue Date, or the Issuer has not procured the registration of such security interests on or prior to the Issue Date (in each case, to the extent required by the Collateral Documents), the Issuer shall (i) ensure that all such actions are completed as soon as reasonably practicable, and in no event later than 90 days following the Issue Date and (ii) deliver, or cause to be delivered, to the Security Agent, a certificate signed by two authorised signatories of the Issuer confirming that all such actions have been completed in accordance with the requirements of this Condition 4.2. The Security Agent shall be entitled to accept and rely upon any such certificate as sufficient evidence of the satisfaction of the circumstances set out above without further investigation or enquiry and without liability to any Bondholder, in which event it shall be conclusive and binding on the Bondholders.

#### **4.3 Merger, amalgamation, consolidation or sale of assets**

The Issuer shall not, and shall not permit any of its Subsidiaries to, consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of the properties and assets of the Issuer (as an entirety or substantially an entirety in one transaction or a series of related transactions).

#### **4.4 Board Membership**

From the Issue Date and for so long as any amount is outstanding under the Bonds, the Issuer shall ensure that it constitutes a Board with not more than seven directors; of which (i) one executive director and (ii) three independent, non-executive directors be appointed by the Bondholders; and (iii) the executive director shall have the authority to oversee the operation, finances and business performance for all the businesses of Issuer and its Subsidiaries.

The Issuer shall take and procure the taking of all corporate action required to effect the appointment as required under paragraph above (including, without limitation, amending the constitutional documents of the relevant entities). Any such appointee may be replaced from time to time by (as applicable) the majority of the Bondholders. Each such appointee shall be entitled to receive all notices, agendas and other documents and to attend all general meetings and board meetings and meetings of the Issuer. Any expenditure incurred in connection with such appointment of the directors shall be borne by the Issuer.

The Issuer shall: (i) ensure that the executive director so appointed shall be empowered by the Board of Directors of the Issuer sufficiently to enable the performance his/her duties; (ii) ensure sufficient and prompt access and information to the executive director in order to perform his/her duties; and (iii) the Issuer shall (and will procure that each employee, staff, officer, director, manager and/or secretary shall) cooperate with the executive director and provide all information requested promptly.

#### **4.5 Government Approvals; Compliance with Law**

(a) The Issuer shall (I) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses (including requisite approval from the RBI under the FEMA ODI Regulations (including any board and/or shareholder resolutions, as applicable), which are to be obtained on or before the Issue Date) as are necessary to (i) enter into, and perform its obligations under, the Notes and the Collateral Documents and (iii) ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of the Notes and the Collateral Documents, (II) preserve and maintain good and valid title to the Collateral, free and clear of any Liens; and (III) comply with all laws, regulations including the FEMA ODI Regulations and compliant with all filing requirements thereto in relation to the Bonds. (b) The issuer upon request by the Bondholders or the Agents, supply certified copies to the Bondholders or the Agents of the governmental approvals, authorizations, consents, permits, concessions, and filings (including those required under the FEMA ODI Regulation in relation to the Bonds and the Collateral. (c) The Issuer shall make relevant disclosures in its financial statements in relation to the Bonds and the Collateral.

## 5 Interest

The Bonds bear interest on their outstanding principal amount from and including [\*] August 2024 at the rate of 9.50 per cent. per annum payable semi-annually in arrear in equal instalments of U.S.\$47.50 per Calculation Amount (as defined below) on [\*] February and [] August in each year (each, an “**Interest Payment Date**”), commencing on [\*] February 2025. On each Interest Payment Date, the Issuer having given not less than 14 days’ notice to the Agents; may choose to make the interest as accrued but unpaid on the outstanding principal amount of the Bonds at the rate of 9.50 per cent. per annum.

Save as set out in Condition 6.2.4, each Bond will cease to bear interest (a) where the Conversion Right attached to it shall have been exercised by a Bondholder, from and including the Interest Payment Date immediately preceding the relevant Conversion Date (as defined below), or if none, the Issue Date, subject to conversion of the relevant Bonds in accordance with the provisions of Condition 6.2, and (b) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, it will continue to bear interest at 2.0 per cent. above the rate aforesaid from the date such sums are due but not paid until whichever is the earlier of (x) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (y) the day seven days after the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Interest in respect of any Bond shall be calculated per U.S.\$1,000 in principal amount of Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period shall, save as provided above in relation to equal instalments, be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction (determined in the same manner as stated above in this Condition 5) for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

*All interest payable on the Bonds shall be subject to applicable laws in India, including but not limited to the Indian Foreign Exchange Management Act, 1999 (“**FEMA**”), the Foreign Exchange Management (Borrowing and Lending) Regulations 2018 and circulars or notifications issued thereunder by the Reserve Bank of India (the “**RBI**”), from time to time including the Indian Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019, as amended from time to time and the Indian Master Direction on Reporting under Foreign Exchange Management Act, 1999, dated 1 January 2016, as amended from time to time, and any other applicable regulations, notifications, circulars or guidelines issued in respect of external commercial borrowings, as construed in accordance with the FEMA, including Regulations 4 and 6 of the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 (as amended, modified or replaced from time to time) (collectively, the “**ECB Guidelines**”).*

## 6 Conversion

### 6.1 Conversion Right

6.1.1 *Conversion Period*: Subject as hereinafter provided; Bondholders have the right to convert their Bonds into Shares at any time during the Conversion Period referred to below.

- (a) The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”. Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to paragraph (b) below) on and after [ ] August 2024 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the 10th day prior to the Maturity Date (but, except as provided in Condition 6.1.4, in no event thereafter) or if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to and including the close of business (at the place aforesaid) on a date no later than 10 days (at the place aforesaid) prior to the date fixed for redemption thereof (the “**Conversion Period**”).

Conversion Rights may not be exercised in relation to any Bond during the period (each, a “**Closed Period**”) commencing on: (i) the date falling 30 days prior to the date of the Issuer’s annual general shareholders’ meeting and ending on the date of that meeting, (ii) the date falling 30 days prior to an extraordinary shareholders’ meeting and ending on the date of that meeting, (iii) the date that the Issuer notifies the Bombay Stock Exchange Limited (“**BSE**”); of the record date for determination of the shareholders entitled to receipt of dividends, subscription of shares due to capital increase or other benefits, and ending on the record date for the distribution or allocation of the relevant dividends, rights and benefits, or (iv) on such date and for such period as determined by Indian law applicable from time to time that the Issuer is required to close its stock transfer books.

*Under applicable Indian laws, at the time of conversion of Bonds, the Issuer can allot Shares only in dematerialised form. Prior to exercising its Conversion Right, a Bondholder must ensure that it has opened a demat account with a depository participant as prescribed under the respective by-law/rules framed by the depositories under the Depositories Act, 1996, as amended (the “**Indian Depositories Act**”), for the purposes of receiving the Shares in dematerialised form.*

- (b) The number of Shares to be issued on exercise of a Conversion Right will be determined by dividing the principal amount, together with interest (if any, pursuant to Condition 5) accrued but unpaid to such date of the Bond to be converted (translated into Rupees at the Fixed Exchange Rate (as defined below)) by the Conversion Price in effect at the Conversion Date (both as hereinafter defined). A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

“Fixed Exchange Rate” means the FX rate (INR per U.S.\$1.00) based on RBI Reference rate as on [\*]August 2024, being INR [\*] per U.S.\$1.00.

- (c) A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.
- (d) Upon exercise of Conversion Rights in relation to any Bond and the fulfilment by the Issuer of all its obligations in respect thereof, the relevant Bondholder shall have no further rights in respect of such Bond and the obligations of the Issuer in respect thereof shall be extinguished.

- 6.1.2 *Fractions of Shares*: Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after [\*]August 2024 which reduces the number of Shares outstanding, the Issuer will upon any conversion of Bonds pay in cash (in U.S. dollars) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6.1.1, as corresponds to any fraction of a Share not issued if such sum exceeds U.S.\$10.00 (which sum shall be translated into U.S. dollars at the Fixed Exchange Rate). Any such sum shall be paid not later than 14 business days in New Delhi and Mumbai after the relevant Conversion Date by transfer to a U.S. dollar account specified in the relevant Conversion Notice.
- 6.1.3 *Conversion Price*: The price at which Shares will be issued upon conversion, as adjusted from time to time (the “**Conversion Price**”) will initially be INR [\*] per Share but will be subject to adjustment in the manner provided in Condition 6.3, *provided, however, that* the Conversion Price, as adjusted, shall, at all times, be not less than the Floor Price. The Floor Price calculated in accordance with applicable Indian regulations is INR [\*]. The initial Floor Price will be subject to adjustment in the manner provided in Condition 6.3.1. For the avoidance of doubt, if an event triggering an adjustment to the Conversion Price under Condition 6.3 occurs so that the Conversion Price, when calculated pursuant to Condition 6.3, would fall below the Floor Price, then the Floor Price shall be deemed to be the Conversion Price.
- 6.1.4 *Revival and/or survival after Default*: Notwithstanding the provisions of Condition 6.1.1, if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Bond has become due and payable prior to the Maturity Date (as defined in Condition 8.1) by reason of the occurrence of any of the events referred to in Condition 10 or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8.1, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Paying Agent and notice of such receipt has been duly given to the Bondholders and, notwithstanding the provisions of Condition 6.1.1, any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6.2.1(b)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Paying Agent before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.
- 6.1.5 *Meaning of “Shares”*: As used in these Conditions, the expression “**Shares**” means (1) shares of the class of share capital of the Issuer which, at the Issue Date, are designated as equity shares of the Issuer with full voting rights, together with shares of any class or classes resulting from any subdivision, consolidation or reclassification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer; and (2) fully-paid and non-assessable shares of any class or classes of the share capital of the Issuer authorised after the Issue Date which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Issuer; *provided that* shares to be issued on any conversion of Bonds means only “Shares” as defined in sub-paragraph (1) above.

## 6.2 Conversion Procedure

### 6.2.1 Conversion Notice:

- (a) To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense during normal business hours between 9:00 a.m. and 3:00 p.m. local time in the place in which the specified office of any Conversion Agent a notice of conversion (a “**Conversion Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each Conversion Agent, together with (i) the relevant Certificate; (ii) certification by the Bondholder in the Conversion Notice, in the form obtainable from any Conversion Agent, that (x) any amount required to be paid by the Bondholder under Condition 6.2.2 have been or (where permitted by law) will be so paid, (y) it is not a Restricted Person, and (z) on such other matters as may be required under the laws of the Republic of India or the jurisdiction in which the specified office of such Conversion Agent shall be located.

A Conversion Notice deposited outside the normal business hours between 9:00 a.m. and 3:00 p.m. (local time in the place in which the specified office of such Conversion Agent is located) or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the normal business hours on the next business day following such day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of that Closed Period, which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside of the Conversion Period. A Bondholder exercising its Conversion Right for Shares will be required to have opened a demat account at its own cost with a depository participant as prescribed under the respective by-law/rules framed by the depositories under the Indian Depositories Act, for the purposes of receiving the Shares in dematerialised form.

- (b) The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6.1.4 above) and will be deemed to be the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

6.2.2 *Stamp Duty etc.:* A Bondholder delivering a Certificate in respect of a Bond for conversion must pay to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in India and, if relevant, in the place of the Alternative Stock Exchange, by the Issuer in respect of the allotment and issue of Shares and listing thereof on BSE on conversion) (“**Duties**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion to the relevant authorities. The Issuer will pay all other expenses arising on the issue of Shares on conversion of the Bonds and all charges of the Agents and the share transfer agent for the Shares (the “**Share Transfer Agent**”) in connection with each conversion. The Bondholder (and, if applicable, the person other than the Bondholder to whom the Shares are to be issued) must declare in the relevant Conversion Notice that any amounts payable to the relevant tax authorities in settlement of any Duties payable pursuant to this Condition 6.2.2 have been, or (where permitted by law) will be, paid. Neither the Agents are under any obligation to determine whether a Bondholder or the Issuer is liable to pay any taxes (including stamp, issue, registration or similar taxes and duties) or the amounts payable (if any) in connection with this Condition 6.2.2 and will not be responsible to any person for any loss arising from any failure by it to do so.

### 6.2.3 Delivery of Shares:

- (a) Upon exercise by a Bondholder of its Conversion Right for Shares and compliance

with Conditions 6.2.1 and 6.2.2, the Issuer will, as soon as practicable, and in any event not later than 10 Trading Days after the applicable Conversion Date cause the relevant securities account of such Bondholder or of its nominee, to be credited with the relevant number of Shares to be issued upon the conversion (calculated without regard to any retroactive adjustment of the Conversion Price that may be required as provided below) and shall further cause the name of the concerned Bondholder or its nominee to be registered accordingly, in the record of the depositories, maintained by the depository registered under the Indian Depositories Act with whom the Issuer has entered into a depository agreement and, subject to any applicable limitations then imposed by Indian laws and regulations, shall procure the Share Transfer Agent, as soon as practicable, and in any event within 14 business days in New Delhi and Mumbai of the Conversion Date, to transfer or cause to be transferred to the U.S. dollar account specified in the relevant Conversion Notice in respect of any cash payable pursuant to Condition 6.1.2 required to be delivered on conversion and such assignments and other documents (if any) as required by law to effect the transfer thereof.

The crediting of the Shares to the relevant securities account of the converting Bondholder (or such person or persons designated in the relevant Conversion Notice) and any payment of cash payable pursuant to Condition 6.1.2 will be deemed to satisfy the Issuer's obligation to pay the principal, interest and premium (if any) on such converted Bonds.

- (b) If the Conversion Date in relation to the conversion of any Bond shall be after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3, but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective immediately after the relevant record date and in such event and in respect of such Additional Shares references in Conditions 6.2.3(a) and 6.2.3(c) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).
- (c) The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date (except for any right excluded by mandatory provisions of applicable law) and such Shares shall be entitled to all rights the record date for which falls on or after such Conversion Date to the same extent as all other fully-paid and non-assessable Shares of the Issuer in issue as if such Shares had been in issue throughout the period to which such rights relate. A holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Conversion Date.

6.2.4 *Interest Accrual*: If any notice requiring the redemption of any Bonds is given pursuant to Condition 8.2 or Condition 8.3, interest shall accrue on Bonds in respect of which Conversion Rights shall have been exercised from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from, and including, the Issue Date) to, but excluding, such Conversion Date. Any such interest shall be paid not later than 14 days after the relevant Conversion Date either by to the bank account mentioned in the relevant Conversion Notice through normal banking channels.

### 6.3 Adjustments to the Conversion Price

The Conversion Price will be subject to adjustment in the following events:

6.3.1 *Free distribution, bonus issue, division, consolidation and reclassification of Shares:*

If the Issuer shall (i) make a free distribution of Shares, (ii) make a bonus issue of its Shares, (iii) divide its outstanding Shares, (iv) consolidate its outstanding Shares into a smaller number of Shares, or (v) re-classify any of its Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the holder of any Bond, the Conversion Date in respect of which occurs after the coming into effect of the adjustment described in this Condition 6.3.1, shall be entitled to receive such number of Shares and/or other securities of the Issuer which such holder would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive any such free distribution or bonus issue of Shares or other securities issued upon any such division, consolidation or reclassification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.1 shall become effective immediately on the relevant event referred to above being effective or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a free distribution or bonus issue of Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution or issue, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

6.3.2 *Declaration of dividend in Shares:* If the Issuer shall issue a dividend in the form of Shares or make a distribution of Shares which is treated as a capitalisation issue (including, but not limited to, capitalisation of capital reserves and employee stock bonuses) and which would not have constituted a Capital Distribution, then the Conversion Price in effect when such dividend and/or distribution is declared (or, if the Issuer has fixed a prior record date for the determination of shareholders entitled to receive such dividend and/or distribution, on such record date) shall be adjusted in accordance with the following formula:

$$NCP - OCP \times \frac{N}{N + n}$$

where:

NCP = the Conversion Price as in effect after such adjustment.

OCP = the Conversion Price as in effect before such adjustment.

N = the number of Shares outstanding at the time of issuance of such dividend and/or distribution (or at the close of business in Mumbai on such record date, as the case may be).

n = the number of Shares to be distributed to the shareholders as a dividend and/or distribution.

*Effective date of adjustment:* An adjustment made pursuant to this Condition 6.3.2 shall become effective immediately upon such dividend in the form of Shares being issued or upon such Shares being distributed, as the case may be, or, if a record date is fixed therefor, immediately after such record date; provided that in the case of a dividend in Shares which must, under applicable laws of India, be submitted for approval to a general meeting of shareholders of the Issuer or be approved at a meeting of the Board of Directors of the Issuer before being legally paid or made, and which is so approved after the record date fixed for the determination of shareholders entitled to receive such dividend, such adjustment

shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date.

6.3.3 *Concurrent adjustment events:* If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Shares, which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

- (a) the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to Conditions 6.3.5, 6.3.6 or 6.3.7;
- (b) the day immediately before the date of issue of any securities convertible into or exchangeable for Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.9;
- (c) the day immediately before the date of issue of any Shares which requires an adjustment of the Conversion Price pursuant to Condition 6.3.10 or, if applicable, the record date for determination of stock dividend entitlement as referred to in Condition 6.3.10;
- (d) the day immediately before the date of issue of any rights, options or warrants which requires an adjustment of the Conversion Price pursuant to Condition 6.3.11; or
- (e) determined by the Issuer and notified by the Issuer to the Bondholders or the Agents in writing to be the relevant date for an event or circumstance which requires an adjustment to the Conversion Price pursuant to Condition 6.3.13;

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under Conditions 6.3.1 and 6.3.2) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under this Condition 6.3.3, but in lieu thereof an adjustment shall be made under Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.9, 6.3.10 or 6.3.11 or 6.3.13 (as the case may require) by including in the denominator of the fraction described therein the aggregate number of Shares to be issued pursuant to such dividend, bonus issue or free distribution.

6.3.4 *Capital Distribution:*

- (a) *Adjustment:* If the Issuer shall pay or make to its shareholders any Capital Distribution (as defined below) consisting in whole or in part of assets other than cash, then the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \frac{CMP - fmv}{CMP}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the last Trading Day preceding the date on which the Capital Distribution is publicly announced.

fmv = the portion of the Fair Market Value (as defined below), with such portion being determined by dividing the Fair Market Value of the aggregate Capital Distribution by the number of Shares entitled to receive the relevant Capital Distribution (or, in the case of a purchase of Shares or any receipts or certificates representing shares by or on behalf of the Issuer, by the number of Shares in issue immediately prior to such purchase), of the Capital Distribution attributable to one Share.

- (b) *Adjustment:* If the Issuer shall pay or make to its shareholders any Capital Distribution

in cash only then, in such case, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP - OCP \times \frac{CMP - C}{CMP}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price (as defined in Condition 6.3.15 below) per Share on the date on which the relevant Dividend is first publicly announced; and

C = the cash Dividend attributable to one Share.

*Effective date of adjustment:* Any adjustment required by a Capital Distribution shall become effective immediately after the record date for the determination of shareholders entitled to receive such Capital Distribution; provided that (a) in the case of such a Capital Distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such Capital Distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such Capital Distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of such Capital Distribution cannot be determined until the record date fixed for the determination of shareholders entitled to receive such Capital Distribution, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

For the purposes of this Condition:

“**Capital Distribution**” means any cash Dividend, distribution of cash, distribution of assets in specie or other property (whenever paid or made and however described) or payment on redemption, or for the purchase of, Common Shares of the Issuer made by the Issuer for any fiscal year (which, for the avoidance of doubt, shall not include any purchase of Common Shares of the Issuer falling within Condition 6.3.12).

“**Common Shares**” means, with respect to the Issuer, any and all shares, interests, participation or other equivalents (however designated) including all common shares and all preferred shares of the Issuer.

In making any such calculation pursuant to this Condition 6.3.4, such adjustments (if any) shall be made as an independent investment company or commercial bank of international repute selected by the Issuer and approved by the Bondholders (an “**Independent Financial Institution**”) considers appropriate to reflect any Capital Distribution, consolidation or subdivision of any Shares or the issue of Shares by way of capitalisation of profits or reserves, or any like or similar event or any adjustment to the Conversion Price.

“**Dividend**” means any dividend or distribution of cash or evidences of the Issuer’s indebtedness relating to such dividend or distribution, whenever paid or made and however described *provided that*:

- (a) where a Dividend is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the issue or delivery of Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a shareholder or shareholders be, satisfied by the payment of a Dividend, then for the purposes of this definition the Dividend in question shall be treated as a Dividend of (i) such cash dividend or (ii) the Fair

- Market Value (on the date of announcement of such Dividend or date of capitalisation (as the case may be) or, if later, the date on which the number of Shares (or amount of property or assets, as the case may be) which may be issued or delivered is determined) of such Shares or other property or assets if such Fair Market Value is greater than the Fair Market Value of such Dividend;
- (b) any tender or exchange offer falling within Condition 6.3.12 and any issue or distribution of Shares falling within Condition 6.3.2 shall be disregarded;
  - (c) a purchase or redemption of ordinary share capital by the Issuer shall not constitute a Dividend unless, in the case of purchases of Shares by or on behalf of the Issuer, the Volume Weighted Average Price per Share (before expenses) on any one day in respect of such purchases exceeds the Current Market Price per Share either (1) on that day (or if such day is not a Trading Day, the immediately preceding Trading Day), or (2) where an announcement (excluding for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of shareholders of the Issuer or any notice convening such a meeting of shareholders) has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement, in which case such purchase shall be deemed to constitute a Dividend to the extent that the aggregate price paid (before expenses) in respect of such Shares purchased by the Issuer exceeds the Current Market Price per Share.

**“Fair Market Value”** means, with respect to any asset, security, option, other right or property on any date, the fair market value of that asset, security, option, other right or property as determined in good faith by an Independent Financial Institution, *provided that* an Independent Financial Institution will not be required to determine the fair market value in the following cases: (i) the Fair Market Value of a cash Dividend paid or to be paid shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be equal to such cash amount; and (iii) where shares, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Independent Financial Institution) the fair market value of such shares, options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five Trading Days on the relevant market commencing on the first such Trading Days such shares, options, warrants or other rights are publicly traded; and in the case of (i) translated into Rupees (if declared or paid in a currency other than Rupees) at the rate of exchange used to determine the amount payable to shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in Rupees; and in any other case, converted into Rupees (if expressed in a currency other than Rupees) at such rate of exchange as may be determined in good faith by an Independent Financial Institution to be the spot rate ruling at the close of business on that date (or if no such rate is available on that date the equivalent rate on the immediately preceding date on which such a rate is available).

**“Volume Weighted Average Price”** means, in respect of a Share on any Trading Day, the order book volume-weighted average price of a Share appearing on or derived from the BSE page by keying ERAAYA or such other source as shall be determined to be appropriate by an Independent Financial Institution on such Trading Day, provided that on any such Trading Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined.

**“Cash Dividend”** means (i) any Dividend which is to be paid in cash and (ii) any Dividend determined to be a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”, and for the avoidance of doubt, a Dividend falling within paragraph (c) of the definition of “Dividend” shall be treated as not being a cash Dividend.

### 6.3.5 *Rights Issues to Shareholders:*

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights entitling them to subscribe for or purchase Shares, which expression shall include those Shares that are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration, then the Conversion Price in effect (in a case within paragraph (a) above) on the record date for the determination of shareholders entitled to receive such rights or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP shall have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within paragraph (a) above) on such record date or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights at the said consideration being (aa) the number of Shares which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in paragraph (a) or, as the case may be, paragraph (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications for such Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

*Rights not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any Shares which are not subscribed for or purchased by the persons entitled thereto are underwritten by other persons prior to the latest date for the submission of applications for such Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of rights entitling them to subscribe for or purchase Shares, any such Shares which are not subscribed for or

purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### 6.3.6 Warrants issued to Shareholders:

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares warrants entitling them to subscribe for or purchase Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date for the determination of shareholders entitled to receive such warrants and is less than the Current Market Price per Share at such record date; or
- (a) at a consideration per Share receivable by the Issuer which is fixed after the record date mentioned above and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within paragraph (a) above) on the record date for the determination of shareholders entitled to receive such warrants or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within paragraph (a) above) on such record date or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares to be issued upon exercise of such warrants at the said consideration which, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (aa) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of warrants for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in paragraph (a) or, as the case may be, paragraph (a) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (i) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (ii) where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but in all cases retroactively to immediately after the record date mentioned above.

*Warrants not subscribed for by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares in the circumstances described in (a) and (b) of this Condition 6.3.6, any warrants which are

not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares of warrants entitling them to subscribe for or purchase Shares, any warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

6.3.7 *Issues of rights or warrants for equity-related securities to Shareholders:*

*Adjustment:* If the Issuer shall grant, issue or offer to the holders of Shares rights or warrants entitling them to subscribe for or purchase any securities convertible into or exchangeable for Shares:

- (a) at a consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) which is fixed on or prior to the record date mentioned below and is less than the Current Market Price per Share at such record date; or
- (b) at a consideration per Share receivable by the Issuer (determined as aforesaid) which is fixed after the record date mentioned below and is less than the Current Market Price per Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within paragraph (a) above) on the record date for the determination of shareholders entitled to receive such rights or warrants or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India (in a case within paragraph (a) above) on such record date or (in a case within paragraph (b) above) on the date the Issuer fixes the said consideration.

n = the number of Shares initially to be issued upon exercise of such rights or warrants and conversion or exchange of such convertible or exchangeable securities at the said consideration being, in the case of rights, (aa) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities which the underwriters have agreed to underwrite as referred to below or, as the case may be, (bb) the number of Shares initially to be issued upon conversion or exchange of the number of such convertible or exchangeable securities for which applications are received from shareholders as referred to below save to the extent already adjusted for under (aa) and which, in the case of warrants, where no applications by shareholders entitled to such warrants are required, shall be based on the number of warrants issued. Where applications by shareholders entitled to such warrants are required, the number of such Shares shall be calculated based upon (x) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, (y) the number of warrants for which applications are received

from shareholders as referred to below save to the extent already adjusted for under (x).

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share specified in paragraph (a) or, as the case may be, paragraph (b) above.

*Effective date of adjustment:* Subject as provided below, such adjustment shall become effective (a) where no applications for such warrants are required from shareholders entitled to the same, upon their issue and (b) where applications by shareholders entitled to the warrants are required as aforesaid and in the case of convertible or exchangeable securities by shareholders entitled to the same pursuant to such rights, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration; but in all cases retroactively to immediately after the record date mentioned above.

*Rights or warrants not taken up by Shareholders:* If, in connection with a grant, issue or offer to the holders of Shares of rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares in the circumstances described in this Condition 6.3.7, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the shareholders entitled thereto are underwritten by others prior to the latest date for the submission of applications for such convertible or exchangeable securities or warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the underwriters agree to underwrite the same or (if later) immediately after the Issuer fixes the said consideration but retroactively to immediately after the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Shares or rights or warrants entitling them to subscribe for or purchase securities convertible into or exchangeable for Shares, any convertible or exchangeable securities or warrants which are not subscribed for or purchased by the underwriters who have agreed to underwrite as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred such rights or the right to purchase such warrants) who have submitted applications for such convertible or exchangeable securities or warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

#### 6.3.8 *Other distributions to Shareholders:*

*Adjustment:* If the Issuer shall distribute to the holders of Shares capital stock of the Issuer (other than Shares), assets (excluding any Dividends) or rights or warrants to subscribe for or purchase Shares or securities (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6 and 6.3.7 above), then the Conversion Price in effect on the record date for the determination of shareholders entitled to receive such distribution shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{\text{CMP} - fmv}{\text{CMP}}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

CMP = the Current Market Price per Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the Fair Market Value of the distribution applicable to one Share (which shall take into account the consideration receivable for the same by the Issuer (determined as provided in Condition 6.3.16)).

*Effective date of adjustment:* Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution, provided that (a) in the case of such a distribution which must, under applicable law of India, be submitted for approval to a general meeting of shareholders or be approved by a meeting of the Board of Directors of the Issuer before such distribution may legally be made and is so approved after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such approval being given by such meeting, become effective retroactively to immediately after such record date and (b) if the Fair Market Value of the shares of capital stock, assets, rights or warrants so distributed cannot be determined until after the record date fixed for the determination of shareholders entitled to receive such distribution, such adjustment shall, immediately upon such Fair Market Value being determined, become effective retroactively to immediately after such record date.

6.3.9 *Issue of convertible or exchangeable securities other than to Shareholders or on exercise of warrants:*

*Adjustment:* If the Issuer shall issue any securities convertible into or exchangeable for Shares (other than the Bonds, or in any of the circumstances described in Condition 6.3.7 and Condition 6.3.11) or grant such rights in respect of any existing securities and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such securities is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of issue of such convertible or exchangeable securities shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.

n = the number of Shares to be issued upon conversion or exchange of such convertible or exchangeable securities at the initial conversion or exchange price or rate.

v = the number of Shares which the aggregate consideration receivable by the Issuer would purchase at such Current Market Price per Share.

*Effective date of adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such convertible or exchangeable securities are issued.

6.3.10 *Other issues of Shares:*

*Adjustment:* If the Issuer shall issue any Shares (other than Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer or upon exercise of any rights or warrants granted, offered or issued by the Issuer or in any of the circumstances described in Conditions 6.3.1 and 6.3.2, for a consideration per

Share receivable by the Issuer (determined as provided in Condition 6.3.16) less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the issue of such Shares is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the issue of such additional Shares shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of issue of such additional Shares.

n = the number of additional Shares issued as aforesaid.

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

Effective Date of Adjustment: Such adjustment shall become effective as of the calendar day in India of the issue of such additional Shares.

#### 6.3.11 *Issue of equity-related securities:*

*Adjustment:* If the Issuer shall grant, issue or offer options, warrants or rights (excluding those rights and warrants referred to in Conditions 6.3.5, 6.3.6, 6.3.7 and 6.3.8) to subscribe for or purchase Shares or securities convertible into or exchangeable for Shares and the consideration per Share receivable by the Issuer (determined as provided in Condition 6.3.16) shall be less than the Current Market Price per Share on the date in India on which the Issuer fixes the said consideration (or, if the offer, grant or issue of such rights, options or warrants is subject to approval by a general meeting of shareholders, on the date on which the Board of Directors of the Issuer fixes the consideration to be recommended at such meeting), then the Conversion Price in effect immediately prior to the date of the offer, grant or issue of such rights, options or warrants shall be adjusted in accordance with the following formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2.

N = the number of Shares outstanding (having regard to Condition 6.3.17) at the close of business in India on the day immediately prior to the date of such issue.

n = the number of Shares to be issued on exercise of such rights or warrants and (if applicable) conversion or exchange of such convertible or exchangeable securities at the said consideration.

v = the number of Shares which the aggregate consideration receivable by the Issuer (determined as provided in Condition 6.3.16) would purchase at such Current Market Price per Share.

*Effective Date of Adjustment:* Such adjustment shall become effective as of the calendar day in India corresponding to the calendar day at the place of issue on which such rights or warrants are issued.

#### 6.3.12 *Tender or Exchange Offer:*

*Adjustment:* In case a tender or exchange offer made by the Issuer or any Subsidiary (as defined below) for all or any portion of the Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Share having a Fair Market Value at the last time (the “**Expiration Date**”) tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Current Market Price per Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \frac{(N \times CMP)}{fmv [(N - n) \times CMP]}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2 above.

N = the number of Shares outstanding (including any tendered or exchanged Shares) on the Expiration Date.

CMP = Current Market Price per Share as of the Expiration Date.

fmv = the Fair Market Value of the aggregate consideration payable to the holders of Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Shares deemed so accepted up to any such maximum, being referred to as the “Purchased Shares”).

n = the number of Purchased Shares.

*Effective Date of Adjustment:* Such adjustment shall become retroactively effective immediately prior to the opening of business on the day following the Expiration Date.

*Tender or Exchange Offer Not Completed:* If the Issuer is obligated to purchase Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

6.3.13 *Analogous events and modifications:* If (a) the rights of conversion or exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase Shares are modified (other than pursuant to and as provided in the terms and conditions of such options, rights, warrants or securities) or (b) the Issuer determines or written notice has been given to the Bondholders that any other event or circumstance has occurred which has or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options and rights relating thereto) of the Issuer, taken as a class which is analogous to any of the events referred to in Conditions 6.3.1 to 6.3.12, then, in any such case, the Issuer shall notify the Bondholders thereof or if the Agents has been notified under (b), the Bondholders shall notify the Issuer thereof and the Issuer shall consult with an Independent Financial Institution as to what adjustment, if any, should be made to the Conversion Price to preserve the value of the Conversion Right of the relevant Bondholders and will make any such adjustment.

6.3.14 *Simultaneous issues of different classes of Shares:* In the event of simultaneous issues of two or more classes of share capital comprising Shares or rights or warrants in respect of,

or securities convertible into or exchangeable for, two or more classes of share capital comprising Shares, then, for the purposes of this Condition, the formula:

$$\text{NCP} = \text{OCP} \times \frac{N + v}{N + n}$$

shall be restated as

$$\text{NCP} = \text{OCP} \times \frac{N + v1 + v2 + v3}{N + n1 + n2 + n3}$$

where v1 and n1 shall have the same meanings as “v” and “n” but by reference to one class of Shares, v2 and n2 shall have the same meanings as “v” and “n” but by reference to a second class of Shares, v3 and n3 shall have the same meanings as “v” and “n” but by reference to a third class of Shares and so on.

6.3.15 *Current Market Price per Share*: For the purposes of these Conditions, the “**Current Market Price**” per Share on any date means the average of the daily Closing Prices (as defined below) of the relevant Shares for the 10 consecutive Trading Days (as defined below) before such date. If the Issuer has more than one class of share capital comprising Shares, then the relevant Current Market Price for Shares shall be the price for that class of Shares the issue of which (or of rights or warrants in respect of, or securities convertible into or exchangeable for, that class of Shares) gives rise to the adjustment in question.

If during the said 10 consecutive Trading Days or any period thereafter up to but excluding the date as of which the adjustment of the Conversion Price in question shall be effected, any event (other than the event which requires the adjustment in question) shall occur which gives rise to a separate adjustment to the Conversion Price under the provisions of these Conditions, then the Current Market Price as determined above shall be adjusted in such manner and to such extent as an Independent Financial Institution shall in its absolute discretion deem appropriate and fair to compensate for the effect thereof.

For the purposes of this Condition 6.3.15:

the “**Closing Price**” of the Shares for each Trading Day shall be the last reported transaction price of the Shares on BSE for such day or, if no transaction takes place on such day, the average of the closing bid and offered prices of Shares for such day as furnished by a leading independent securities firm licensed to trade on BSE selected from time to time by the Issuer and notified to the Bondholders for the purpose; and

“**Trading Day**” means a day when BSE is open for business, but does not include a day when (a) no such last transaction price or closing bid and offered prices is/are reported and (b) (if the Shares are not listed or admitted to trading on such exchange) no such closing bid and offered prices are furnished as aforesaid.

If the Shares are no longer listed on BSE and have been listed on another stock exchange as required by Condition 6.5.4, references in the above definitions to BSE will be taken as references to that stock exchange.

6.3.16 *Consideration receivable by the Issuer*: For the purposes of any calculation of the consideration receivable by the Issuer pursuant to Conditions 6.3.5, 6.3.6, 6.3.7, 6.3.8, 6.3.9, 6.3.10 and 6.3.11 above, the following provisions shall be applicable:

- (a) in the case of the issue of Shares for cash, the consideration shall be the amount of such cash, provided that in no such case shall any deduction be made for any commissions or any expenses paid or incurred by the Issuer for any underwriting of the issue or otherwise in connection therewith;

- (b) in the case of the issue of Shares for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by an Independent Financial Institution or, if pursuant to applicable law of India such determination is to be made by application to a court of competent jurisdiction, as determined by such court or an appraiser appointed by such court, irrespective of the accounting treatment thereof;
- (c) in the case of the issue (whether initially or upon the exercise of rights or warrants) of securities convertible into or exchangeable for Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for such securities and (if applicable) rights or warrants plus the additional consideration (if any) to be received by the Issuer upon (and assuming) the conversion or exchange of such securities at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange price or rate and (if applicable) the exercise of such rights or warrants at the initial subscription or purchase price;
- (d) in the case of the issue of rights or warrants to subscribe for or purchase Shares, the aggregate consideration receivable by the Issuer shall be deemed to be the consideration received by the Issuer for any such rights or warrants plus the additional consideration to be received by the Issuer upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price (the consideration in each case to be determined in the same manner as provided in this Condition 6.3.16) and the consideration per Share receivable by the Issuer shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) the exercise of such rights or warrants at the initial subscription or purchase price;
- (e) if any of the consideration referred to in any of the preceding paragraphs of this Condition 6.3.16 is receivable in a currency other than Rupees, such consideration shall (in any case where there is a fixed rate of exchange between the Rupees and the relevant currency for the purposes of the issue of the Shares, the conversion or exchange of such securities or the exercise of such rights or warrants) be translated into Rupees for the purposes of this Condition 6.3.16 at such fixed rate of exchange and shall (in all other cases) be translated into Rupees at the mean of the exchange rate quotations (being quotations for the cross rate through U.S. dollars if no direct rate is quoted) by a leading bank in India for buying and selling spot units of the relevant currency by telegraphic transfer against Rupees on the date as of which the said consideration is required to be calculated as aforesaid; and
- (f) in the case of the issue of Shares (including, without limitation, to employees under any employee bonus or profit sharing arrangements) credited as fully paid out of retained earnings or capitalisation of reserves at their par value, the aggregate consideration receivable by the Issuer shall be deemed to be zero (and accordingly the number of Shares which such aggregate consideration receivable by the Issuer could purchase at the relevant Current Market Price per Share shall also be deemed to be zero).

6.3.17 *Cumulative adjustments*: If, at the time of computing an adjustment (the “**later adjustment**”) of the Conversion Price pursuant to any of Conditions 6.3.2, 6.3.5, 6.3.6, 6.3.9, 6.3.10 and 6.3.11 above, the Conversion Price already incorporates an adjustment made (or taken or to be taken into account pursuant to the proviso to Condition 6.3.18) to reflect an issue of Shares or of securities convertible into or exchangeable for Shares or of rights or warrants to subscribe for or purchase Shares or securities, to the extent that the number of such Shares or securities taken into account for the purposes of calculating such adjustment exceeds the number of such Shares in issue at the time relevant for ascertaining the number of outstanding Shares for the purposes of computing the later adjustment, such excess Shares shall be deemed to be outstanding for the purposes of making such computation.

- 6.3.18 *Minor adjustments*: No adjustment of the Conversion Price shall be required if the adjustment would be less than Rs.1; provided that any adjustment which by reason of this Condition 6.3.18 is not required to be made shall be carried forward and taken into account (as if such adjustment had been made at the time when it would have been made but for the provisions of this Condition 6.3.18) in any subsequent adjustment. All calculations under this Condition 6.3 shall be made to the nearest Rs.1 with Rs.0.5 being rounded up to the next Rs.1.
- 6.3.19 *Minimum Conversion Price*: Notwithstanding the provisions of this Condition 6.3, the Issuer covenants that (a) the Conversion Price shall not be reduced below the par value of the Shares (Rs.10 as at the date hereof) as a result of any adjustment made hereunder unless under applicable law then in effect, Bonds may be converted at such reduced Conversion Price into legally issued, fully-paid and non-assessable Shares and (b) it will not take any corporate or other action which is primarily for the purpose of reducing the Conversion Price, when calculated pursuant to Conditions 6.3.1 to 6.3.14, to below (i) the Floor Price or (ii) the level permitted by applicable Indian regulatory authorities (if any).
- 6.3.20 *Reference to "fixed"*: Any references herein to the date on which a consideration is "fixed" shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.
- 6.3.21 *Upward adjustment*: No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares, as referred to in Condition 6.3.1.
- 6.3.22 *Agents not obliged to monitor*: The Agents shall not be under any duty to monitor whether any event or circumstance has happened or exists within Condition 6.3 and will not be responsible to any Bondholders for any loss arising from any failure by it to do so.
- 6.3.23 *Independent Financial Institution*: If the Issuer fails to select an Independent Financial Institution when required in this Condition 6.3, the Bondholders may (at the cost of the Issuer and at its absolute discretion) but shall not be obliged to select such an Independent Financial Institution and shall not be liable for any determination made by such Independent Financial Institution.
- 6.3.24 *Employee share option scheme*: Notwithstanding any provision of this Condition 6, no adjustment will be made to the Conversion Price where Shares or other securities (including rights or options) are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees or former employees (including directors) of the Issuer or its Subsidiaries, or persons related to such employees (including directors) or former employees, directly or indirectly, pursuant to any employee stock option scheme or plan generally or as required by law ("**Share Scheme Shares/Options**"), except to the extent that such issues result in the issue of Shares in excess of 1.0 per cent. of the average number of issued and outstanding Shares of the Issuer during the 12 months period up to and including the date of the grant of such Share Scheme Shares/Options, in which case only such portion of the grant or issue of Share Scheme Shares/Options that exceeds 1.0 per cent. of the average number of issued and outstanding Shares of the Issuer during the relevant 12 months period up to the grant shall be taken into account in determining adjustment of the Conversion Price pursuant to Condition 6.

#### 6.4 Adjustments to the Conversion Price upon a Conversion Price Adjustment Event

If a Conversion Price Adjustment Event (as defined in Condition 8.4.5) shall occur at any time after \_\_\_\_2024, the Issuer shall give notice of that fact to the Bondholders (the “**Conversion Price Adjustment Event Notice**”) in accordance with Condition 16 within seven days after it becomes aware of such Conversion Price Adjustment Event (with a copy to the Agent). Following the giving of a Conversion Price Adjustment Event Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Conversion Price Adjustment Event, or, if later, 30 days following the date on which the Conversion Price Adjustment Event Notice is given to Bondholders (such period, the “**Conversion Price Adjustment Event Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

NCP and OCP have the meanings ascribed thereto in Condition 6.3.2 above. For the avoidance of doubt, OCP for the purposes of this Condition 6.4 shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 6.4.

Conversion Premium (“CP”) means 10.00 per cent. expressed as a fraction.

c means the number of days from and including the first day of the Conversion Price Adjustment Event Conversion Period to but excluding the Maturity Date.

t means the number of days from and including the Issue Date to but excluding the Maturity Date.

If the last day of a Conversion Price Adjustment Event Conversion Period shall fall during a Restricted Transfer Period, the Conversion Price Adjustment Event Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of the Restricted Transfer Period.

#### 6.5 Undertakings

6.5.1 The Issuer covenants to keep available, (i) free from pre-emptive or other similar rights, out of its authorised but unissued share capital such number of Shares; and (ii) such headroom out of its maximum permitted foreign investment limit in relation to its Shares as applicable from time to time, such as would be required to be issued to the Bondholders (or their respective nominees) on the exercise of their Conversion Rights from time to time with respect to the Bonds remaining outstanding from time to time and to satisfy in full all other rights of conversion into or exchangeable for Shares.

6.5.2 The Issuer has undertaken, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders or with the prior written approval of the Bondholders where, in the opinion of the Agents, it is not materially prejudicial to the interests of Bondholders to give such approval:

- (a) it will use its best endeavours (i) to maintain a listing for all the issued Shares on the Indian Stock Exchanges, (ii) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Indian Stock Exchanges and (iii) if the Issuer is unable to obtain or maintain such listing, to obtain and maintain a listing for all the Shares issued on the exercise of such Conversion Rights on an alternative stock exchange (such exchange, an “**Alternative Stock Exchange**”) as the Issuer may from time to time determine and will forthwith give notice to the Bondholders in accordance with Condition 16 below of the listing or delisting of the Shares (as a class) by any of such stock exchanges;

- (b) it will pay the expenses of the issue of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds;
- (c) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by applicable law); and

6.5.3 The Issuer has undertaken that so long as any Bond remains outstanding:

- (a) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds (including as a result of any adjustments to the Conversion Price as set out in Condition 6.3 and Condition 6.4) without breaching any foreign ownership restrictions in India applicable to the Shares and will ensure that all Shares will be duly and validly issued as fully-paid; and
- (b) it will not make any offer, issue or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law.

6.5.4 The Issuer has also given certain other undertakings in the Paying and Conversion Agency Agreement and this Offering Circular that for the protection of the Conversion Rights.

6.5.5 Notwithstanding anything contained in this Offering Circular, the Issuer confirms and undertakes that while the Bonds may be redeemed under certain circumstances, such as Taxation, Change of Control, etc., any revision in the Conversion Price will be subject to prior approval of majority of the Bondholders and further subject to Condition 6.6 of the Terms and Conditions.

6.5.6 The Issuer undertakes that it will promptly do all such acts or execute all such documents (including assignments, transfers, charges, notices and instructions) as the Security Agent may specify: (a) to perfect the Collateral created or intended to be created under or evidenced by the Terms and Conditions of the Bonds or for the exercise of any rights, powers and remedies of the Security Agent; and (b) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Collateral.

The Issuer undertakes that it shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of creation, perfection, protection or maintenance of the Collateral conferred or intended to be conferred on the Security Agent.

*The Shares issued upon conversion of Bonds are expected to be listed on BSE and will be tradable on such stock exchange once listed thereon, which is expected to occur within 10 Trading Days of the relevant Conversion Date. The Issuer will make due application in respect of such listing within three Trading Days following the relevant Conversion Date. If there is any delay in obtaining the approval of BSE to list such Shares, they shall not be tradeable on BSE until the listing on such stock exchange occurs.*

## 6.6 Notice of change in Conversion Price

The Issuer shall give notice to the Bondholders and the Agents in accordance with Condition 16 of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

## 7 Payments

### 7.1 Principal, interest and premium (if any)

Payment of principal, premium (if any) together with interest (if any) accrued but unpaid to such date will be made by transfer to the registered account of the relevant Bondholder. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents. Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the fifteenth day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder.

If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register and any Certificates surrendered for payment with a record of the amount (if any) paid and the date of such payment.

When making payments to Bondholders, fractions of one U.S. dollar cent will be rounded down to the nearest U.S. dollar cent and the Issuer shall not be liable for the payment of any such fractions.

*So long as the Global Certificate is held on behalf of Euroclear and/or Clearstream and/or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

### 7.2 Registered accounts

For the purposes of this Condition, a Bondholder’s registered account means the U.S. dollar account maintained by or on behalf of it, details of which appear on the Register at the close of business on the second business day (as defined below) before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

### 7.3 Fiscal laws

Payments will be subject in all cases to (a) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 below, and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 below) any law implementing an intergovernmental approach thereto.

### 7.4 Payment initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value on the first following day which is a business day) will be initiated or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

### 7.5 Delay in payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so).

## 7.6 Business day

In this Condition, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Singapore, London and New York City and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered. If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

## 8 Redemption, Purchase and Cancellation

### 8.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem each Bond at its outstanding principal amount along with premium, if any on [\*] October 2031 (the “Maturity Date”), together with accrued interest (if any) (calculated up to but excluding the Maturity Date so as to give YTM of 9.50 per cent save for any interest paid in cash.). The YTM is in compliance with the ECB Guidelines of the benchmark rate plus 500 basis points spread as on Issue Date. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8.2 or Condition 8.3 below (but without prejudice to Condition 10).

### 8.2 Redemption for taxation reasons

8.2.1 At any time the Issuer may, having given not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Bondholders (which notice shall be irrevocable) redeem the Bonds, in whole but not in part, at their principal amount, together with interest (if any) accrued but unpaid to such date of redemption on the date fixed for redemption (the “**Tax Redemption Date**”), if the Issuer satisfies the Bondholders immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Republic of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after [\*] August 2024, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, *provided that* no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.

8.2.2 Prior to the publication of any Tax Redemption Notice pursuant to this Condition 8.3, the Issuer shall deliver to the Bondholders (a) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (b) an opinion in form and substance satisfactory to the Bondholders of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Bondholders shall be entitled (but shall not be obliged) to accept and rely upon such certificate and opinion (without further investigation or enquiry) as sufficient evidence of the satisfaction of the circumstances set out above, in which event they shall be conclusive and binding on the Bondholders.

8.2.3 Upon the expiry of any such notice, the Issuer will be bound to redeem the Bonds, in whole but not in part, at their principal amount, together with interest (if any) accrued but unpaid to such date on the Tax Redemption Date.

8.2.4 If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that its Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal, interest or premium (if any) to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of the taxation

required to be withheld or deducted by the government of India or any authority thereof or therein having power to tax. To the extent that any additional amounts are payable in respect of the Bonds as a result of existing laws or regulations in force in India or any authority thereof or therein having power to tax prior to [\*] August 2024, such amounts will continue to be payable notwithstanding this Condition 8.3. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of exercise, in the form for the time being current, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

### 8.3 Change of Control put right

- 8.3.1 Following the occurrence of a Change of Control (as defined below) and to the extent permitted by applicable law, the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem in whole or in part such Bondholder's Bonds on the Change of Control Put Date (as defined below) at their principal amount, together with interest (if any) accrued but unpaid to such date. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (the "**Change of Control Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Change of Control, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16. The "**Change of Control Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.
- 8.3.2 A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.
- 8.3.3 The Agents shall not be required to take any steps to ascertain whether a Change of Control or any event which could lead to the occurrence of a Change of Control has occurred and will not be responsible to any Bondholder for any loss arising from any failure by it to do so.
- 8.3.4 Not later than seven days after becoming aware of a Change of Control, the Issuer shall procure that notice regarding the Change of Control shall be delivered to Bondholders (in accordance with Condition 16) stating:
- (a) the Change of Control Put Date;
  - (b) the date of such Change of Control and, briefly, the events causing such Change of Control;
  - (c) the date by which the Change of Control Put Exercise Notice must be given;
  - (d) the redemption amount together with interest accrued but unpaid to such date (if any) and the method by which such amount will be paid;
  - (e) the names and addresses of all Paying Agents;
  - (f) briefly, the Conversion Right and the then current Conversion Price;
  - (g) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Change of Control put right pursuant to this Condition 8.4

or conversion right pursuant to Condition 6.4; and

(h) that a Change of Control Put Exercise Notice, once validly given, may not be withdrawn.

8.3.5 For the purposes of these Conditions:

an “**Affiliate**” has the meaning ascribed to it under Rule 501(b) of Regulation D of the Securities Act;

“**Capital Stock**” means, with respect to any person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all common stock and preferred stock, but excluding debt securities convertible into such equity;

a “**Change of Control**” means the occurrence of one or more of the following events;

- (i) any Person or Persons acting together (other than the Promoter and Promoter Group) acquires Control of the Issuer; or
- (ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons (other than the Promoter and Promoter Group) acquiring Control over the Issuer or the successor entity;

“**Control**” means (i) the acquisition or control of more than 50 per cent. of the Voting Rights of the issued share capital of the relevant entity, or (ii) the right to appoint and/or remove all or the majority of the members of the relevant entity’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise;

“**Conversion Price Adjustment Event**” means the occurrence of a Change of Control or a Liquidity Event;

“**Liquidity Event**” occurs when the Promoter and Promoter Group, directly or indirectly, in aggregate hold 80 per cent. or more of the equity share capital of the Issuer;

“**Promoter and Promoter Group**” means the aggregate shareholding of M s . Sukriti Garg and Ms. Seema Garg; and

“**Voting Rights**” means the right generally to vote at a general meeting of shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

## 8.4 Relevant Event Put Right

8.4.1 In the event that (i) the Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on BSE or (ii) the Liquidity Event occurs (each of (i) and (ii), a “**Relevant Event**”), each Bondholder shall have the right (the “**Relevant Event Put Right**”), to the extent permitted under applicable law, at such Bondholder’s option, to require the Issuer to redeem in whole or in part such Bondholder’s Bonds on the twentieth business day after notice has been given to Bondholders regarding the Relevant Event referred to under Condition 8.5.2 below or, if such notice is not given, the twentieth business day after the Relevant Event (the “**Relevant Event Put Date**”) at their principal amount, together with interest (if any) accrued but unpaid to such Relevant Event Put Date (the “**Relevant Event Put Price**”).

8.4.2 Promptly after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event Put Right shall be given to Bondholders (in accordance with Condition 16), and the Agents stating:

- (a) the Relevant Event Put Date;
- (b) the date of such Relevant Event and, briefly, the events causing such Relevant Event;
- (c) the date by which the Purchase Notice (as defined below) must be given;
- (d) the Relevant Event Put Price and the method by which such amount will be paid;
- (e) the names and addresses of all Paying Agents;
- (f) briefly, the Conversion Right and the then current Conversion Price;
- (g) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and
- (h) that a Purchase Notice, once validly given, may not be withdrawn.

8.4.3 To exercise its rights to require the Issuer to purchase its Bonds, the Bondholder must deliver a written irrevocable notice of the exercise of such right (a “**Purchase Notice**”), in the then current form obtainable from the specified office of any Agent, together with the Certificate evidencing the Bonds to be redeemed, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Relevant Event Put Date.

8.4.4 A Purchase Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds which form the subject of the Purchase Notice delivered as aforesaid on the Relevant Event Put Date.

8.4.5 The Agents shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred.

8.4.6 For the purposes of this Condition, “**business day**” shall mean a day on which commercial banks are open for business in Singapore, London and Mumbai and, if a notice or certificate is to be delivered to an Agent on such day, a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of such Agent is located.

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

## 8.5 **Redemption at the option of Bondholders**

On [\*] August 2027 and [\*] August 2029 (each one referred to as the “**Optional Put Date**”), the holder of each Bond will have the right at such holder’s option, to require the Issuer to redeem all or some only of the Bonds of such holder on the Optional Put Date at their principal amount, together with any interest accrued but unpaid up to but excluding such Optional Put Date (if any). To exercise such right, the holder of the relevant Bond must complete, sign and deposit during normal business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (a “**Optional Put Exercise Notice**”) together with the Certificate evidencing the Bonds to be redeemed not earlier than 60 days and not later than 30 days prior to the Optional Put Date.

An Optional Put Exercise Notice, once delivered, shall be irrevocable (and may not be withdrawn unless the Issuer consents to such withdrawal) and the Issuer shall redeem the Bonds the subject of Optional Put Exercise Notices delivered as aforesaid on the Optional Put Dates.

## 8.6 Redemption following exercise of a put option

Upon the exercise of any put option specified in Conditions 8.4, 8.5, 8.6 or 8.8, payment of the applicable redemption amount shall be conditional upon (a) the Issuer obtaining all approvals required by Indian law, and (b) delivery of the Bondholder's Certificate (together with any necessary endorsements) to any Paying Agent on any business day together with the delivery of any other document(s) required by these Conditions, and will be made promptly following the later of the date set for redemption and the time of delivery of such Certificate. If the Paying Agent holds on the Put Date (as defined below) money sufficient to pay the applicable redemption monies of Bonds for which notices have been delivered in accordance with the provisions hereof upon exercise of such right, then, whether or not such Certificate is delivered to the Paying Agent, on and after such Put Date, (i) such Bond will cease to be outstanding; (ii) such Bond will be deemed paid; and (iii) all other rights of the Bondholder shall terminate (other than the right to receive the applicable redemption monies). "**Put Date**" shall mean the Relevant Event Put Date, the Change of Control Put Date or the Non-Permitted Conversion Price Adjustment Event Repurchase Date, as applicable.

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

## 8.7 Repurchase of Bonds in the Event of Non-Permitted Conversion Price Adjustment

8.7.1 To the extent permitted by applicable law, unless the Bonds have been previously redeemed, converted or purchased and cancelled, if an event triggering an adjustment to the Conversion Price under Condition 6.3 occurs so that the Conversion Price, when calculated pursuant to Condition 6.3, would fall below (i) the Floor Price or (ii) the level permitted by applicable Indian regulatory authorities (if any) (a "**Non-Permitted Conversion Price Adjustment Event**"), the Issuer shall, within ten business days after the occurrence of the relevant event triggering such adjustment, notify the Bondholders and the Agents of such Non-Permitted Conversion Price Adjustment Event, and each Bondholder shall have the right (the "**Non-Permitted Conversion Price Adjustment Event Repurchase Right**"), at such Bondholder's option, to require the Issuer to repurchase in whole or in part such Bondholder's Bonds on the date set by the Issuer for such repurchase (the "**Non-Permitted Conversion Price Adjustment Event Repurchase Date**", which shall be not less than 30 days nor more than 60 days following the date on which the Issuer notifies the Bondholders of the Non-Permitted Conversion Price Adjustment Event) at their principal amount, together with interest (if any) accrued but unpaid to such Non-Permitted Conversion Price Adjustment Event Repurchase Date (the "**Non-Permitted Conversion Price Adjustment Event Repurchase Price**").

8.7.2 Not later than ten business days after becoming aware of a Non-Permitted Conversion Price Adjustment Event, the Issuer shall procure that notice regarding the Non-Permitted Conversion Price Adjustment Event shall be delivered to the Bondholders and the Agents (in accordance with Condition 16) stating:

- (a) the Non-Permitted Conversion Price Adjustment Event Repurchase Date;
- (b) the date of the event triggering the Non-Permitted Conversion Price Adjustment Event and, briefly, the events causing such Non-Permitted Conversion Price Adjustment Event;
- (c) the date by which the Purchase Notice must be given;
- (d) the Non-Permitted Conversion Price Adjustment Event Repurchase Price and the method by which such amount will be paid;

- (e) the names and addresses of all Paying Agents;
- (f) briefly, the Conversion Right and the then current Conversion Price;
- (g) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Non-Permitted Conversion Price Adjustment Event Repurchase Right or Conversion Right; and
- (h) that a Purchase Notice, once validly given, may not be withdrawn.

8.7.3 To exercise its rights to require the Issuer to purchase its Bonds, the Bondholder must deliver a Purchase Notice, in the then current form obtainable from the specified office of any Agent, together with the Certificates evidencing the Bonds to be redeemed, to any Paying Agent on any business day prior to the close of business at the location of such Paying Agent on such day and which day is not less than 10 business days prior to the Non-Permitted Conversion Price Adjustment Event Repurchase Date.

8.7.4 A Purchase Notice, once delivered, shall be irrevocable and the Issuer shall repurchase the Bonds which form the subject of the Purchase Notice delivered as aforesaid on the Non-Permitted Conversion Price Adjustment Event Repurchase Date.

8.7.5 The Agents shall not be required to take any steps to ascertain whether a Non-Permitted Conversion Price Adjustment Event or any event which could lead to the occurrence of a Non-Permitted Conversion Price Adjustment Event has occurred and will not be responsible to Bondholders for any loss arising therefrom.

8.7.6 For the purposes of this Condition, “**business day**” shall mean a day on which commercial banks are open for business in Hong Kong and Mumbai and, if a notice or certificate is to be delivered to an Agent on such day, a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of such Agent is located.

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

## 8.8 **Purchases**

The Issuer or any of its Subsidiaries may, if permitted under the laws of India, at any time and from time to time purchase Bonds at any price in the open market or otherwise.

## 8.9 **Cancellation**

All Bonds so redeemed or converted or purchased by the Issuer or any of its Subsidiaries shall be cancelled and may not be reissued or resold.

## 8.10 **Redemption notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 16, and specify the Conversion Price for such Bonds as at the date of the relevant notice, the closing price of the Shares (as quoted on BSE) as at the latest practicable date prior to the publication of the notice, the applicable redemption amount, together with the interest (if any) accrued but unpaid, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of such notice. The Agents shall be responsible for calculating or verifying any calculations of any amounts payable under these Conditions and will not be responsible to any Bondholder for any loss arising from any failure by it to do so.

## 9 Taxation

- 9.1 All payments of principal and interest in respect of the Bonds by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of India (collectively, the “**Taxes**”) or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer shall pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Bondholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Bond:
- 9.1.1 held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Bond; or
- 9.1.2 where the relevant Bond is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Bond would have been entitled to such Additional Amounts on presenting or surrendering such Bond for payment on the last day of such period of 30 days.
- 9.2 If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of India, references in these Conditions to the Republic of India shall be construed as references to the Republic of India and/or such other jurisdiction.
- 9.3 For the purposes hereof, “**Relevant Date**” means (i) in respect of any payment other than a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date on which such payment first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent on or prior to such date, the Relevant Date means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Bondholders in accordance with Condition 16, and (ii) in respect of a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for the Winding-Up of the Issuer. “**Winding-Up of the Issuer**” means a final order or judgment of a court or tribunal of competent jurisdiction is made for the winding-up or liquidation of the Issuer.
- 9.4 The Issuer has agreed, subject to receipt of reasonably appropriate written evidence in respect thereof, to indemnify any Bondholder (or any person having a beneficial interest therein), other than a Bondholder who is liable to Indian tax by reason of his having a connection with India, apart from the mere holding of a Bond, to compensate and indemnify, defend and hold harmless each Bondholder and its officers, directors, employees, agents and authorised representatives (if any) from and against any and all Taxes and any resultant losses, liabilities, damages, demands, expenses (including interests and penalties with respect thereto, out-of-pocket expenses and reasonable attorneys’ and accountants’ fees), claims, assessments, interest and penalties, based upon or, arising out of, or in relation to or in connection with amounts payable by the Issuer to the Bondholder pursuant to Bondholder’s investment in the Bonds in respect of the interest income (including the difference between issue price and redemption price). This indemnity provided by the Issuer in this Condition 9.4 shall include any Taxes that a Bondholder may be required or be liable to pay to the Republic of India as a result of the Bonds being issued at an amount below 100 per cent. of the principal amount of the Bonds. For the avoidance of doubt, this indemnity shall survive any redemption of the Bonds in accordance with these Conditions and shall remain in full force and effect.
- 9.5 For the avoidance of doubt, whenever these Conditions mention the payment of amounts based on the principal amount, interest of any other amount payable under, or with respect to, any of the Bonds, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

## 10 Events of Default

10.1 If any of the following events (each, an “**Event of Default**”) occurs, then Bondholders in aggregate not holding less than 25% of the outstanding Bonds give written notice to the Issuer declaring the Bonds to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount, together with interest (if any) accrued but unpaid to such date (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6):

10.1.1 *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Bonds on the due date for payment thereof or fails to pay any amount of interest accrued but unpaid in respect of the Bonds on the due date for payment thereof;

10.1.2 *Failure to deliver Shares*: the Issuer fails to deliver the Shares as and when such Shares on account of principal amount of the Bonds, together with Shares on account of interest accrued but unpaid to such date are required to be delivered following conversion of a Bond in accordance with these Conditions;

10.1.3 *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Bonds and such default (i) is incapable of remedy or (ii) if capable of remedy, remains unremedied for 14 days after the Bondholders have given written notice thereof to the Issuer;

10.1.4 *Cross-default of Issuer or Subsidiary*:

- (a) any Indebtedness of the Issuer or any of its Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
- (b) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Subsidiary or (*provided that* no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or
- (c) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;

*provided that* the amount of Indebtedness referred to in sub-paragraph (a) and/or sub-paragraph (b) above and/or the amount payable under any Guarantee referred to in sub-paragraph (c) above individually or in the aggregate exceeds U.S.\$1,500,000 (or its equivalent in any other currency or currencies);

10.1.5 *Unsatisfied judgment*: one or more judgment(s) or order(s) for the payment of any amount is rendered against the Issuer or any of its Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment;

10.1.6 *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Subsidiaries;

10.1.7 *Insolvency etc.*: (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of its Material Subsidiaries or the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries, (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer or any of its Material Subsidiaries ceases or

threatens to cease to carry on all or any substantial part of its business (otherwise than, in the case of a Material Subsidiary of the Issuer for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent);

10.1.8 *Winding up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent);

10.1.9 *Analogous event*: any event occurs which under the laws of the Republic of India has an analogous effect to any of the events referred to in Conditions 10.1.5 to 10.1.8 above;

10.1.10 *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under and in respect of the Bonds, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Bonds admissible in evidence in the courts of the Republic of India is not taken, fulfilled or done;

10.1.11 *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds;

10.1.12 *Government intervention*: (i) all or any substantial part of the undertaking, assets and revenues of the Issuer or any of its Subsidiaries is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) the Issuer or any of its Subsidiaries is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues;

10.1.13 *Failure of any Collateral Document to provide security*: except as expressly permitted by the applicable Collateral Documents, any Collateral Document at any time for any reason shall cease to be in full force and effect in all material respects, or shall cease to give the Security Agent on behalf of the Bondholders as required by the Collateral Documents on the Collateral or the rights, powers, privileges and priority purported to be created thereby, and such failure continues unremedied for 14 consecutive days after the earlier of (i) the Issuer obtaining knowledge thereof or (ii) the Bondholders giving written notice thereof to the Issuer; or

10.1.14 *Contestation of the effectiveness, validity, binding nature or enforceability of any Collateral Documents or misrepresentation*: (i) the Issuer or any of its Subsidiaries, directly or indirectly, contests the effectiveness, validity, binding nature or enforceability of any Collateral Document or (ii) any representation or warranty made by the Issuer or any of its Subsidiaries in any Collateral Document fails to be true in all material respects and such failure continues unremedied for 14 consecutive days after the Bondholders have given written notice thereof to the Issuer.

10.2 If the Bonds have become due and payable pursuant to Condition 10.1, notwithstanding Condition 6.1 and receipt of any payment after the acceleration of the Bonds and provided that no Conversion Notice has been delivered pursuant to Condition 6.2.1, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with a Conversion Agent or Paying Agent during the period from and including the date of a default notice with respect to an event specified in Condition 10.1 (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the close of business on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Paying Agent and notice of such receipt has been duly given.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 10 on the business day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the business day following the last day of the Closed Period, which shall be

deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 10.

Save as provided below, if the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with these Conditions, except that the Issuer shall have 12 business days before it is required to register the converting Bondholder (or its designee) in its register of members as the owner of the number of Shares to be delivered pursuant to this Condition and an additional five business days from such registration date to make payment in accordance with the following paragraph.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10, the Issuer shall, at the request of the converting Bondholder (who shall deliver to the Conversion Agent a notice of exercise of such option in writing), in lieu of delivery of the relevant Shares, determine and pay to such Bondholder an amount in U.S. dollars (converted from Rupees at the Prevailing Rate (as defined below)) (the "**Default Cure Amount**"), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders' Conversion Notice and (y) the Share Price (as defined below) on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10, the amount of such payment shall be deducted from the Default Cure Amount. Payment of the Default Cure Amount shall be paid to the converting Bondholder on the third business day (as defined in Condition 7.6) following the date on which notice of exercise of the option to receive the Default Cure Amount is delivered.

The "**Prevailing Rate**" for a day means the FX rate (INR per U.S.\$1.00) based on RBI Reference rate as on any such day.

The "**Share Price**" means the closing price of the Shares as quoted by BSE or, as the case may be, Alternative Stock Exchange on the Conversion Date or, if no reported sales take place on such date, the average of the reported closing bid and offered prices, in either case as reported by BSE or other applicable securities exchange on which the Shares are listed for such day as furnished by a reputable and independent broker-dealer selected from time to time by the Issuer and notified to the Bondholders and the Agents at the expense of the Issuer for such purpose.

*ECB Guidelines at the time of redemption may require the Issuer to obtain the prior approval of the RBI before providing notice for or effecting such a redemption prior to the Maturity Date; such approval may or may not be forthcoming.*

## **11 Collateral**

### **11.1 Enforceable Collateral**

In the event of the Collateral becoming enforceable by reason of the occurrence of any of the events referred to in Condition 10 in accordance with the terms of the Bonds, the Security Agent shall, if instructed by the majority of the Bondholders, enforce the Security Agent's rights with respect to the Collateral in accordance with the Bondholders instructions, but without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to any particular Bondholder, provided that the Security Agent shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction. The Security Agent on the instructions of majority of the Bondholders will take Enforcement Action in respect of the Collateral given under or pursuant to the Collateral Documents.

Enforcement Action means, the taking of any action to exercise any right to enforce the Collateral.

Collateral will only be released in when all Issuer's obligations under the Bonds are fully discharged in accordance with the terms and conditions of the Bonds or pursuant to an Extraordinary Resolution of the Bondholders.

## 11.2 Security Agent not Liable for Collateral

The Security Agent will not make, or be liable for any failure to make, any investigations in relation to the property which is the subject of the Collateral, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Collateral, whether such defect or failure was known to the Security Agent, or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Collateral created under the Collateral Documents whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting the Collateral.

## 11.3 Impairment of Collateral

The Issuer will not, and will not cause or permit any of its Subsidiary to, take or knowingly or negligently omit to take, any action which action or omission might or would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Bondholders

## 11.4 Limitation on Liens

The Issuer shall not be permitted to, directly or indirectly, incur, assume or permit to exist any Lien of any nature whatsoever on the Collateral described under the Collateral Documents.

## 12 Prescription

Claims for principal and interest on redemption in respect of the Bonds shall become void unless made within 10 years from the relevant date for payment.

## 13 Enforcement

The Bondholders in aggregate holding more than 25% of the Bonds outstanding may at any time, at their discretion and without notice, institute such actions, steps or proceedings as they think fit to enforce their rights respect of the Bonds and the Collateral Documents.

## 14 Meetings of Bondholders; Modification and Waiver

### 14.1 Meetings

A meeting may be convened by the Issuer if requested in writing by holders holding not less than one-tenth in aggregate principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the Bonds for the time being outstanding, or at any adjourned meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the circumstances in which the Issuer is entitled to redeem or purchase the Bonds, (ii) to reduce or cancel the principal amount of the Bonds or to reduce the amount payable on redemption or purchase of the Bonds, (iii) to modify the provisions relating to subordination of the Bonds, (iv) to change the currency of the denomination of the Bonds or of any payment in respect of the Bonds including the due dates for payment of principal and interest, (v) to change the governing law of the Bonds or the Agency Agreement, (vi) to modify or discharge the Security Interests over the Collateral or (vii) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than three-quarters, or at any adjourned meeting not less than one-quarter, in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed by the Bondholders shall be binding on all Bondholders (whether or not they were present at any meeting at which such resolution was passed and whether or not they voted on such resolution).

A resolution in writing signed by or on behalf of all Bondholders who for the time being are entitled to receive notice of a meeting of Bondholders will take effect as if it were an

Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

#### **14.2 Certificates/Reports**

Any certificate or report of any expert or other person called for by or provided to the Agents (whether or not addressed to the Agents) in accordance with or for the purposes of these Conditions may be relied upon by the Agents as sufficient evidence of the facts notwithstanding that such certificate or report and/or engagement letter or other document entered into by the Agents and/or the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof and notwithstanding that the scope and/or basis of such certificate or report may be limited by any engagement or similar letter or by the terms of the certificate or report itself.

#### **15 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and such Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

#### **16 Further Issues**

The Issuer may from time to time, without the consent of the Bondholders and in accordance with the Terms & Conditions of the Bonds and to the extent permitted by relevant laws and regulations, create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Bonds. Such further bonds may, with the consent of the Agents, be constituted by a supplemental deed.

#### **17 Notices**

Notices to Bondholders shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. and, if the Bonds are admitted to trading on the SGX-ST and it is a requirement of applicable law or regulations, notices to Bondholders will be published on the date of such mailing on the website of the SGX-ST. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions, and such notice shall be deemed to be received by the Bondholders on the date of delivery of such notice to Euroclear or Clearstream or the Alternative Clearing System.*

#### **18 Agents**

- (a) The initial Agents and the Registrar and their initial specified offices are listed below. The Issuer reserves the right, subject to the approval of the Bondholders, at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar, provided that the Issuer will at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a Paying Agent having a specified office in a major financial centre in a jurisdiction other than the jurisdiction in which the Issuer is incorporated; and
- (b) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent, where the Bonds may be presented or surrendered for payment or redemption, in the event that a Global Certificate is exchanged for definitive Certificates. In addition, in the event that a Global Certificate is exchanged for

definitive Certificates, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the Paying Agent.

Notice of any such termination or appointment and of any change in the specified offices of any Agents or the Registrar and of any change in the identity of the Registrar or the Principal Paying Agent will be given to the Bondholders in accordance with Condition 16.

## **19 Indemnification**

None the Agents shall be responsible for the performance by the Issuer or any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Agent shall assume that the same are being duly performed. None of the Agents shall be liable to any Bondholder or any other person for any action taken by the Agents or such Agent in accordance with the instructions of the Bondholders. The Agents shall be entitled to rely on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with Terms & conditions of the Bonds. Neither of the Agents shall be under any obligation to ascertain whether any Event of Default or Potential Event of Default has occurred or monitor compliance by the Issuer with the provisions of the Agency Agreement or these Conditions and shall not be liable to any person for any loss arising from any breach by that party or any such event.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **21 Governing Law and Jurisdiction**

### **21.1 Governing law**

The Bonds and all non-contractual obligations arising out of or in connection with the Bonds are governed by English law.

### **21.2 Jurisdiction**

The Issuer has (i) agreed that the courts of England shall have jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with the Bonds; (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated a person in England to accept service of any process on its behalf; (iv) consented to the enforcement of any judgment; and (v) to the extent that it may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction. There is nothing preventing Bondholders from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction and that, to the extent allowed by law, any of the Bondholders may take concurrent Proceedings in any number of jurisdictions.

## DESCRIPTION OF COLLATERAL

*The following provides a general summary of key provisions of the Deed of Pledge. Such statements do not purport to be complete and are qualified in their entirety by reference to the Deed of Pledge. Defined terms used in this section shall have the meanings given to them in the Deed of Pledge.*

### **Collateral**

The obligations of the Issuer with respect to the Bonds and the performance of all the obligations of the Issuer under the Bonds will be secured by way fixed charge on the Collateral, and will consist of the following:

- 100% Pledge of Equity Shares of EBIX Inc.

The Issuer shall ensure that the market value of the Collateral is not less than the amount outstanding on the Bonds, provided further if the market value of the Collateral is less than the amount outstanding on the Bonds, then the Issuer shall be liable to pay to the Security Agent, the Shortfall Amount. In the event of sale of the Collateral by the Security Agent and after realization of the sale proceeds of the Collateral, if there is any shortfall in the amounts payable to the Bondholders, the same shall be paid by the Issuer to the Security Agent forthwith upon receipt of notice of the same.

### **Collateral Documents**

For the purpose of creating the Collateral, the following documents are proposed to be executed in favour of the Security Agent, acting for the benefit of the Bondholder within 90 days from the Issue Date of the Bonds.

### **Deed of Pledge by the Issuer**

A deed of Pledge will be executed by the Issuer for the purpose of securing for the benefit of the Bondholders.

In compliance with the ECB Guidelines, the Issuer will obtain necessary permission from its authorised dealer to create security interest on the Collateral in favour of the Security Agent to secure the obligations of the Issuer in respect of the Bonds.

## GLOBAL CERTIFICATES

The Global Certificate contains provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Conditions set out in this Offering Circular. Terms defined in the Conditions have the same respective meanings in the paragraphs below. The following is a summary of those provisions:

### **Meetings**

The registered holder and any proxy or representative appointed by it) of a Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each U.S.\$1,000 in principal amount of Bonds for which such Global Certificate is issued. The Agent may allow a person with an interest in Bonds in respect of which such Global Certificate has been issued to attend and speak (but not to vote) at a meeting of Bondholders on appropriate proof of his identity.

### **Conversion**

Subject to the requirements of Euroclear and Clearstream, Luxembourg (or any alternative clearing system), the Conversion Right attaching to Bonds in respect of which the Global Certificate is issued may be exercised by the presentation to or to the order of the Conversion Agent of one or more Conversion Notices (which may be by email while the Bonds are represented by the Global Certificate) duly completed by or on behalf of an Accountholder (as defined below) in such system with an entitlement to such Bonds. Deposit of the Global Certificate with the Conversion Agent together with the relevant Conversion Notice shall not be required. The exercise of the Conversion Right shall be notified by the Conversion Agent to the Registrar and the holder of the Global Certificate.

### **Registrar's Powers**

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system the Registrar may, to the extent it considers it appropriate to do so in the circumstances, (a) have regard to such information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which the Global Certificate is issued.

### **Enforcement**

For all purposes, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as a holder of a particular principal amount of Bonds in respect of which the Global Certificate is issued, (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of Bonds represented by a Global Certificate standing to the account of any person shall be conclusive and binding for all purposes) shall be recognised as the holder of such principal amount of Bonds.

### **Cancellation**

Cancellation of any Bond required by the Conditions to be cancelled following its redemption, conversion or purchase by the Issuer will be effected by reduction in the principal amount of the Bonds in the Register.

### **Repurchase of the Bonds at the Option of the Bondholders**

The Bondholders' put options in Conditions 8.4, 8.5, 8.6 and 8.8 may be exercised by the holder of a Global Certificate giving notice to a Principal Paying Agent of the principal amount of Bonds in respect of which the option is exercised and presenting such Global Certificate for endorsement or exercise (if required) within the time limits specified in the Conditions.

### **Redemption at the Option of the Issuer**

The options of the Issuer provided for in Conditions 8.2 and 8.3 shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by such Conditions and Condition 8.11 except that the notice shall not be required to contain the serial numbers of Bonds drawn for redemption in the case of a partial redemption of Bonds and accordingly no drawing of Bonds for redemption shall be required. Partial redemptions will be conducted in accordance with the rules of the relevant clearing system.

### **Exchange and Registration of Title**

In circumstances where the Bondholders are entitled to receive definitive Certificates, the Issuer will make

arrangements for the exchange of interests in the Global Certificate in whole but not in part for definitive Certificates and will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar in sufficient quantities for completion, authentication and dispatch to the relevant Bondholders. A person exchanging interests in the Global Certificate for one or more of the definitive Certificates must provide to the Registrar, through the relevant clearing system, a written request containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates. Any definitive Certificates delivered in exchange for the Global Certificate or beneficial interests therein will be registered in the names requested, and issued in any denominations approved, by the relevant clearing system.

In the case of definitive Certificates issued in exchange for any Global Certificate, such definitive Certificates will bear, and be subject to, such legends, as the Issuer requires in order to assure compliance with any applicable law. The holder of such restricted definitive Certificates may transfer the Bonds represented by such definitive Certificates, subject to compliance with the provisions of such legend. Upon the transfer, exchange or replacement of definitive Certificates bearing the legend, or upon specific request for removal of the legend on a definitive Certificate, the Issuer will deliver only definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

### **Payments**

Payments of principal, premium (if any) and interest in respect of Bonds represented by the Global Certificate will be made against presentation and, if no further payment falls to be made in respect of the Bonds, surrender of the Global Certificate to or to the order of the Principal Paying and Conversion Agent or such other Paying Agent as shall have been notified to the Bondholders for such purpose

### **Transfers**

Transfers of interests in the Bonds with respect to which the Global Certificate is issued shall be made in accordance with the Agency Agreement.

Transfers of interests in the Bonds with respect to which the Global Certificate is issued shall be effected through the records of Euroclear and Clearstream, Luxembourg and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg or an alternative clearing system and their respective direct and indirect participants.

The laws of certain jurisdictions require that certain purchasers of the Bonds take physical delivery of such Bonds in definitive form. Accordingly, the ability of beneficial owners to own, transfer or pledge beneficial interest in the Global Certificate may be limited by such laws.

Conversion through participants in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

None of the Issuer, the Registrar, the Common Depositary, the Registrar, the Principal Paying and Conversion Agent, the Paying Agents and Conversion Agents, the Transfer Agents or their affiliates or any other agent of the Issuer will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants, indirect participants or account holders, of their respective obligations under the rules and procedures governing their operations.

### **Accountholders**

For so long as any of the Bonds are represented by the Global Certificate and such Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg or the alternative clearing system, each person who is for the time being shown in the records of Euroclear, Clearstream or the alternative clearing system as the holder of a particular principal amount of such bonds (each an “**Accountholder**”) (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg or the alternative clearing system as to the principal amount of such Bonds standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Bonds for all purposes (including for the purposes of any quorum requirements of, or in the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal, premium and interest (if any) on such Bonds, the right to which shall be vested, as against the Issuer and the Registrar, solely in the holder of the Global Certificate. Each Accountholder must look solely to Euroclear, Clearstream, Luxembourg or the alternative clearing system as the case may be, for its share of each payment made to the holder of the Global Certificate.

The Registrar is entitled to rely on any information, reports and certifications provided by Euroclear, Clearstream, Luxembourg or the Alternative Clearing System (as the case may be) as to details of the Bond holdings and the Accountholders.

**Definitive Certificate**

In the case of definitive Certificates issued in exchange for any Global Certificate, such definitive Certificates will bear, and be subject to, such legends, as the Issuer requires in order to assure compliance with any applicable law. The holder of such restricted definitive Certificates may transfer the Bonds represented by such definitive Certificates, subject to compliance with the provisions of such legend. Upon the transfer, exchange or replacement of definitive Certificates bearing the legend, or upon specific request for removal of the legend on a definitive Certificate, the Issuer will deliver only definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

**Notices**

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, notices required to be given to Bondholders may be given by their being delivered to the relevant clearing system for communication by it to entitled Accountholders in substitution for notification, as required by the Conditions.

## CLEARANCE AND SETTLEMENT OF THE BONDS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that our Company believes to be reliable, but none of our Company, the Registrar or any of the Agents takes any responsibility for the accuracy of this section. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither our Company nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Custodial and depository links have been established with Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Bonds and transfers of the Bonds associated with secondary market trading.

### **The Clearing Systems**

#### ***Euroclear and Clearstream, Luxembourg***

Euroclear and Clearstream, Luxembourg each hold securities for participating organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry of changes in the accounts of their participants. Euroclear and Clearstream, Luxembourg provide their respective participants with, inter alia, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations.

Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Bonds held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Paying Agent (as defined in the *Terms and Conditions of the Bonds*), to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

#### ***Registration and form***

Book-entry interests in the Bonds held through Euroclear and Clearstream, Luxembourg will be evidenced by the Global Certificate, registered in the name of a nominee of the common depository of Euroclear and Clearstream, Luxembourg. The Global Certificate will be held by a common depository for Euroclear and Clearstream, Luxembourg. Beneficial ownership in the Bonds will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

The aggregate holdings of book-entry interests in the Bonds in Euroclear and Clearstream, Luxembourg will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Bonds, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the Bonds. The Paying Agent will be responsible for ensuring that payments received by it from our Company for holders of interests in the Bonds holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

The Issuer will not impose any fees in respect of the Bonds. However, holders of book-entry interests in the Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

### **Global Clearance and Settlement Procedures**

#### ***Initial settlement***

Interests in the Bonds will be in uncertificated book-entry form. Purchasers electing to hold book-entry interests in the Bonds through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds. Book-entry interests in the Bonds will be credited to Euroclear and Clearstream, Luxembourg participants' securities clearance accounts on the business day following the Issue Date against payment (for value on the Issue Date).

***Secondary market trading***

Secondary market sales of book-entry interests in the Bonds held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Bonds through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional participants.

***General***

Although the foregoing sets out the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the Bonds among participants of Euroclear and Clearstream, Luxembourg, neither Euroclear nor Clearstream, Luxembourg is under any obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time. None of the Company, the Registrar, the Agents or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

## TRANSFER RESTRICTIONS

Prospective Subscribers for the Bonds are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of Bonds. Each purchaser of the Bonds, by accepting delivery of this Offering Circular, will be deemed to have acknowledged and represented and agreed as follows:

- (1) This offering is made pursuant to Regulation S under the Securities Act. The Bonds and Shares issuable upon conversion of the Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to restrictions on transfer, within the United States or to or for the account or benefit of any U.S. person (as such person is defined under Regulation S), except (i) in compliance with the registration requirements of the Securities Act and all other applicable securities laws or (ii) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.
- (2) It is understood that the Bonds are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Bonds and the Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States and that if it decides to offer, resell, pledge or otherwise transfer any of the Bonds or the Shares, such Bonds or Shares can be offered, resold, pledged or otherwise transferred only (i) outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S under the Securities Act, (ii) inside the United States to a qualified institutional buyer in a transaction complying with Rule 144A of the Securities Act, (iii) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws, (iv) to the Issuer, or (v) pursuant to an effective registration statement under the Securities Act, in each of cases (i) through (v) in accordance with any applicable securities laws of any States of the United States, and that it will, and each subsequent holder is required to, notify any subsequent purchaser of such Bonds or the Shares from it of the resale restrictions referred to above.
- (3) It understands that to exercise its right to convert the Bonds, it must make the representations, warranties and undertakings, including with respect to certain restrictions on transfer which may apply to the Shares received upon conversion, contained in the Conversion Notice described under “*Terms and Conditions of the Bonds – Conversion*”.
- (4) The Issuer, the Registrar and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- (5) It agrees to notify any transferee to whom it subsequently re-offers, resells, pledges or otherwise transfers the Bonds or the Shares of the foregoing restrictions on transfer.
- (6) It understands that the Bonds may not be offered or sold directly or indirectly in India, to residents of India, or to or for the account or benefit of such persons in connection with the Offering or at any time thereafter, save in accordance with the provisions of Indian laws.
- (7) It is not located in India, is not a resident of India and is not purchasing for, or for the account or benefit of, such a person.
- (8) It acknowledges that the Bonds may not be offered, sold, pledged or otherwise transferred to any person located in India, to residents of India, or to, or for the account or benefit of, such persons.
- (9) It is not an “Overseas Corporate Body” as defined in the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003 who is not eligible to invest in India through the portfolio route.
- (10) It is not prohibited to buy, sell or deal in securities by the SEBI.
- (11) The Issuer has the absolute right at their discretion to reject all or part of any application for the Bonds.
- (12) Neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) with respect to the Bonds or the Shares.

- (13) It is entitled to subscribe for the Bonds offered to it under the laws of all jurisdictions which apply to it and that it has fully observed such laws and have obtained all required consents and completed all necessary formalities.
- (13) It was outside the United States at the time its acceptance was originated, it is not and it is not acting on behalf of a U.S. person (as defined in Regulation S under the Securities Act) or a person resident in or at an address in the United States.
- (15) It understands that no action has been or will be taken in any country or jurisdiction by the Issuer that would permit a public offering of the Bonds or the Shares, or possession or distribution of this Offering Circular or any other offering or publicity material relating to the Bonds or the Shares, where action for that purpose is required or where such offerings or distributions would be in any way unlawful.
- (16) If it is a person in the UK, it is either (i) an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 of the UK (the "Order"); (ii) a high net worth company within the meaning of Article 49 of the Order; or (iii) a sophisticated investor within the meaning of Article 50 of the Order.
- (17) It is purchasing the Bonds for its own account and not with a view to, or for sale in connection with, any distribution of the Bonds or the Shares in contravention of any of the transfer restrictions set out herein.
- (18) Its financial situation is such that it can afford to bear the economic risk of holding the Bonds and the Shares for an indefinite period of time, and it can afford to suffer the complete loss of the investment Bonds and the Shares.
- (19) Its knowledge and experience in financial and business matters are such that it is capable of evaluating the merits and risks of the investment in the Bonds and the Shares or it has been advised by a representative possessing such knowledge and experience.
- (20) It and its representatives, including to the extent it deems appropriate its professional, tax, financial and other advisors, have reviewed all documents provided to them in connection with the investment in the Bonds and the Shares, and it understands and is aware of the risks related to such investment.
- (21) It and its representative have been given the opportunity to examine all documents and to ask questions of, and to receive answers from, the Issuer and its representatives concerning the terms and conditions of the subscription in the Bonds and related matters and to obtain all additional information which such investor or its representative deem necessary.

## FOREIGN INVESTMENT AND EXCHANGE CONTROLS

Foreign investment in Indian securities is regulated through the Foreign Exchange Management Act, 1999, as amended (“FEMA”) and the various rules, regulations and directions issued thereunder from time to time, including the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (“DPIIT”) issued the Consolidated FDI Policy through a notification dated 28 October 2020 bearing DPIIT File Number 5(2)/2020-FDI (“FDI Policy”), which, with effect from 15 October 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI that were in force and effect as on 14 October 2020. The FDI Policy is amended and updated from time to time and will be valid until the DPIIT issues an updated circular. The foreign investment in our Company is governed by, inter alia, the FEMA, the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Non-Debt Rules”), the FDI Policy. The FEMA Non-Debt Rules were enacted on 17 October 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. Further, the RBI enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on 17 October 2019, which was amended by the RBI through notification dated 15 June 2020, inter alia, regulates the mode of payment and remittance of sale proceeds.

### **Foreign Direct Investment (“FDI”)**

Foreign investment refers to any investment made by a person resident outside India on a repatriable basis in equity instruments of an Indian company or to the capital of a limited liability partnership. An Indian company may issue equity instruments to a person resident outside India subject to entry routes, sectoral caps and attendant conditionalities prescribed in the FEMA Non-Debt Rules. FCCBs and depository receipts having underlying instruments being in the nature of debt shall not be included in the sectoral cap. However, any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned under the sectoral cap. Foreign investment in India can be either through the automatic route where no prior approval of any regulatory authority is required or through the Government approval route. FEMA Non-Debt Rules prescribe sectoral caps for the sectors or activities as a limit indicated against each sector. The total foreign investment shall not exceed the sectoral or statutory cap. In sectors or activities not listed under the FEMA Non-Debt Rules or not prohibited under the Schedule thereto, foreign investment is permitted up to 100 per cent. under automatic route, subject to applicable laws or regulations, security and other conditionalities. These conditions, inter alia, include certain minimum pricing requirements, compliance with the SEBI Takeover Regulations and ownership restrictions based on the nature of the non-resident investor. Under the FEMA Non-Debt Rules, foreign investment up to 100 per cent. is permitted in “Other Financial Services”, which refers to financial services activities regulated by financial sector regulators, including the NHB, as notified by the Government of India, subject to conditions including minimum capitalization norms, specified by the concerned regulator (in our case, the NHB and the RBI), if any. The FDI Policy and the FEMA Non-Debt Rules prescribe the method of calculation of total foreign investment (i.e., direct foreign investment and indirect foreign investment) in an Indian company. In relation to indirect foreign investment, FEMA Non-Debt Rules prescribe that indirect foreign investment refers to downstream investment received by an Indian entity from: (A) another Indian entity which has received foreign investment and (i) the Indian entity is not owned and not controlled by resident Indian citizens, or (ii) is owned or controlled by persons resident outside India; or (B) an investment vehicle whose sponsor or manager or investment manager (i) is not owned and not controlled by resident Indian citizens or (ii) is owned or controlled by persons resident outside India.

Equity instruments are required to be issued to the person resident outside India making such investment within 60 days from the date of receipt of the consideration. Where such equity instruments are not issued within 60 days from the date of receipt of the consideration the same shall be refunded to the person concerned by outward remittance through banking channels or by credit to his NRE/FCNR (B) accounts, as the case may be within 15 days from the date of completion of 60 days. An Indian company issuing equity instruments to a person resident outside India and where such issue is reckoned as foreign direct investment, is required to report such issue in Form FC-GPR, not later than 30 days from the date of issue of equity instruments. The RBI has introduced an online application, Foreign Investment Reporting and Management System (“FIRMS”) to subsume all the existing reports. FIRMS provides for the Single Master Form (“SMF”). With the implementation of SMF, the reporting of FDI, which was a two-step procedure viz., ARF and FC-GPR is merged into a single revised FC-GPR. With effect from 1 September 2018, certain forms including FC-GPR and FC-TRS were being made available for filing in SMF.

## **Pricing**

The price of shares of a listed Indian company issued to non-residents under the FDI scheme on an automatic basis cannot be less than the price calculated in accordance with the guidelines issued by the SEBI. Where the Indian company is not listed on any recognised stock exchange in India, the issue and transfer of shares including compulsorily convertible preference shares and compulsorily convertible debentures with or without optionality clauses shall be at a price worked out as per any internationally accepted pricing methodology on arm's length basis in accordance with a notification of the RBI dated 15 July 2014 as certified by a SEBI registered Category-I Merchant Bank or a chartered accountant. Every Indian company issuing shares or convertible debentures in accordance with the applicable regulations is required to submit a report to the RBI within 30 days of receipt of the consideration and another report within 30 days from the date of issue of the shares to the non-resident purchaser.

## **Investment by Foreign Portfolio Investors ("FPI")**

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50 per cent. or common control) must be below 10 per cent. of our post-issue equity share capital. Further, in terms of the FEMA Non-Debt Rules, the total holding by each FPI, including its investor group, shall be below 10 per cent. of the total paid-up equity share capital of a company and the total holdings of all FPIs put together, including any other direct and shall indirect foreign investments in a company, not exceed 24 per cent. of the paid-up equity share capital of a company on a fully diluted basis. In case the total holding of an FPI, including its investor group, increases (i) beyond 10 per cent. of the total paid-up equity capital of a company, on a fully diluted basis; or (ii) 10 per cent. or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by the company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by the SEBI and the RBI in this regard and the company and the investor will be required to comply with applicable reporting requirements. The aggregate limit of 24 per cent. may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of the company. In terms of the FEMA Non-Debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual investment limit for an FPI in our Company is not exceeding 10 per cent of the total paid-up equity share capital of the Company.

## **Portfolio Investments by NRIs**

An NRI may purchase or sell equity instruments of a listed Indian company on repatriation basis, on a recognized stock exchange in India. The total holding by any individual NRI or Overseas Citizen of India is restricted to (i) 5 per cent. of the total paid-up equity capital on a fully diluted basis; or (ii) 5 per cent. 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 Overseas Citizens of India put together is restricted to 10 per cent. of the total paid-up equity capital on a fully diluted basis or 10 per cent. of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10 per cent. may be raised to 24 per cent. if a special resolution to that effect is passed by the general body of the Indian company. Investments made by NRIs on non-repatriation basis in accordance with the FEMA Non-Debt Rules will be treated as domestic investments at par with the investments made by the residents.

## **Transfer of shares and convertible debentures of an Indian company by a person resident outside India**

A person resident outside India holding equity instruments of an Indian company or units in accordance with the FEMA Non-Debt Rules may transfer such equity instrument or units in compliance with the applicable conditions prescribed under the FEMA Non-Debt Rules. A person resident outside India (not being a non-resident Indian or an overseas citizen of India or an erstwhile overseas corporate body) may transfer by way of sale or gift the equity instruments of an Indian company or units held by him to any person resident outside India. 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 is in adherence with pricing guidelines and documentation as specified by RBI, if such transfer attract the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011; (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. Form FCTRS is required to be filed for transfer of equity instruments in accordance with the FEMA Non-Debt Rules, between: (a) a person resident outside India holding equity instruments in an Indian company on a repatriable basis and person resident outside India holding equity instruments on a non- repatriable basis; and (b) a person resident outside India holding equity instruments in an Indian company on a repatriable basis and a person resident in India. The onus of reporting is on the resident transferor/transferee or the person resident outside India holding equity instruments on a non- repatriable basis, as the case may be. Transfer of equity instruments on a recognised stock exchange by a person resident outside India

are required to be reported by such person in Form FC-TRS. The form FCTRS is required to be filed within 60 days of transfer of equity instruments or receipt/remittance of funds whichever is earlier.

### **ECB and Issue of Foreign Currency Convertible Bonds**

The current laws relating to ECB as applicable to the issuance of the Bonds are embodied in the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019, as amended (“ECB Master Directions”). Under the ECB Guidelines, ECBs can be accessed under two routes: (i) the automatic route; and (ii) the approval route. The automatic route does not require a borrower to obtain any RBI approvals, whereas the approval route requires a prior RBI approval. The ECB Guidelines classify ECB under the following categories: (iii) foreign currency denominated ECB (“FCY ECB”); (iv) Indian Rupee denominated ECB (“INR ECB”). The ECB Guidelines rationalise the erstwhile external commercial borrowings framework by merging the erstwhile Track I (medium-term foreign currency denominated ECB) and Track II (long-term foreign currency denominated ECB) into one track as ‘FCY ECB’. The Ministry of Finance, Government of India, through the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and ECB Master Directions, regulate the issuance of FCCBs by Indian companies. The notification relating to FCCBs has been amended from time to time by the Ministry of Finance, and certain relaxations in the guidelines have also been notified by the RBI. An Indian company which is not eligible to raise funds from the Indian capital market including a company which has been restrained from accessing the securities market by the SEBI will not be eligible to issue FCCBs. Further, FCCBs should be without any warrants attached. An eligible Indian company may issue FCCBs to persons resident outside India either, through the automatic route, or with approval of the RBI, in accordance with the ECB Master Directions.

#### **Automatic Route**

For the automatic route, the cases are examined by the Authorised Dealer Category-I banks (“AD Category I Bank”). Under the ECB Guidelines, all entities which are eligible to receive foreign direct investment are eligible to raise ECB. The minimum average maturity period for ECBs is at least three years, and longer maturity periods apply in certain cases, depending on the end-use proposed for such ECB. The ECB Master Directions require that lenders, with respect to ECB, should be residents of FATF or IOSCO compliant countries. Further, the ECB Master Directions (i) considers the multilateral and regional financial institutions where India is a member country as recognised lenders; (ii) permits individuals as ECB lenders, provided they are foreign equity holders or for subscription to bonds/debentures listed abroad, and (iii) permits the foreign branches and subsidiaries of Indian banks as recognised lenders only for FCY ECB. In relation to the utilization of the ECB proceeds, the negative list for both FCY ECB and INR ECB includes: (i) real estate activities, (ii) investment in capital market, and (iii) equity investment. Further, proceeds from an ECB cannot be utilized for (i) working capital purposes, (ii) general corporate purposes and (iii) repayment of rupee loans except in certain cases as prescribed under the ECB Master Directions. Additionally, on-lending for any of the aforementioned activities is prohibited under the ECB Master Directions except in case of ECB raised by non-banking finance companies as prescribed therein. Further, the maximum amount which can be raised every fiscal year by an eligible borrower under the automatic route is U.S.\$750 million or its equivalent. The all-in cost (which includes rate of interest, other fees, guarantee fees and expenses in foreign currency or Indian Rupees but does not include commitment fees, payments for withholding tax in Rupees) for FCY ECB benchmark rate is plus 500 basis points spread and for INR ECB benchmark rate is plus 450 basis points spread. The benchmark rate in case of FCY ECB refers to any widely accepted interbank rate or Alternative Reference Rate (ARR) of 6-month tenor, applicable to the currency of borrowing, while the benchmark rate in case of Rupee denominated ECB (INR ECB) will be the prevailing yield of the Government of India securities of corresponding maturity. As per the ECB Guidelines, various components of all-in-cost have to be paid by the borrower without taking recourse to the drawdown of ECB, i.e., ECB proceeds cannot be used for payment of interest or charges. Additionally, for FCCBs, the issue related expenses should not exceed 4 per cent. of the issue size and in case of private placement, these expenses should not exceed 2 per cent. of the issue size, etc.

#### **Approval Route**

All ECB falling outside the automatic route limits are considered by the RBI under the approval route, wherein prospective borrowers are to send their requests to RBI through the Authorized Dealer banks (“AD Bank”).

#### **Filing and regulatory requirements in relation to issuance of Bonds**

An ECB borrower is required to obtain an LRN from the RBI before an issuance of Bonds is affected. To obtain this, ECB borrowers are required to submit a completed Form ECB which also contains terms and conditions of the ECB to the AD Category I Bank of the ECB borrower. The AD Category I Bank is then required to forward the completed Form ECB to the RBI. An ECB borrower is required to submit an ECB-2 Return on a monthly basis through its AD Category I Bank to the RBI.

**Procedure in relation to any change to the terms and conditions of the ECB**

Subject to certain conditions, the AD Category I Bank can approve any requests from the borrowers for changes in respect of ECB, except for FCCBs or foreign currency exchangeable bonds. Any redemption of the Bonds prior to satisfaction of the minimum average maturity period prescribed under the ECB Guidelines will require the prior approval of the RBI.

**Regulatory requirements in relation to issuance of foreign currency denominated ECB**

Pursuant to the ECB Guidelines, any entity which can accept foreign direct investment, can issue, among others, FCCBs, foreign currency denominated floating/fixed rate notes/bonds/debentures (other than fully and compulsorily convertible instruments) with a three-year minimum average maturity period (“MAMP”).

The Bonds can be subscribed or purchased by any recognised lender as detailed above. Foreign branches/subsidiaries of Indian banks are permitted as recognised lenders only for FCY ECB (except FCCBs and foreign currency exchangeable bonds). Foreign branches/subsidiaries of Indian banks, subject to applicable prudential norms, can participate as arrangers/underwriters/market-makers/traders for Rupee denominated bonds issued overseas. However, underwriting by foreign branches/subsidiaries of Indian banks for issuances by Indian banks is not allowed.

The entities raising ECB are required to follow the guidelines for hedging issued, if any, by the concerned sectoral or prudential regulator in respect of foreign currency exposure. The ECB borrower will be required to cover principal as well as coupon through financial hedges. The financial hedge for all exposure on account of ECB should start from the time of each such exposure (i.e., the day liability is created in the books of the borrower). A minimum tenor of one year of financial hedge would be required with periodic rollover duly ensuring that the exposure on account of ECB is not unhedged at any point during the currency of ECB. Natural hedge, in lieu of financial hedge, will be considered only to the extent of offsetting projected cash flows/revenues in matching currency, net of all other projected outflows. For this purpose, an ECB may be considered naturally hedged if the offsetting exposure has maturity/cash flow within the same accounting year. Any other arrangements/structures, where revenues are indexed to foreign currency will not be considered as a natural hedge.

Change of currency of ECB from one freely convertible foreign currency to any other freely convertible foreign currency as well as to INR is freely permitted.

**MOF notification dated 31 August 2005 & Press Note dated 21 November 2008**

The MOF of the Government issued a notification dated 31 August 2005 amending the Depository Receipt Scheme. The following are aspects, which are pertinent for the offering:

1. The issuer must be eligible to raise funds from Indian capital markets and should not have been restrained from accessing the securities market by the SEBI.
2. Overseas Corporate Bodies who are not eligible to invest in India through the portfolio route and entities that are prohibited from buying, selling or dealing in securities by the SEBI are not eligible to subscribe to the Bonds.
3. The pricing should not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date.

The “relevant date” means date of the meeting in which the Board of the company or the Committee of Directors duly authorized by the Board of the company decides to open the proposed issue.

## GOVERNMENT OF INDIA APPROVALS

*This offering is being made entirely outside India. This Offering Circular may not be distributed, directly or indirectly, in India or to residents of India and the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in India or to, or for the account or benefit of, any resident of India except domestic mutual funds in accordance with the applicable rules, regulations and guidelines issued by the RBI and the SEBI.*

FCCBs mean a bond issued by an Indian company expressed in foreign currency, and the principal in respect of which is payable in foreign currency. Further, the bonds are required to be issued in accordance with the scheme viz., “Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993” read with 2005 amendment, and subscribed by a non-resident in foreign currency and convertible into ordinary shares of the issuing company in any manner, either in whole, or in part, on the basis of any equity related warrants attached to debt instruments. The policy for ECB is also applicable to FCCBs. The issue of FCCBs is also required to adhere to the provisions of Notification FEMA No. 120/RB-2004 dated July 7, 2004, as amended from time to time.

### **Issue of Foreign Currency Convertible Bonds**

The DPIIT, through the Depository Receipt Scheme, has allowed Indian companies to issue FCCBs.

This scheme has been amended from time to time by the MOF and certain relaxations in the guidelines have also been notified by the RBI. The relevant regulations, including the bond regulations, provide that an Indian company may issue FCCBs to persons resident outside India subject to the approval of the RBI in certain cases. Any Indian company issuing such bonds is required to comply with certain reporting requirements prescribed by the RBI.

FCCBs refers to foreign currency denominated instruments which are issued in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time. Issuance of FCCBs shall also conform to other applicable regulations. Further, FCCBs should be without any warrants attached. Consolidated FDI Policy (Effective from October 15, 2020, issued by Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry Government of India states as under:

### **Issue of FCCBs and Depository Receipts (DRs)**

- a) FCCBs/DRs may be issued in accordance with the Scheme for issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and Depository Receipt Scheme 2014 respectively, as per the guidelines issued by the Government of India there under from time to time.
- b) Depository Receipts are foreign currency denominated instruments issued by a foreign Depository in a permissible jurisdiction against a pool of permissible securities issued or transferred to that foreign depository and deposited with a domestic custodian.
- c) In terms of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 as amended from time to time, a person will be eligible to issue or transfer eligible securities to a foreign depository, for the purpose of converting the securities so purchased into depository receipts in terms of Depository Receipts Scheme, 2014 and guidelines issued by the Government of India thereunder from time to time.
- d) A person can issue Depository Receipts, if it is eligible to issue eligible instruments to person resident outside India under relevant Schedules under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended from time to time. The term eligible instruments include:
  - Any security or unit in which a person resident outside India is allowed to invest under these rules shall be eligible instruments for issue of Depository Receipts in terms of Depository Receipts Scheme, 2014 (DR Scheme, 2014);
  - A person shall be eligible to issue or transfer eligible instruments to a foreign depository for the purpose of issuance of depository receipts in accordance with the DR Scheme, 2014 and guidelines issued by the Central Government in this regard;
  - A domestic custodian may purchase eligible instruments on behalf of a person resident outside India, for the purpose of converting the instruments so purchased into depository receipts in terms of DR Scheme, 2014;
  - The aggregate of eligible instruments which may be issued or transferred to foreign depositories, along with eligible instruments already held by persons resident outside India, shall not exceed the limit on foreign holding of such eligible instruments under the Act, rules or regulations framed thereunder.

- The eligible instruments shall not be issued or transferred to a foreign depository for the purpose of issuing depository receipts at a price less than the price applicable to a corresponding mode of issue or transfer of such instruments to domestic investors under the applicable laws;
- The aggregate of eligible securities which may be issued or transferred to foreign depositories, along with eligible securities already held by persons resident outside India, shall not exceed the limit on foreign holding of such eligible securities under the relevant regulations framed under FEMA, 1999;
- The pricing of eligible securities to be issued or transferred to a foreign depository for the purpose of issuing depository receipts should not be at a price less than the price applicable to a corresponding mode of issue or transfer of such securities to domestic investors under the relevant regulations framed under FEMA, 1999;
- The issue of depository receipts as per DR Scheme 2014 shall be reported to the Reserve Bank by the domestic custodian as per the reporting guidelines for Depository Scheme 2014.

### **REGULATORY FILINGS**

The Company is required to make the following filings in connection with issuance of the Bonds and at the time of the conversion of Bonds into Shares:

- (i) Filing with the RBI (through a recognized dealer in foreign exchange) Form ECB;
- (ii) Filing of information with the RBI subsequent to the issuance of the Bonds, which would include total amount of the Bonds issued, names of the investors resident outside India and number of the Bonds issued to each of them, and the amount repatriated to India through normal banking channels in accordance with provision of law
- (iii) Filing of return of allotment with the Registrar of Companies at its office in Mumbai, India at the time of the conversion of Bonds into Shares;
- (iv) Monthly filing with the RBI (through a recognized dealer in foreign exchange) in the prescribed Form No. ECB-2; and
- (v) Filing of this Offering Memorandum with the Indian Stock Exchange, the SEBI, the RBI, and the Registrar of Companies.

### **Eligibility**

The Company confirms that as required by the MOF notification dated March 26, 2019, the Company is eligible to raise funds from the Indian capital market and have not been restrained from accessing the securities market by SEBI.

## TAXATION

*The following is a summary of the principal Indian tax consequences for non-resident investing in the Bonds pursuant to this offering circular. The summary details the tax consequences for the non-resident investors in relation to the Bonds and the Shares issuable upon conversion of the Bonds. The summary is based on Indian tax laws as are in force as of the date of this Offering Circular and is subject to change. This summary is not intended to constitute a complete analysis of all the tax consequences for a non-resident investor under Indian law in relation to the acquisition, ownership and disposal of the Bonds or Shares by non-resident investors.*

***Potential investors should therefore consult their own tax advisers on the tax consequences of such acquisition, ownership and disposal of the Bonds or the Shares under Indian law including specifically, the tax treaty between India and their country of residence and the law of the jurisdiction of their residence.***

The following discussion describes the material Indian income tax, stamp duty and estate duty consequences of the purchase, ownership and disposal of the Bonds and the Shares. The Income Tax Act 1961 (the "Income Tax Act") is the law relating to taxation of income in India. The Income Tax Act provides for the taxation of persons resident in India on their global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arisen in India. This summary is based on the provisions of Section 115AC of the Income Tax Act and other applicable provisions of the Income Tax Act and the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993 promulgated by the Government of India (together referred to as the "Tax Regime").

### ***Taxation of the Bonds/Notes***

The offering is in accordance with Section 115AC of the IT Act, 1961, and non-resident Investors of the Bonds will therefore have the benefit of tax concessions available under the Section 115AC of the IT Act are subject to the fulfillment of certain conditions of that section. Such tax concessions include taxation at a reduced income tax rate of 10 per cent, (which will then subject to the applicable rate of surcharge on income tax and education cess on income tax and surcharge having regard to fact that the person is a corporate or non-corporate assessee) on the amount of interest on bonds or long-term capital gain arising on transfer of Bonds.

Under Section 47(viia) of the IT Act, the transfer of Bonds outside India by a non-resident holder to another non-resident shall not give rise to any capital gains tax in India.

### ***Taxation of Shares Issued upon Conversion of Bonds/Notes***

Under Section 47(x) of the IT Act any transfer by way of conversion of bonds into shares will not give rise to any capital gains liable to income tax in India. However, the issue of shares by the Company upon conversion of Bonds will be chargeable to stamp duty as described below under "Stamp Duty".

### ***Taxation of Dividends on the Shares***

Section 10(34) of Income Tax Act, states that any income by way of dividends referred to in section 115-O shall not be included in computing the total income of a previous year of any person. Further, this not shall apply to any income by way of dividend chargeable to tax in accordance with the provisions of section 115BBDA. Also, nothing contained in this section shall apply to any income by way of dividend received on or after the 1st day of April, 2020 other than the dividend on which tax under section 115-O and section 115BBDA, wherever applicable, has been paid.

Consequently, Section 115BBDA which provides for taxability of dividend in excess of Rs. 1 million has no relevance as the entire amount of dividend shall be taxable in the hands of the shareholder.

TDS shall be deducted at the rate of 10% from dividend distributed to the resident individual shareholder if amount of dividend to such shareholder in aggregate in that year is more than Rs.0.005 million.

### ***Issue of Right Shares***

Distribution to non-residents of additional shares or rights to subscribe for Shares (for the purposes of this section, "Rights") made with respect to shares are not subject to Indian tax unless those rights are transferred.

### ***Benefits available to Non-Resident Indians***

Non-Resident Indians have an option to be governed by the special provisions of Chapter XIIA of the IT Act, according to which:

1. Under provisions of section 115F of the IT Act, long term capital gains arising to a non- resident Indian, from the transfer of a foreign exchange asset (the asset so transferred being hereafter in this section referred to as the original asset), and the non-resident Indian within a period of six months after the date of such transfer, invested the whole or any part of the net consideration in any specified asset, or in any savings certificates referred to in clause (4B) of section 10 (such specified asset, or such savings certificates being hereafter in this section referred to as the new asset), the capital gain shall be dealt with in accordance with the following provisions of this section. If the cost of the new asset is not less than the net consideration in respect of the original asset, the whole of such capital gain shall not be charged under section 45 or if the cost of the new asset is less than the net consideration in respect of the original asset, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of acquisition of the new asset bears to the net consideration shall not be charged under section 45. Further, as per sub section 2, if the new asset is transferred or converted (otherwise than by transfer) into money, within a period of three years from the date of its acquisition, the amount of capital gain arising from the transfer of the original asset not charged under section 45 on the basis of the cost of such new asset as provided in clause (a) or, as the case may be, clause (b), of sub-section (1) shall be deemed to be income chargeable under the head “Capital gains” relating to capital assets other than short-term capital assets of the previous year in which the new asset is transferred or converted (otherwise than by transfer) into money.
2. Under Section 115G of the IT Act, it shall not be necessary for the non-resident Indians to furnish their return of income, under section 139(1) of the IT Act, if their source of income is only investment income or income by way of long term capital gains or both, provided income tax deductible at source under the provisions of chapter XVII-B has been deducted from such income.
3. Under Section 115H of the IT Act, the benefit conferred on a non-resident Indian assessee will be available even after the assessee becomes a resident if declaration in writing is filed along with the return of income under Section 139(1) of the IT Act, to the effect that the provisions of Chapter XII-A shall continue to apply to him in respect of investment income derived from foreign exchange asset vide Section 115C(f)(ii)(iii)(iv) or (v) of the IT Act, until the transfer or conversion (otherwise than by transfer) into money of such assets.
4. Under Section 115-I of the IT Act, a non-resident Indian, if he elects by so declaring in the return of his income for that assessment year, not to be governed by the special provisions of chapter XII-A, then he will be entitled to tax benefit available to resident individuals.

For the purpose of computing capital gains tax on the sale of the Shares under the Section 115AC of IT Act, the cost of acquisition of the shares will be treated as the cost of acquisition of bond before conversion of bonds into shares.

Neither the Section 115AC of IT Act nor the FCCB Scheme deals with capital losses arising on a transfer of Shares in India. In general terms, losses arising from a transfer of a capital asset in India can only be set off against capital gains. A long-term capital loss can be set off only against a long term capital gain (if not exempt) and short term capital loss can be set off against any capital gain. To the extent that the losses are not absorbed in the year of transfer, they may be carried forward for a period of eight assessment years immediately succeeding the assessment year for which the loss was first determined by the assessing authority and may be set off against the capital gains assessable for such subsequent assessment years. In order to set off capital losses as above, the non- resident investor would be required to file appropriate and timely tax return in India and may undergo the usual assessment procedures.

#### ***Tax Credit***

A non-resident investor would be entitled to tax credit with respect to any withholding tax paid by the Company or any other person for its account in accordance with the laws of the applicable jurisdiction.

#### ***Tax Treaties***

The provisions of the Agreement for Avoidance of Double Taxation entered into by the Indian Government with the country of residence of such non-resident investor will be applicable to the extent they are more beneficial to the non-resident investor.

#### ***Stamp Duty***

Under the laws of India, the transfer of shares in physical form would be subject to stamp duty at the rate of 0.015 per cent. Of the market value of the shares, and such stamp duty customarily is borne by the transferee, that is, the purchaser. In order to register a transfer of Shares in physical form, it is necessary to present a stamped deed of

transfer. However, since the Company's Shares are compulsorily deliverable in dematerialized form (except for trades of up to 500 Shares, which may be delivered in physical form) there would be same rate of stamp duty payable in India on transfer of the Shares in dematerialized form. There is no stamp duty liability on the sale or transfer of Bonds.

***Education Cess***

In all the above cases, the amount of income tax and surcharge as stated would be increased by an education cess of 4 per cent.

***Taxation on buyback of Shares***

If Shares held by a non-resident investor are purchased by the Company, the non-resident investor will be liable to pay income tax in respect of the capital gains arising on such buyback under the provisions of Indian tax laws and capital gains tax arising there from shall be withheld at source before repatriation of sale proceeds from India.

## PLAN OF DISTRIBUTION

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

The Company estimates that the Company's portion of the total expenses of this offering will be approximately US\$\_\_ million.

### *Selling Restrictions*

#### **General**

No action has been or will be taken in any jurisdiction that would permit a public offering of the Bonds or the possession, circulation or distribution of this Offering Circular or any other material relating to the Company or the Bonds in any jurisdiction where action for such purpose is required. Accordingly, the Bonds may not be offered or sold directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Bonds may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

#### **Canada**

The Bonds may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration, Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws in Canada. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation; *provided* that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

#### **European Economic Area**

The Bonds are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA, has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### **France**

Neither this Offering Circular nor any other offering material relating to the Bonds described in this document has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the European Economic Area and notified to the Autorité des Marchés Financiers. The Bonds have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this Offering Circular nor any other offering material relating to the Bonds has been or will be released, issued, distributed, or caused to be released, issued, or distributed to the public in France; or used in connection with any offer for subscription or sale of the Bonds to the public in France.

Such offers, sales and distributions will be made in France only:

➤ to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code *monétaire et financier*:

- to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French Code *monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).

The Bonds may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Code *monétaire et financier*.

### **Hong Kong**

The Bonds may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Bonds may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

### **India**

This Offering Circular may not be distributed directly or indirectly in India to the residents of India and the Company may not offer or sell, directly or indirectly, any Bonds in India to, or for the account or benefit, of any resident of India except to Indian mutual funds registered with the SEBI.

In addition, the Bonds may not be subscribed by Overseas Corporate Bodies who are not eligible to invest in India through the portfolio route and entities that are prohibited from buying, selling or dealing in securities by SEBI.

**Investors purchasing Bonds in this Offering will be deemed to have represented, acknowledged and confirmed that (i) they are eligible to subscribe to the Bonds and are not Overseas Corporate Bodies (within the meaning of Indian law) ineligible to invest in India and (ii) that they are not otherwise prohibited from buying, selling or dealing in securities by SEBI.**

### **Japan**

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”) Accordingly, the Bonds shall not, directly or indirectly, be offered or sold and will not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for reoffering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Mauritius**

The Bonds are not intended to be offered, sold, or otherwise made available to, and with effect from such date, should not be offered, sold or otherwise made available to any retail investor in Mauritius. For these purposes a “retail investor” is as defined in the Securities Act 2005, as applicable in Mauritius.

### **Republic of China**

The Bonds may not be offered or sold directly or indirectly within the People’s Republic of China (“PRC”). This Offering Circular or any information contained herein does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. This Offering Circular, any information contained herein or the Bonds have not been, and will not be, submitted to, approved by, verified by, or registered with any relevant governmental

authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Bonds in the PRC. The Bonds may only be invested in by PRC investors that are authorized to engage in the investment in the Bonds of the type being offered or sold. Investors are responsible for obtaining all relevant governmental approvals, verifications, licenses or registrations (if any) from all relevant PRC governmental authorities, including, but not limited to, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking Regulatory Commission, the China Insurance Regulatory Commission and/or other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations

### **Singapore**

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), or
- (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

The Bonds initially acquired pursuant to above paragraph may not be sold within the period of 6 months from the date of the initial acquisition by the owner to any person other than to (a) an institutional investor; (b) a relevant person as defined in section 275 (2); or (c) any person pursuant to an offer referred to in section 275 (1A) of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the Agent is not an accredited investor) whose sole purpose is to hold investments and each beneficiary (which shall include a unit holder of a business trust and a participant of a collective investment scheme) of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:
  - (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA;
  - (2) where no consideration is or will be given for the transfer; or
  - (3) where the transfer is by operation of law.

### **Switzerland**

The Bonds may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (the “SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This Offering Circular has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Bonds or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

### **United Kingdom**

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity

(within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Bonds may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

### **United States**

It is acknowledged that the Bonds and the shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Company has represented that it has not offered or sold, and agreed that it will not offer or sell, any Bonds constituting part of its allotment except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither the Company, nor its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

In addition, until 40 days after the later of the commencement of the offering of the Bonds and the latest closing date of the issue of the Bonds, an offer or sale of Bonds or the Shares within the United States or to any U.S. person by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this section have the meanings given to them in Regulation S.

## **LEGAL MATTERS**

Certain legal matters as to Indian law in connection with this offering, is passed upon by \_\_\_\_\_, Indian counsel for the Company. Certain legal matters as to English law in connection with the offering, is passed upon by \_\_\_\_\_ (English Counsel to the Registrar).

## **INDEPENDENT AUDITORS**

The financial statements of the Company as of and for the fiscal year ended 31 March 2024 included elsewhere in this Offering Circular have been audited by M/s. KSMC & Associate (FRN 003565N), the independent auditors, in accordance with the standard on auditing generally accepted in India.

## GENERAL INFORMATION

1. The Company was incorporated under the Companies Act in India and is registered with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi. The Company's corporate identity number is L74899DL1967PLC004704. The Company's registered office is situated at B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Sec – III, West Delhi, New Delhi, India - 110026
2. The Company's principal objects are pursuing the business of hospitality, trading of securities and Digital Marketing. The objects are set out in Clause IIIA of the Memorandum of Association. The Company operates its business in conformity with its constitutional documents.
3. The issue of the Bonds was authorised by a special resolution of the Shareholders of the Company passed at their extra ordinary general meeting held on 29 July 2024. The terms of the offering and the issue of the Bonds were approved by resolutions of the Company's Board of Directors passed on 29 June 2024. The Company has obtained necessary consents, approvals and authorisations in India required in connection with the issue and performance of the Bonds.
4. Copies of the Company's Memorandum and Articles of Association and copies of the Agency Agreement will be available for inspection free of charge during usual business hours on any weekday (except Saturdays, Sundays and public holidays) at the Company's registered office and between 9:30 am and 3:00 pm on any weekday (except Saturdays, Sundays and public holidays) at the specified offices of the Agents. Copies in English of the Company's latest audited consolidated and non-consolidated annual financial statements may be obtained during usual business hours on any weekday (except Saturdays, Sundays and public holidays) at the specified office of the Principal Paying and Conversion Agent subject to the provision of such financial statements to the Principal Paying and Conversion Agent.
5. The Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg with a Common Code of \_\_\_\_\_. The International Securities Identification Number for the Bonds is XS\_\_\_\_\_.
6. The Independent Auditors who have audited the Company's consolidated financial statements for fiscal 2024, have rendered audit reports in respect of the Company's financial statements which they have audited, and these audit reports are set out on pages \_\_\_ to \_\_\_. The qualifications referred to in their audit reports are shown in the Auditor's Reports contained in this Offering Circular.
7. The Company prepared its financial statements as at and for fiscal 2024 and its financial statements as at and for the three months ended 30 June 2024, each as contained herein, in conformity with Ind As.
8. The Company has made a qualified institutional placement of 3,261,200 equity shares of Rs.10 each at a premium of Rs.752 per share aggregating to Rs.2,485.03 million on 13 August 2024. Except aforesaid and as disclosed in this Offering Circular, there has been no significant change in the Company's financial or trading position and no material adverse change in the Company's financial position or prospects since 30 June 2024.
9. Except as disclosed in this Offering Circular, the Company is not involved in any material litigation or arbitration proceedings that may have, or have had during the 12 months preceding the date of this Offering Circular, a material adverse effect on the Company's financial position, nor, so far as the Company is aware, are there any such proceedings pending or threatened.
10. The Agency Agreement and the Bonds are governed by English law. The Company's submission to the jurisdiction of the English courts and the appointment of an agent for service of process are valid and binding under Indian law.
11. The Bonds provide for the Registrar to take action on behalf of the Bondholders in certain circumstances, but only if the Registrar is prefunded, indemnified and/or provided with security to its satisfaction. It may not be possible for the Registrar to take certain actions and accordingly in such circumstances the Registrar will be unable to take such actions, notwithstanding the provision of an indemnity to it, and it will be for the Bondholders to take such actions directly. The Registrar may require any such indemnity to be given on joint and several basis.
12. The Registrar may rely without liability to Bondholders on any certificate prepared by the directors or

authorised officers of the Company and accompanied by a certificate or report prepared by the auditors of the Company or an internationally recognised firm of accountants or any expert called for or provided to the Registrar pursuant to the Conditions and Agency Agreement satisfactory to the Registrar, whether or not addressed to the Registrar and whether or not the auditors of the Company or the internationally recognised firm of accountants' liability in respect thereof or the liability of any expert is limited by a monetary cap or otherwise limited or excluded. Any such certificate or report shall in the absence of manifest error in the Registrar's opinion be conclusive and binding on the Company, the Registrar and the Bondholders.

13. The Conditions do not provide Bondholders with any participating rights in the event of a takeover offer for the Shares.
14. The address of the Company's website is [www.eraayalife.com](http://www.eraayalife.com). Information contained on this website does not constitute part of this Offering Circular.

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**AUDITORS' REPORT ON FINANCIAL STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2024**

**TO THE MEMBERS OF ERAAYA LIFESPACES LIMITED (FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)**

**Report on the Audit of the financial statements**

**Opinion**

We have audited the accompanying financial statements of **ERAAYA LIFESPACES LIMITED (Formerly known as Justride Enterprises Limited)** ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Emphasis of Matter**

We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comments in the **Annexure A**, as required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company does not have any material pending litigations which effects on its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on March 31, 2024.
    - iv. (a) The management has represented to us that, to the best of management's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented to us that, to the best of management's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether

recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) According to the information and explanations given to us and based on our examination of the records of the company, nothing has come to our notice that has caused us to believe that the representations made above contain any material mis-statement.

- v. No dividend declared by the company declared or paid by the Company during the year.
  - vi. Based on our examination, Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility with effect from 30th March 2024 and the same has been operated from the period 30th March 2024 to 31st March 2024 only and the audit trail feature has not been tampered with and the audit trail has been preserved by the company for said period as per the statutory requirements for record retention.
3. With respect to the matter to be included in the Auditors’ Report under section 197(16) of the Act:  
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V to the Act. The remuneration paid is in line with the guidelines and limits set forth under Schedule V, however it is observed that requisite special resolution for approval, as mandated by the Companies Act, 2013, has not yet been passed by the shareholders

**For KSMC & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003565N**

**CA SACHIN SINGHAL**  
**Partner**  
**Membership No. 505732**  
**UDIN: 24505732BKEGJG8633**

**Date: 11/04/2024**  
**Place: New Delhi**

**Annexure A to the Independent Auditor’s Report**  
**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ERAAYA LIFESPACES LIMITED (Formerly known as Justride Enterprises Limited) of even date)**

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company do not have intangible assets. Hence, clause 3(i)(a)(B) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as the balance sheet date.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year. Since the Company does not carry any Right of Use assets, the revaluation thereof is not applicable. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Register Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use Assets) or intangible Assets does not arise.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and rules made thereunder & therefore question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statement does not arise.
- ii. (a) The Company does not have any inventory and hence, reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, during the year, has not made any investment or provided any guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. The Company, during the year, has granted loans and advances in the nature of loans during the year to companies and other parties.
- a. Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans and advances in the nature of loan to Companies and other parties as below:

Particulars	Loans (Rs. in million)	Advances in nature of loans (Rs. in million)

Aggregate amount during the year		
- Subsidiary		
- Others	101.29	-
Balance outstanding as at the balance sheet date in respect of above cases		
- Subsidiary		
- Others	0.00	-

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion,
- Terms and Conditions in respect of the grant of loans and advances in the nature of loans, during the year, to companies or any other parties are prima facie, not prejudicial to the Company's interest.
  - During the year the Company has not provided guarantees, provided security to companies, firms, Limited Liability Partnerships or any other parties.
- c. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has not been stipulated. Hence in the absence of same, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.
- d. The Company has granted loans and in all cases schedule of repayment of principal and payment of interest has not been stipulated. Hence in the absence of same, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loans and hence unable to comment upon any over amount for more than ninety days.
- e. The company has granted loans and in all cases schedule of repayment of principal and payment of interest has not been stipulated. Hence in the absence of same, we are unable to make a specific comment on loans granted to companies or other parties which had fallen due during the year.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	<b>All Parties</b>	<b>Promoters</b>	<b>Related Parties</b>
Aggregate amount of loans/ advances in nature of loans	Rs.101.29 million	Nil	Rs.101.29 million
- Repayable on demand			
Percentage of loans/ advances in nature of loans to the total loans	100.00 %	Nil	100.00%

- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor it has provided guarantee or security, nor it has provided any loans as specified under Section 185 of the Companies Act, 2013 ("the Act"). Further the Company has not provided any guarantee or security and not made any investment as specified under Section 186 of the Act. In our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given made during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence, clause 3(v) of the Order is not applicable.

- vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act for the Company and hence, clause 3(vi) of the order is not applicable.
- vii. In respect of statutory dues:
- (a) In our opinion, except delay in few cases, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43of1961).
- a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government or dues to debenture holders during the year.
 

Loans amounting to Rs.7.334 million outstanding as on beginning of the year are such loans where specific schedule of repayment of principal and payment of interest is not stipulated in the agreements. As per agreements, these loans are required to repaid on or before the date of validity of agreement and interest are to be paid on demand basis. There is no instance of default in repayment of principal and payment of interest. According to the information and explanation given to us, there is no case where repayment has fallen due in accordance with terms of agreement and interest demanded which are delayed or remained unpaid. However, during the year loan has been completely repaid back by the company.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) According to the information and explanations given to us by the management, the Company has not obtained any term loans which are specific for any particular purposes. All loans obtained by the company are for general purposes only and utilized for business objectives by the company.
  - d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence Clause 3(ix)(e) of the Order is not applicable.
  - f) The Company has not raised any loans during the year on the pledge or securities held in subsidiaries, joint ventures or associates' companies. Hence clause 3(ix)(f) of the Order is not applicable.
- ix. (a) As per information and explanations given to us, during the year the Company has not raised any money by way initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable
- (b) According to the information and explanations given to us, the Company raised moneys by way of preferential issue amounting to Rs. 1365 Lakhs. On the basis of examination of documents and records, in our opinion, the company has complied with the provisions of section 42 and 62 of the Act in all material aspects.  
In our opinion and according to the information and explanations given to us, the company has

utilized funds raised by way of preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) for the purposes for which they were raised, except for the following:

Nature of Securities viz. Equity shares/ Preference shares/ Convertible debentures	Purpose for which funds were raised	Total Amount Raised/ opening unutilized balance	Amount utilized for the other purpose	Unutilized balance as at balance sheet date	Remark, if any
Preferential Issue	Meeting Working Capital Requirements, General Corporate Purposes, Financing of business opportunities, any other cost incurred towards the main business objects of the company, issue related expenses.	136.5 million	81.52	54.98	Please refer note below

Note: As per explanation provided to us, the money so raised were applied for the purpose for which those are raised. The proceeds from preferential issue raised during the year for the aforementioned purposes were utilized collectively majorly towards making advance for purchase of immovable properties and grant of interest bearing loans to related party M/s Just Right Life Limited which was repayable on demand. Eventually as on year end the loan advanced to related party M/s Just Right has been received back and utilised for advance payment for purchase of immovable properties. Unutilised funds out of loan received back from Just Right Life Limited forms part of cash and cash equivalent (cheques on hand) as on 31st March 24 to the extent of Rs.54.98 million. As explained to us, the company shall spend said unutilized funds in subsequent financial year on the objects of the preferential issue.

- (c) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and up to the date of this report.
- (c) As explained to us no whistle-blower complaints have been received by the Company during the year (and up to the date of this report).
- (d) As per information and explanations given to us, the Company is not a Nidhi Company. Hence, clause 3(xii) of the Order is not applicable.
- (e) In our opinion, the Company is in compliance with Section 177 and 188 of the Act, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (f) (a) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit
- (g) As per information and explanations given to us, during the year the Company has not entered any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Act, are not applicable to the Company.
- (h)
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, clause 3(xvi)(a) of the order is not applicable.
- b) According to our information, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence, clause 3(xvi)(b) of the order

is not applicable.

- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause 3(xvi)(c) of the order is not applicable.
  - d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3(xvi)(d) of the Order is not applicable
- (i) The company has not incurred cash losses during the financial year and in the immediately preceding financial year.
  - (j) There has been no resignation of the statutory auditor's during the year.
  - (k) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
  - (l) The provisions of section 135 of the Act are not applicable on the company and hence, clause 3 (xx)(a) and 3(xx)(b) of the Order is not applicable.

**For KSMC & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003565N**

**CA SACHIN SINGHAL**  
**Partner**  
**Membership No. 505732**

**UDIN: 24505732BKEGJG8633**

**Date: 11/04/2024**  
**Place: New Delhi**

**Annexure “B” To The Independent Auditor’s Report**  
**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ERAAYA LIFESPACES LIMITED (Formerly known as Justride Enterprises Limited) of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**OPINION**

We have audited the internal financial controls over financial reporting of **ERAAYA LIFESPACES LIMITED (FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Management’s Responsibility for Internal Financial Controls**

The Management of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls System Over Financial Reporting

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's Internal Financial Control Over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Controls Over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls Over Financial Reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KSMC & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003565N**

**CA SACHIN SINGHAL**  
**Partner**  
**Membership No. 505732**

**UDIN: 24505732BKEGJG8633**

**Date: 11/04/2024**  
**Place: New Delhi**

**AUDITED BALANCE SHEET**

Particulars	Note No.	FY2023-24		FY 2022-23	FY 2021-22
		US\$/Mn.	Rs./Mn.	Rs./Mn.	Rs./Mn.
<b>ASSETS</b>					
<b>1) Non-Current Assets</b>					
(a) Property, Plant and Equipment	3	0.18	15.21	-	-
(b) Financial Assets					
(i) Investments		-	-	-	-
(ii) Loans & Advances		-	-	-	-
(ii) Other Financial Assets	4	-	-	-	8.50
(c) Deferred Tax Assets	5	0.01	0.91	-	-
(d) Other Non-current Assets	6	0.60	49.67	-	-
<b>Total Non-current Assets</b>		<b>0.79</b>	<b>65.80</b>	<b>-</b>	<b>8.50</b>
<b>Current Assets</b>					
(a) Inventories	7	-	-	-	-
(b) Financial Assets					
(i) Trade Receivables	8	0.00	0.03	1.91	-
(ii) Cash and Cash Equivalents	9	0.79	65.56	0.22	0.48
(iii) Other Financial Assets	10	0.00	0.03	-	-
(c) Current Tax Assets	11	-	-	0.04	-
(d) Other Current Assets	12	0.08	6.56	-	-
<b>Total Current Assets</b>		<b>0.87</b>	<b>72.18</b>	<b>2.17</b>	<b>0.48</b>
<b>Total Assets</b>		<b>1.65</b>	<b>137.98</b>	<b>2.17</b>	<b>8.98</b>
<b>EQUITY AND LIABILITIES</b>					
<b>1) Equity</b>					
(a) Share Capital	13	1.81	151.23	14.73	14.73
(b) Other Equity	14	(0.21)	(17.80)	(21.19)	(21.72)
<b>Total Equity</b>		<b>1.60</b>	<b>133.43</b>	<b>(6.46)</b>	<b>(6.99)</b>
<b>LIABILITIES</b>					
<b>2) Non-current Liabilities</b>		-	-	-	-
(a) Financial Liabilities					
(i) Borrowings	15	-	-	-	0.95
(b) Deferred Tax Liabilities (Net)		-	-	-	-
<b>Total Non-current Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>0.95</b>
<b>3) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	15	-	-	7.33	-
(ii) Trade Payables					
a) Total outstanding dues of micro enterprises and small enterprises	16	0.01	1.12	1.03	15.02
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.00	0.07	-	-
(iii) Other Financial Liabilities	17	0.01	0.75	0.09	-
(b) Other current liabilities	18	0.02	1.51	0.17	-
(c) Provisions		-	-	-	-
(d) Current Tax Liabilities (Net)	19	0.01	1.11	-	-
<b>Total Current Liabilities</b>		<b>0.05</b>	<b>4.55</b>	<b>8.63</b>	<b>15.02</b>
<b>Total Equity &amp; Liabilities</b>		<b>1.65</b>	<b>137.98</b>	<b>2.17</b>	<b>8.98</b>

**AUDITED PROFIT & LOSS ACCOUNT**

Particulars	Note No.	FY2023-24		FY 2022-23	FY 2021-22
		US\$/Mn.	Rs./Mn.	Rs./Mn.	Rs./Mn.
<b>I. Revenue</b>					
Revenue from Operations	20	35.65	2,972.02	1.95	-
Other Income	21	0.04	3.73	0.49	-
<b>Total Income</b>		<b>35.69</b>	<b>2,975.75</b>	<b>2.44</b>	<b>-</b>
<b>II. Expenses</b>					
Cost of materials consumed		-	-	-	-
Purchases of Stock -in-Trade	22	35.50	2,959.39	-	-
Changes in inventories	23	-	-	-	-
Employee benefit expenses	24	0.02	1.95	0.05	0.02
Finance costs	25	0.00	0.38	0.28	-
Depreciation and amortization expenses	26	0.00	0.35	-	-
Other Expenses	27	0.11	9.44	1.34	0.59
<b>Total Expenses</b>		<b>35.64</b>	<b>2,971.50</b>	<b>1.67</b>	<b>0.61</b>
<b>III Profit / (Loss) before exceptional Items</b>		<b>0.05</b>	<b>4.25</b>	<b>0.77</b>	<b>(0.61)</b>
Less: Exceptional Items		-	-	-	-
<b>IV. Profit/(Loss) Before Tax</b>		<b>0.05</b>	<b>4.25</b>	<b>0.77</b>	<b>(0.61)</b>
<b>V. Tax Expense:</b>					
(1) Current Tax	28	0.02	1.77	-	-
(2) Deferred Tax		(0.01)	(0.91)	-	-
(Short)/Excess Provision of Tax					
<b>VI. Profit / (Loss) from continued operations after tax</b>		<b>0.04</b>	<b>3.39</b>	<b>0.77</b>	<b>(0.61)</b>
<b>VII. Profit / (Loss) from discontinued operations</b>		-	-	-	-
<b>VIII. Tax Expense of discontinued operations</b>		-	-	-	-
<b>IX. Profit/(Loss) from Discontinued Operations after Tax</b>		-	-	-	-
<b>X. Profit/(Loss) for the period</b>		<b>0.04</b>	<b>3.39</b>	<b>0.77</b>	<b>(0.61)</b>
<b>Other Comprehensive Income</b>					
<b>A (i) Items that will not be reclassified to profit or loss</b>		-	-	-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		-	-	-	-
<b>B (i) Items that will be reclassified to profit or loss</b>		-	-	-	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>		-	-	-	-
<b>XI. Total Comprehensive income for the year, net of tax</b>		<b>0.04</b>	<b>3.39</b>	<b>0.77</b>	<b>(0.61)</b>
<b>XII. EARNINGS PER EQUITY SHARE</b>	29				
(1) Basic		0.00	0.22	0.52	-
(2) Diluted		0.00	0.22	0.52	-
Number of shares used in computing earnings per share (In No.)			15,123,160	1,473,160	1,473,160

**AUDITED CASH FLOW STATEMENT**

Particulars	FY2023-24		FY 2022-23	FY 2021-22
	US\$/Mn.	Rs./Mn.	Rs./Mn.	Rs./Mn.
<b>A. Cash Flow from Operating Activities:</b>				
Net profit before Tax	0.05	4.25	0.77	(0.61)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>				
Depreciation and Amortisation	0.00	0.35	-	-
Prior period expense	(0.00)	(0.00)	(0.24)	0.43
Interest income	(0.04)	(3.65)	-	-
Dividend Income	(0.00)	(0.03)	-	-
Interest expense	0.00	0.31	0.28	-
<b>Operating Profit before Working Capital Changes</b>	<b>0.01</b>	<b>1.23</b>	<b>0.81</b>	<b>(0.18)</b>
<b>Adjustments for movement in Working Capital:</b>				
(Increase)/Decrease in Current Assets				
(Increase)/Decrease in Trade receivable	0.02	1.89	(1.91)	0.50
(Increase)/Decrease in Other Financial Asset	-	-	-	-
(Increase)/Decrease in Current Tax Assets	0.00	0.04	(0.04)	-
(Increase)/Decrease in Other Current Assets	(0.08)	(6.56)	-	-
(Increase)/ decrease in other financial assets	-	-	8.50	-
Increase/(Decrease) in Trade Payables and other current liabilities				
Increase /(Decrease) in Trade Payables	0.00	0.15	(13.98)	-
Increase/ (Decrease) in Other Financial Liabilities	0.01	0.66	0.26	(0.41)
Increase/ (Decrease) in Other Current Liabilities	0.02	1.34	-	-
(Increase)/Decrease in current tax Liabilities	(0.01)	(0.67)	-	-
<b>Cash Generated from Operations</b>	<b>(0.02)</b>	<b>(1.92)</b>	<b>(6.36)</b>	<b>(0.09)</b>
Direct Taxes paid (net of refund)	-	-	-	-
<b>Net Cash from Operating Activities [A]</b>	<b>(0.02)</b>	<b>(1.92)</b>	<b>(6.36)</b>	<b>(0.09)</b>
<b>B. Cash Flow from Investing Activities:</b>				
Purchase of Property, Plant and Equipment	(0.19)	(15.56)	-	-
Capital advance for purchase of property	(0.60)	(49.67)	-	-
Investments in Bank Deposits	(0.00)	(0.03)	-	-
Dividend Income	0.00	0.03	-	-
Interest Income	0.04	3.65	-	-
<b>Net Cash used in Investing Activities [B]</b>	<b>(0.74)</b>	<b>(61.58)</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities:</b>				
Proceeds/Repayment of Long term borrowings	-	-	(0.95)	0.40
Interest Paid	(0.00)	(0.31)	(0.28)	-
Loans & Advances	-	-	-	-
Repayment of Short term borrowings	(0.09)	(7.33)	7.33	-
Proceeds from Issue of shares	1.64	136.50	-	-
<b>Net Cash used in Financing Activities [C]</b>	<b>1.55</b>	<b>128.85</b>	<b>6.10</b>	<b>0.40</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents [A+B+C]</b>	<b>0.78</b>	<b>65.35</b>	<b>(0.26)</b>	<b>0.31</b>
<b>Cash and Cash equivalents - Opening Balance</b>	<b>0.00</b>	<b>0.22</b>	<b>0.48</b>	<b>0.16</b>
<b>Net Change in Cash and Cash equivalents</b>	<b>0.79</b>	<b>65.56</b>	<b>0.22</b>	<b>0.48</b>
<b>Cash and Cash equivalents - Closing Balance</b>				
<b>Components of Cash and Cash Equivalents</b>				
Bank balance in current account	0.12	9.94	0.12	0.11
Cash on hand	0.01	0.65	0.09	0.37
Cheques in Hand	0.66	54.98	-	-
<b>Total</b>	<b>0.79</b>	<b>65.56</b>	<b>0.22</b>	<b>0.48</b>

**Statement of Changes in Equity for the year ended 31 March 2024**

Other Equity	Securities Premium Reserve	Retained Earnings	Items of Other Comprehensive Income	(Rs./mn)	(US\$/mn)
<b>Balance as at 1 April 2020</b>		(38.30)		<b>(38.30)</b>	<b>(0.46)</b>
Profit/(Loss) for the year		(0.74)		(0.74)	(0.01)
Premium Against Share Warrant received during the year		-		-	-
Prior period Adjustments		17.50		17.50	0.21
Bonus issued during the year		-		-	-
<b>Balance as at 31 March 2021</b>		<b>(21.55)</b>		<b>(21.55)</b>	<b>(0.26)</b>
Profit/(Loss) for the year		0.58		0.58	0.01
Premium Against Share Warrant received during the year		-		-	-
Prior period Adjustments		0.43		0.43	0.01
Reduction of Capital by order of High court		-		-	-
Bonus issued during the year		-		-	-
<b>Balance as at 31 March 2022</b>		<b>(20.53)</b>		<b>(20.53)</b>	<b>(0.25)</b>
Profit/(Loss) for the year		0.77		0.77	0.01
Premium Against Share Warrant received during the year		-		-	-
Prior period Adjustments		(0.24)		(0.24)	(0.00)
Bonus issued during the year		-		-	-
<b>Balance as at 31 March 2023</b>		<b>(20.00)</b>		<b>(20.00)</b>	<b>(0.24)</b>
Profit/(Loss) for the Period		3.39		3.39	0.04
Prior period Adjustments		(21.19)		(21.19)	(0.25)
Premium Against Share Warrant received during the year		-		-	-
Fees paid for the Preferential Allotment		-		-	-
Bonus issued during the year		-		-	-
<b>Balance as at 31 March 2024</b>		<b>(37.80)</b>		<b>(37.80)</b>	<b>(0.45)</b>

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2024**

### **1. Company Information**

Eraaya Lifespaces Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 as applicable in India. Its shares are listed on recognised Bombay stock exchange. The registered office of the company is located at B-1, 34/1 Vikas House, Vikas Path Marg, East Punjabi Bagh Sec-III, New Delhi-110026. The Company is principally engaged in the business of marketing services and support services, business of trading in securities and shares and the Hospitality business. The Main objects to be pursued by the company are:

- To establish, conduct, manage, takeover, construct, acquire, purchase, sell, lease, rent, promote, develop and run holiday resorts, castles, inns, hotels, motels, restaurants, cafes, vacation resorts, villas, rest houses, guest houses, cottages, holiday camps, spas, health rejuvenation centres, clubs, breweries, pubs, bars, swimming pool and other facilities, commercial, ceremonial, residential constructions, premises of all descriptions across the country and abroad, and to carry on the business of all types and forms of hospitality, leisure activities, tourist, travel services, hosting, organising, managing lavish parties, food and beverage centenaries, concerts, exhibitions, branding activities including events, holidays, trips, corporate and family functions, brand launches, brand promotion, celebrity management, and own, maintain, operate places of amusements, recreation, sports, entertainments, theme parks, water parks, motor sports, yacht, luxury cruise lines, other watercrafts, and all such other businesses which enhances quality, pleasure, leisure, comfort, indulgence, opulence, finer things in life, ceremonies, travel and spaces.

-To organize, sponsor, manage, host, produce, either individually or various other arrangements like sponsorship, assignment of rights, titles licensing, sharing, collaboration with others, various events like beauty pageant, beauty contests, quiz shows, fashion shows, jewelry exhibition, designers conclave, film festivals, sports events, folk carnivals, collaborations of International brands, design, launching, promotion, management of brands, celebrities, , and to make, produce, sponsor various shows, series, serials, movies, short films, documentaries, for different mediums and other allied activities.

-To carry on business of purchase, sale, subscription, acquisition or dealing in shares, units, negotiable instruments, debentures, bonds, obligations, mortgages, and securities of any kind, movable and immovable assets and any interest therein.

-To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere, and to carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company and to act as broker, trader, agent, shipper, distributor, representative, franchiser, collaborator, stockiest, liaison, job worker, export house of goods, merchandise and services of all grades, commodities of any specifications, descriptions, applications, modalities, fashions, including by-products, spares or accessories thereof.

-To carry on the business of providing digital marketing services such as website design and development, search engine optimization, advertising, social media marketing, email marketing, content marketing, influencer marketing, video marketing, mobile marketing, ecommerce marketing, local SEO, display advertising, affiliate marketing, analytics and data analysis, remarketing, voice search optimization, digital PR, virtual and augmented reality marketing, online reputation management, and digital marketing consultancy, online presence along with conducting research and analysis on digital marketing trends and technologies. And to acquire, invest in, and manage any other businesses or entities that are complementary to the company's digital marketing services along with entering into partnerships, collaborations, and agreements with other businesses or entities for the provision of digital marketing services and engage in any other activities that are related or incidental to the said business objects.

-To carry on new edge technology and data driven businesses, trades and activities, essentials for enhancing quality of life, environment or otherwise, having economic values and to undertake these businesses either individually or in collaboration with other persons, companies or corporations and to enter into agreements and contracts, strategic alliances, business association, joint-ventures, partnerships or into any arrangement for sharing profits, union of interest, cooperation, reciprocal concession or other alike business propositions, with such person, firm, corporate or other entity carrying on or engaged in or about to carry on or engage in any business or transaction which this

company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

## **2. Significant accounting policies**

### **2.01 Basis of compliance**

The Standalone Financial Statements which comprises the Balance Sheet, Statement of Profit & Loss, Statement of Cash Flow & Statement of Changes in Equity for the year ending 31st March,2024 with comparatives figures for the year ending 31st March 2023 with a summary of the Significant Accounting Policies & Other Explanatory Information (together herein after as 'Financial Statements') , have been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act'2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, the provisions of the Companies Act'2013 (the Act) to the extent notified, guidelines issued by SEBI & other accounting principles generally accepted in India.

### **2.02 Basis of preparation and presentation**

The Financial Statements have been prepared on the historical cost basis, except financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Presentation requirements of Division II of Schedule III of The Companies Act,2013 as amended as applicable to Financial Statements have been followed. The Financial Statements are presented in Indian Rupees (INR) in Lakhs rounded of to 2 decimal places as permitted by schedule III to the Companies Act, 2013

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

### **2.03 Critical accounting estimates, assumptions and judgements**

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

#### **(i) Estimation of defined benefit obligation**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss.

#### **(ii) Estimation of current tax and deferred tax**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change. Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in other equity.

#### **(iii) Useful lives of depreciable/amortizable assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and amortization product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortization charge could be revised and may have an impact on the profit of the future years. This such reassessment may result in change in depreciation and amortisation expense in future periods

**-In the process of applying the Company's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognised in the Statements of Profit and Loss**

**(i) Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. The change in considerations of inputs for making assumption about these factors could affect the reported fair value.

**(ii) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**(iii) Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Financial Statements. Contingent assets are not disclosed in the Financial Statements unless an inflow of economic benefits is probable.

**2.04 Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
  - It is held primarily for the purpose of trading of traded & manufactured goods
  - It is expected to be realized within twelve months after the reporting period; or
  - It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Current assets include current portion of assets.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle;
  - It is held primarily for the purpose of trading of traded & manufactured goods
  - It is due to be settled within twelve months after the reporting period; or
  - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities includes current portion of liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Operating Cycle:**

Based on the nature of activities of the company & normal time between acquisition of assets & their realization in cash & cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets & liabilities as current & non-current.

## 2.05 Property Plant & Equipment

### i) Initial recognition and measurement

An item of property, plant and equipment recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

### ii) Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

### iii) De-recognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### iv) Depreciation

Depreciation is recognized in statement of profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013 as follows:

1) Buildings	60 years
2) Plant & Machinery	15 years
3) Furniture & Fixtures	10 years
4) Vehicles	08 years
5) Office Equipment	05 years
6) Electrical Installation	10 years
7) Computer	03 years
8) Leasehold Improvements	Over the period of lease

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively, as appropriate.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/ (losses). Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the year.

## **2.06 Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs, any other costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

## **2.07 Intangible assets**

### **i) Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably. Intangible assets that are acquired by the Company, which have infinite useful lives, are recognized at cost less accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

#### **(a) Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

#### **(b) Intangible assets acquired in a business combination**

Intangible assets other than goodwill acquired in a business combination are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, such intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separate

### **ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

### **iii) De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### **iv) Useful lives of Intangible Assets shall be based on estimates and management judgement.**

### **v) Amortization**

## **2.08 Impairment of property, plant and equipment, other intangible assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

## **2.09 Investment Property**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013.

## **2.10 Inventories**

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

## **2.11 Cash and Cash Equivalents**

It includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.

## **2.12 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **i) Financial assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

#### **a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### **b) Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

#### **c) Equity Instruments:**

All investments in equity instruments in subsidiary entity are measured at cost and investments in equity instruments in associate entity are measured at fair value.

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### **d) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

#### **e) Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit and loss.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide impairment loss. However, If credit risk is increased significantly, lifetime ECL is used.

**f) Income on Financial Asset**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

If, in a subsequent period, credit quality of the instrument improves to such extent that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12- Month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**ii) Financial liabilities**

**a) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**c) De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**2.13 Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**2.14 Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

## 2.15 Impairment of Financial Assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets. In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss provision for trade receivables is determined as follows:

Particulars	Expected Loss Rate
Not Past Due	0%
Past due between 1 year to 2 year	5%
Past due 2 to 3 year	15%
Beyond 3 year	100%

## 2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. 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 disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or estimate of the amount cannot be measured reliably.

### **Contingent Asset**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a. estimated amount of contracts remaining to be executed on capital account and not provided for;
- b. uncalled liability on shares and other investments partly paid;
- c. funding related commitment to associate and joint venture companies; and
- d. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Commitments include the amount of purchase orders (net of advances) issued to parties for completion of assets.

### **2.17 Revenue Recognition**

Revenue from contracts with customers is recognised when control of goods & services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange of transferring promised goods or services having regards to terms of the contract and is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns, trade allowances and discounts but inclusive of excise duty.

To determine whether to recognize revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company considers the terms of the contract and its customary business practice to determine the transaction price.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified the company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised where the company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the company in any year.

Company continues to account for export benefits on accrual basis.

### **Other income**

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

### **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

### **Dividends**

Dividends Income from dividend on investments is accrued in the year in which it is declared, whereby the company's right to receive is established.

### **2.18 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

### **2.19 Foreign Currency Conversions/Transactions**

The Company's Financial Statements are presented in Indian Rupees (in Rs. Lakhs). Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

### **2.20 Income Taxes**

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year.

#### **a) Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

#### **b) Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences

that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities. Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

**c) Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

## **2.21 Employee Benefits**

**i) Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii) Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post-employment benefits:

**a) Defined contribution plans**

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expense in Statement of Profit & Loss.

**b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit to employees is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Any actuarial gains or losses pertaining to components of re-measurements of net defined benefit liability/(asset) are recognized in OCI in the period in which they arise.

## **2.22 Borrowing Cost**

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related

securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

### **2.23 Earning Per Share**

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for bonus shares, bonus element in the right issue to existing shareholders. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### **2.24 Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

(a) The Company as a lessee, The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) The company as lessor-

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration under the contract to each component.

### **2.25 Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7 'Statement of cash flows.

### **2.26 Segment reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors, revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities.

### **2.27 Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

<b>NOTE # 3: Property, Plant &amp; Equipment</b>										<b>(Rs./million)</b>
<b>Particulars</b>	<b>Gross Block</b>				<b>Depreciation</b>				<b>Net Block</b>	
	<b>As on 01.04.2023</b>	<b>Additions</b>	<b>Deletion</b>	<b>As on 31.03.2024</b>	<b>As on 01.04.2023</b>	<b>For the Year</b>	<b>Adjustment</b>	<b>As on 31.03.2024</b>	<b>As on 31.03.2024</b>	<b>As on 31.03.2023</b>
<b>Tangible Assets</b>										
Freehold Land	-	8.14	-	8.14	-	-	-	-	8.14	-
Buildings	-	2.67	-	2.67	-	0.03	-	0.03	2.63	-
Office Equipment	-	0.15	-	0.15	-	0.01	-	0.01	0.14	-
Computers	-	0.03	-	0.03	-	0.01	-	0.01	0.03	-
Motor vehicles	-	4.58	-	4.58	-	0.30	-	0.30	4.28	-
<b>Total</b>	-	<b>15.56</b>	-	<b>15.56</b>	-	<b>0.35</b>	-	<b>0.35</b>	<b>15.21</b>	-
<b>US\$ Million</b>	-	<b>0.19</b>	-	<b>0.19</b>	-	<b>0.00</b>	-	<b>0.00</b>	<b>0.18</b>	-

\*Immoveable property comprises of Land & Building, (Plot No-7, Block-D Situated in the Bhagwan Das Nagar, New Delhi-110026) purchased vide sale deed dated 28 December 2023 at cost of Rs.10.80 million. On the basis of stamp duty valuation apportioned value of land and Building determined at Rs.8.14 million and Rs.2.67 million respectively.

Particulars	FY2023-24		FY 2022-23	FY 2021-22
	US\$/Mn.	Rs./Mn.	Rs./Mn.	Rs./Mn.
<b>Note # 4 Other Financial Assets</b>				
Sheel Chand Agroils Pvt. Ltd.	-	-	-	8.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.50</b>
<b>Note # 5 Deferred Tax Assets/Liabilities (Net)</b>				
<b>Deferred tax liabilities</b>				
Other timing difference	-	-	-	-
<b>Deferred tax assets</b>				
Other timing difference	-	-	-	-
Brought Forward business losses	0.01	0.91	-	-
<b>Total</b>	<b>0.01</b>	<b>0.91</b>	<b>-</b>	<b>-</b>
<b>Note # 6 Other Non-current Assets</b>				
<b>Capital Advances*</b>	0.60	49.67	-	-
<b>Total</b>	<b>0.60</b>	<b>49.67</b>	<b>-</b>	<b>-</b>
<b>* Capital Advances comprises of the following:</b>				
- Rs.24.18 million as advance against purchase of the properties by the company Viz. Unit no. T-005-006, T-008, T-011, T-015 situated at CP67 Mall Mohali, Plot No. 252, Sector 67, Airport Road, S.A.S Nagar (Mohali) Punjab, 160067 from AB Alcobev Private Limited vide agreements dated 7th February,2024 for total consideration price of Rs.244.22 million.				
-Rs.25.25 million as complete payment against purchase of the property by the company Viz. Plot No.7 (as per PMRD approved plan dated 27/12/2018 & 20/11/2020) area admeasuring H.00.40.00 Acres, equivalent to 4000 Sq. Meter (1 Acers) from Manoj Nari Senani and Nanak properties Pvt. Ltd. vide agreement dated 25th August 2023 for total consideration of Rs 25.25 million.				
<b>Note # 7 Inventories</b>				
Closing Stock-Securities	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Closing stock is valued at Cost or NRV whichever is Lower on FIFO basis.				
<b>Note # 8 Trade Receivables</b>				
<b>Unsecured and considered good</b>				
From Related Parties	-	-	-	-
From Others (Less than six months)	0.00	0.03	1.91	-
<b>Doubtful</b>	-	-	-	-
<b>Total</b>	<b>0.00</b>	<b>0.03</b>	<b>1.91</b>	<b>-</b>
As per the policy of the company, there is credit period ranging from 60 days to 90 days				
Trade receivable are subject to confirmation /Reconciliation, Consequential adjustment if any.				
The Carrying amount of trade receivable approximates their fair value, is included in above.				
The company's exposure to credit risk and impairment allowances related to trade receivables is disclosed in Note 33				
<b>Note # 9 Cash and Cash Equivalents</b>				
<b>Cash and Bank Balances</b>				
Bank balance	0.12	9.94	0.12	0.11
Cash on hand	0.01	0.65	0.10	0.37
Others-Cheque received but not presented	0.66	54.98	-	-
<b>Total</b>	<b>0.79</b>	<b>65.56</b>	<b>0.22</b>	<b>0.48</b>
*The Cheques received but not presented for payment comprises of nine Cheques received from Just Right Life Limited for amount aggregating to Rs.54.98 million received against the repayment of loan by the party. Out of which five cheques for value of Rs.34.5 million are still pending for clearing as on 11 April, 2024 which will be cleared in the due course.				
<b>Note # 10 Other Financial Assets</b>				
Fixed Deposits*	0.00	0.03	-	-
<b>Total</b>	<b>0.00</b>	<b>0.03</b>	<b>-</b>	<b>-</b>
*Fixed deposit of Rs.0.025 million @7.10%p.a. having maturity date 13th September,2024.				

<b>Note # 11 Current Tax Assets</b>				
TDS Receivable	-	-	0.04	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.04</b>	<b>-</b>
<b>Note # 12 Other current Assets</b>				
Prepaid Expenses*	0.05	4.09	-	-
Advance to supplier**	0.03	2.46	-	-
Advance to Staff	0.00	0.02	-	-
	<b>0.08</b>	<b>6.56</b>	<b>-</b>	<b>-</b>
*Prepaid Expenses comprises of the expenses incurred in connection with the Proposed funds raising planning of the company by issuance and allotment of equity shares by way of QIP's, ADR, GDR, FCCB or any other method or combination thereof including series of Right Issue(s), on such terms (to be decided by the Board or a duly constituted committee of the Board at a later date)				
** Advance to supplier comprises of Rs. 2.11 million funds advanced to Share Broker for trading of Shares & securities.				
<b>Note # 13 Share Capital</b>				
<b>Authorised</b>				
75,000,000 Equity Shares of Rs. 10 each	9.00	750.00	550.00	550.00
<b>Issued, Subscribed and Fully Paid up</b>				
15,123,160 Equity Shares of Rs. 10 each	1.81	151.23	14.73	14.73
<b>Total</b>	<b>1.81</b>	<b>151.23</b>	<b>14.73</b>	<b>14.73</b>
<b>a) Reconciliation of number of Ordinary (Equity) Shares :</b>				
<b>Equity Share:</b>		<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Balance as at the beginning of the year		1,473,160	1,473,160	1,473,160
Add: Issued during the year against share warrants		13,650,000	-	-
Add: Issued during the year as Bonus		-	-	-
<b>Balance as at the end of the year</b>		<b>15,123,160</b>	<b>1,473,160</b>	<b>1,473,160</b>
*The Company made allotment of 13,650,000 fully Convertible Warrants convertible into one Equity share per Warrant on preferential basis at an issue price of Rs.10 per Warrant and received the Rs.2.50 per warrant amount of the issue price. As per payment terms balance of Rs.7.50 per warrant shall be paid within 18 months from the date of warrant allotment.				
**On 15 September 2023 the Company converted 6,000,000 warrants into 6,000,000 equity shares of face value of Rs.10 each and received Rs.7.50 per warrant (being 75% of the issue price per warrant). Consequent the issued and paid-up capital of the Company stands increased to Rs 74.7316 million consisting of 7,473,160 equity shares of Rs.10 each.				
***On 10 October 2023, the Company converted 7,650,000 warrants into 7,650,000 equity shares of face value of Rs.10 each and received Rs.7.50 per warrant (being 75% of the issue price per warrant). Consequent the issued and paid-up capital of the Company stands increased to Rs. 151.2316 million consisting of 15,123,160 equity shares of Rs.10 each.				
<b>b) Utilization of proceeds received against convertible warrants allotment on preferential basis conversion:</b>				
<b>Objects of the Issue</b>	<b>US\$/Mn.</b>	<b>Amounts</b>	<b>Objects Fulfilled</b>	<b>Balance</b>
Meeting Working Capital Requirements, General Corporate Purposes, Financing of business opportunities, any other cost incurred towards the main business objects of the company, issue related expenses.	1.64	136.50	136.50	-
<b>Total</b>	<b>1.64</b>	<b>136.50</b>	<b>136.50</b>	<b>-</b>
The proceeds from preferential issue raised during the year for the aforementioned purposes were utilized collectively majorly towards making advance for purchase of immovable properties and grant of interest bearing loans to related party M/s Just Rite Life Limited which was repayable on demand. Eventually as on year end the loan advanced to related party M/s Just Right has been received back and utilised for advance payment for purchase of immovable properties. Unutilised funds out of loan received back from Just Rite Life Limited forms part of cash and cash equivalent (cheques on hand) as on 31 March 24 to the extent of Rs. 54.977 million.				
<b>c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shubhal Goel	-	-	75,334	5.11%
Sukriti Garg	5,895,770	38.99%	500,540	33.98%
Seema Garg	755,000	4.99%	-	-
Just Right Life Ltd.	-	-	500,370	33.97%
<b>Total</b>	<b>6,650,770</b>	<b>43.98%</b>	<b>1,076,244</b>	<b>73.05%</b>
<b>d) Disclosure of Shareholding of Promoter</b>				
Disclosure of shareholding of promoters as at 31 March 2024, and 31 March 2023 is as follows:				
Name of Promoter	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shubhal Goel	-	-	-	-
Sukriti Garg	5,895,770	38.99%	500,540	33.98%
Seema Garg	755,000	4.99%	-	-
Just Right Life Ltd.	81,245	0.54%	500,370	33.97%
<b>Total</b>	<b>6,732,015</b>	<b>44.51%</b>	<b>1,000,910</b>	<b>67.95%</b>
<b>Note # 14 Other equity</b>	<b>US\$/Mn.</b>	<b>Rs./Mn.</b>	<b>Rs./Mn.</b>	<b>Rs./Mn.</b>
<b>Opening Balance</b>	(0.25)	(21.19)	(21.72)	(21.55)
Profit/(Loss) for the year	0.04	3.39	0.77	(0.61)
Premium Against Share Warrant received during the year	-	-	-	-
Fees paid for the Preferential Allotment	-	-	-	-
Prior period Adjustments	0.00	0.00	(0.24)	0.43
<b>Total</b>	<b>(0.21)</b>	<b>(17.80)</b>	<b>(21.19)</b>	<b>(21.72)</b>
<b>Note # 15 Borrowings</b>				
<b>Unsecured (Current)</b>				
<b>From Related Parties</b>				
Just Right Life Limited*	-	-	7.33	-
<b>Unsecured (Non-Current)</b>				
<b>From Related Parties</b>				
Sh. Shubhal Goel	-	-	-	0.95
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7.33</b>	<b>0.95</b>
*Short term unsecured Loan, repayable on demand at ROI @ 9% p.a.				
**Unsecured Loan, repayable on demand.				
<b>Note # 16 Trade Payables</b>				
Due to Micro, Small and Medium Enterprises*	0.01	1.12	1.03	15.02
Due to Related Parties	-	-	-	-
Due to Others	0.00	0.07	-	-
<b>Total</b>	<b>0.01</b>	<b>1.19</b>	<b>1.03</b>	<b>15.02</b>
*Out of Rs.1.12 million due to MSME, Rs.1.03 million is outstanding for more than 3 years. All others are due for less than 1 year.				
<b>Note # 17 Other Financial Liabilities</b>				
Audit Fees Payable	-	-	0.09	-
Expense Payable	0.00	0.01	-	-
Salary Payable	0.00	0.17	-	-
Others payable*	0.01	0.57	-	-
<b>Total</b>	<b>0.01</b>	<b>0.75</b>	<b>0.09</b>	<b>-</b>
*Comprises of liability towards expenses reimbursement incurred by Just Right Life Limited on the behalf of company.				
<b>Note # 18 Other Current Liabilities</b>				

Statutory Due Payable:				
GST Payable (Net of ITC)	0.01	1.04	-	-
TDS Payable	0.01	0.46	0.17	-
<b>Total</b>	<b>0.02</b>	<b>1.51</b>	<b>0.17</b>	<b>-</b>
<b>Note # 19 Current Tax Liabilities</b>				
Income Tax Payable (Net of TDS and Refund)	0.01	1.11	-	-
<b>Total</b>	<b>0.01</b>	<b>1.11</b>	<b>-</b>	<b>-</b>
<b>Note # 20 Revenue from Operations</b>				
Sale of share	35.52	2,961.08	-	-
Sale of Service	0.13	10.93	1.95	-
<b>Total</b>	<b>35.65</b>	<b>2,972.02</b>	<b>1.95</b>	<b>-</b>
<b>Note # 21 Other Income</b>				
Interest on Loan & Advances	0.04	3.64	-	-
Interest on FDR	0.00	0.00	-	-
Dividend Income	0.00	0.03	-	-
Balance Written off	-	-	0.49	-
Miscellaneous Income	0.00	0.00	-	-
Foreign Exchange Fluctuation	0.00	0.05	-	-
<b>Total</b>	<b>0.04</b>	<b>3.73</b>	<b>0.49</b>	<b>-</b>
<b>Note # 22 Purchase of Stock in trade</b>				
Purchase of share	35.48	2,958.46	-	-
Direct Expenses*	0.01	0.93	-	-
<b>Total</b>	<b>35.50</b>	<b>2,959.39</b>	<b>-</b>	<b>-</b>
*Direct Expenses includes expenses incurred directly in relation to sale of services.				
<b>Note # 23 Changes in Inventories</b>				
<b>Opening Inventories</b>				
Securities	-	-	-	-
<b>Closing Inventories</b>				
Securities	-	-	-	-
<b>Total changes in Inventories</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note # 24 Employee Benefit Expenses</b>				
Salaries, Wages and Bonus	0.01	0.76	-	0.02
Staff welfare expenses	0.00	0.01	-	-
Director's Remuneration	0.01	1.17	0.05	-
Leave Encashment	0.00	0.01	-	-
<b>Total</b>	<b>0.02</b>	<b>1.95</b>	<b>0.05</b>	<b>0.02</b>
<b>Note # 25 Finance Costs</b>				
Bank Charges	0.00	0.01	-	-
Interest on TDS & GST	0.00	0.06	-	-
Other Borrowing Cost	0.00	0.31	0.28	-
<b>Total</b>	<b>0.00</b>	<b>0.38</b>	<b>0.28</b>	<b>-</b>
<b>Note # 26 Depreciation and Amortization Expenses</b>				
Depreciation on Plant, Property and Equipment	0.00	0.35	-	-
<b>Total</b>	<b>0.00</b>	<b>0.35</b>	<b>-</b>	<b>-</b>
<b>Note # 27 Other Expenses</b>				

Statutory Audit Fees	0.00	0.17	0.10	0.02
Legal & Professional Charges	0.08	6.55	0.81	0.14
Printing & Stationery	-	-	0.01	0.06
Stock Exchanges Fee	0.01	0.79	0.35	0.37
Advertisement	0.00	0.12	0.02	-
Other Expenses	0.00	0.14	0.04	0.00
Rates and Taxes	0.00	0.28	-	-
Rent Paid	0.00	0.21	-	-
Fees & Filing	0.01	0.96	-	-
Late payment of GST	0.00	0.00	-	-
Late Fees TDS	0.00	0.01	-	-
Telephone Expense	0.00	0.02	-	-
Website Expense	0.00	0.09	-	-
Balance Written off	0.00	0.11	-	-
<b>Total</b>	<b>0.11</b>	<b>9.44</b>	<b>1.34</b>	<b>0.59</b>
<b>*Payment to Auditors Comprises:</b>				
For Statutory Audit	0.00	0.17	0.10	0.02
In Other capacity	0.00	0.08	-	-
<b>Total</b>	<b>0.00</b>	<b>0.25</b>	<b>0.10</b>	<b>0.02</b>
<b>Note # 28 Tax Expenses</b>				
Current Tax	0.02	1.77	-	-
Income Tax for Earlier years	-	-	-	-
Deferred Tax (Credit)/ charge	(0.01)	(0.91)	-	-
<b>Tax Expenses reported in the Statement of Profit and Loss Account</b>	<b>0.01</b>	<b>0.86</b>	-	-
The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (31 March 2023: 25.168%, 31 March 2022: 25.168%) and the reported tax expense in statement of profit and loss are as follows:				
<b>Accounting (loss)/ profit before tax expenses</b>	0.05	4.25	0.77	(0.61)
Income tax rate		25.17%	25.17%	25.17%
Expected tax expenses	0.01	1.07	0.19	-
Tax Impact due to temporary differences	(0.01)	(0.95)	-	-
Tax Impact due to Permanent differences	0.01	0.74	-	-
Tax impact on items exempt under income tax	-	-	-	-
Impact of change in tax rates	-	-	-	-
Income tax for earlier years	-	-	-	-
Others	-	-	(0.19)	-
<b>Tax Expenses</b>	<b>0.01</b>	<b>0.86</b>	-	-
<b>Note # 29 Earnings per Shares</b>				
<b>Basic EPS</b>				
Profit for the year	0.04	3.39	0.77	(0.61)
Weighted number of shares outstanding		15,123,160	1,473,160	1,473,160
Basic and Diluted EPS (Rs.)	0.00	0.22	0.52	-
<b>Diluted EPS</b>				
Profit for the year	0.04	3.39	0.77	(0.61)
Weighted number of shares outstanding		15,123,160	1,473,160	1,473,160
Basic and Diluted EPS (Rs.)	0.00	0.22	0.52	-
<b>Note # 30 Re-Grouping</b>				
Certain reclassifications have been to the Comparative Period Financial Statements to enhance comparability with the current year's financial statements & enhance compliance with guidance note on Division -II- Ind As Schedule III to the Companies Act. As a result, certain line items have been reclassified in the Balance Sheet as at 31 March 2023 the details of which are as under:				
<b>Particulars</b>	<b>Before Reclassification</b>	<b>Reclassification</b>	<b>After Reclassification</b>	<b>Remark</b>
<b>Current Assets-Financial Assets</b>				

Other Financial Assets	0.04	(0.04)	-	
Current Tax Assets	-	0.04	0.04	<b>Re classified to Current Tax Assets</b>
	-	-	-	
<b>Financial Liabilities</b>	-	-	-	
Trade Payable	1.03	(1.03)	-	
Trade Payable	-	1.03	1.03	Total outstanding dues of micro enterprises and small enterprises
Other Financial Liabilities	0.26	(0.17)	0.09	
	-	0.17	0.17	<b>Reclassified to Other current liabilities</b>

**Note # 31: Related Party Disclosure**

(i) The related parties as per terms of Ind AS-24, "Related Party Disclosure", (specified under section 133 of the Companies Act,2013, read with rule 7 of (Accounts) Rule ,2015) and Section 188 of Companies Act,2013 are disclosed below:-

**Related Parties with whom transactions have taken place during the year:**

**(i) Key Management Personnel/Directors**

Mr. Shubhal Goel	(30.09.2019 Ceased w.e.f. 14.02.2023)	Director
Mr. Harish Agarwal	(22.04.2019 Ceased w.e.f. 24.08.2023)	Chief Financial Officer
Ms. Sukriti Garg	(06.02.2023 escalated to M.D on 24.08.2023)	Additional Director
Ms. Sukriti Garg	(17.06.2023 ceased from the post of CEO on 24.08.2023)	Director cum CEO
Ms. Sukriti Garg	24.08.2023	Managing Director
Ms. Rashmi Choudhary	(29.06.2022 Ceased w.e.f. 29.04.2023)	Company Secretary
Ms. Vasudha Aggarwal	17.06.2023	Company Secretary
Ms. Bhawana Gupta	08.04.2023	Whole time Director
Ms. Bhawana Gupta	24.08.2023	CEO
Ms. Meenakshi Sharma	24.08.2023	CFO cum Whole time Director
Ms. Seema Garg		Relative of Director

**(ii) Entity having significant influence over the entity**

Just Right Life Ltd having a significant influence over the Justride Enterprises Ltd.

**(iii) Terms and Conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Rs./mn**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>M/S. Just Right life Ltd.</b>		
Interest on Loan	0.31	0.28

<b>M/S. Just Right Life Ltd.</b>		
<b>Opening Balance</b>	0.73	-
Unsecured Loan accepted	6.15	6.00
Unsecured Loan Given	101.29	-
<b>M/S. Just Right Life Ltd</b>		
Transaction		
Expenses Reimbursement	0.57	1.44
Interest Income	3.64	-
<b>Seema Garg</b>		
Rental Expenses	0.02	
<b>Director Remuneration</b>		
Ms. Bhawana Gupta	0.38	-
Ms. Sukriti Garg	0.60	-
Meenakshi Sharma	0.20	-
<b>Remuneration to KMP</b>		
Vasudha Aggarwal (Company Secretary)	0.50	-
<b>Unsecured Loan Repaid</b>		
M/S. Just Right Life Ltd.	0.69	0.35
Director: Shubhal Goel	-	0.95
<b>Unsecured Loan Received</b>		
M/S. Just Right Life Ltd.	10.13	
<b>Director Remuneration</b>		
Director: Shubhal Goel	-	0.05
<b>Closing Balance</b>		
<b>Director Remuneration</b>		
Ms. Bhawana Gupta	0.05	-
Ms. Meenakshi Sharma	0.04	-
<b>Remuneration to KMP</b>		
Vasudha Aggarwal (Company Secretary)	0.04	-
<b>Rent Expenses</b>		
Seema Garg	0.02	
<b>M/S. Just Right life Ltd.</b>		
Expenses Reimbursement	0.57	-
Unsecured Loan Given	-	7.33

**Note # 32 Fair value measurement and financial instruments**

**Financial instruments – by category and fair value hierarchy**

The following table shows the carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Financial assets	Carrying Amount (Rs./mn)	
	31-Mar-24	31-Mar-23
- At amortised cost		
Non-Current Financial Assets		

Other Financial assets		-	-
<b>Current Financial Assets</b>		-	-
Trade receivables		0.03	1.91
Cash and cash equivalents		65.56	0.22
Other financial assets		0.03	-
		<b>65.62</b>	<b>2.13</b>
<b>Financial liabilities</b>			
<b>- At amortised cost</b>			
Borrowings (non-current)		-	-
Borrowings (current)		-	7.33
Trade payables		1.19	1.03
Other financial liabilities		0.75	0.09
The following methods / assumptions were used to estimate the fair values:			
a) The carrying value of cash and cash equivalents, trade receivables and trade payables is approximate their fair values mainly due to short-term maturities of these instruments.			
b) The fair value of other financial assets and other financial liabilities is estimated by discounting future cash flows using rates applicable to instruments with similar terms, currency, credit risk and remaining maturities. The fair values of other financial assets and other financial liabilities are assessed by the management to be same as their carrying value and is not expected to be significantly different if estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.			
c) The Company's borrowings have been contracted at fixed rate of interest which resets annually as per prevailing market rate. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.			
There are no significant unobservable inputs used in the fair value measurement.			
<b>Fair value hierarchy</b>			
All financial instrument for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;			
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.			
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).			
Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs)			
<b>The following table presents the financial instruments measured at fair value, by level within the fair value measurement hierarchy:</b>			
<b>Financial assets</b>	<b>Level</b>	<b>As at</b>	<b>As at</b>
		<b>31-Mar-24</b>	<b>31-Mar-23</b>
<b>Financial assets</b>			
<b>- At amortised cost</b>			
<b>Non-Current Financial Assets</b>			
Other Financial assets	Level 3	-	-
<b>Current Financial Assets</b>			
Trade receivables	Level 3	0.03	1.91
Cash and cash equivalents	Level 3	65.56	0.22
Other financial assets	Level 3	0.03	-
		<b>65.62</b>	<b>2.13</b>
<b>Financial liabilities</b>			
<b>- At amortised cost</b>			
Borrowings (non-current)	Level 3	-	-
Borrowings (current)	Level 3	-	7.33
Trade payables	Level 3	1.19	1.03
Other financial liabilities	Level 3	0.75	0.09
		<b>1.94</b>	<b>8.46</b>
During the period ended 31 March 2024, there were no transfers between Level 1, Level 2 or Level 3 fair value measurements.			

<b>Note # 33 Financial risk management objectives and policies</b>						
The Company's principal financial liabilities comprise borrowings, trade payables etc. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, security deposits, etc. that derive directly from its operations.						
The Company is exposed to market risk (interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance frame work for the Company are accountable to the Board Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and Company's risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:						
<b>Credit risk</b>						
Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.						
<b>Credit Risk Management</b>						
Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following Creditor ratings to each class of financial assets based on the assumption, Input and factor specific to the class of financial assets.						
(i) Low credit risk						
(ii) Moderate credit risk						
(iii) High credit risk						
The company provides for expected credit loss based on the following:						
<b>Nature</b>		<b>Assets covered</b>			<b>Basis of expected credit loss</b>	
Low credit risk		Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets			Life time expected credit loss or 12 month expected credit loss	
Moderate credit risk		Loans and other financial assets			Life time expected credit loss or 12 month expected credit loss	
High credit risk		Loans			Life time expected credit loss or fully provided for	

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet						
<b>Particulars</b>				<b>Note No.</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Other non-current financial assets					0.00	0.00
Trade receivables				<b>8</b>	0.03	1.91
Cash and cash equivalents				<b>9</b>	65.56	0.22
Other financial assets				<b>10</b>	0.03	0.00
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.						
Credit risk on cash and cash equivalents and is generally limited as the Company transacts with Banks having a high credit rating assigned by domestic credit rating agencies.						
<b>Liquidity risk</b>						
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities (other than derivatives) that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.						
The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.						
The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:						
<b>Particulars</b>	<b>As at 31 March 2024</b>					
	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
(a) Trade Payables	0.12	0.15	1.03	-	-	0.12
(b) Borrowings	-	-	-	-	-	-
(c) Other Financial Liabilities	0.08	-0.05	0.57	-	-	0.05
<b>Particulars</b>	<b>As at 31 March 2023</b>					
	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
(a) Trade Payables	1.03	-	0.10	-	-	0.01
(b) Borrowings	7.33	-	0.73	-	-	0.07
(c) Other Financial Liabilities	0.09	-	0.01	-	-	0.00
<b>Market Risk – Interest rate risk</b>						

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates.

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**Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on account of its borrowings, receivables and other payables in foreign currency. The functional currency of the company is Indian Rupee.

The foreign currency exchange management policy is to minimize economic and transactional exposures arising from currency movements against the US dollar & Euro. The Company manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any. The company does not have borrowings, receivables and other payables in foreign currency and hence does not have any currency risk.

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<b>Note # 34 Provision for Expected credit Losses</b>			
			<b>(Rs./Mn)</b>
<b>As at 31 March 2024</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected Credit Loss</b>	<b>Carrying amount net of impairment provision</b>
Cash and cash equivalent	65.56		65.56
Trade Receivables	0.03		0.03
Other Financial Assets	0.03		0.03
<b>As at 31 March 2023</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected Credit Loss</b>	<b>Carrying amount net of impairment provision</b>
Cash and cash equivalent	0.22		0.22
Trade Receivables	1.91		1.91
Other Financial Assets	0		0

<b>Note # 35 Segment Reporting</b>			
<b>Operating segment</b>			
Operating Segment have been identified and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. In accordance with provisions of Ind AS-108, the company has determined marketing services & support services, trading of securities and hospitality business as the reportable segments.			
<b>Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments</b>			
<b>Operating segments:</b>			
Trading of securities			
Marketing & Support Services			
Hospitality Business			
<b>Identification of segments:</b>			
The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products and Services.			
<b>Segment revenue and results</b>			
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).			
<b>Segment assets and liabilities:</b>			
Assets used by the operating segments mainly consist of trade receivables, advance to suppliers, inventories. Segment liabilities include trade payables, advance from customers. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.			
The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.			
<b>1. Revenue by nature of products</b>			<b>Rs./mn</b>
<b>Particulars</b>		<b>For the period ended 31 March 2024</b>	<b>For the period ended 31 March 2023</b>
(a)	Trading of securities	2,961.08	-
(b)	Marketing & Support Services	10.88	1.95
(c)	Hospitality Business	0.51	-
	<b>Total</b>	<b>2,972.47</b>	<b>1.95</b>
<b>2. Segment Results before tax</b>			

Particulars		For the period ended 31 March 2024	For the period ended 31 March 2023
(a)	Trading of securities	1.75	-
(b)	Marketing & Support Services	9.71	1.88
(c)	Hospitality Business	0.44	-
	<b>Sub Total</b>	<b>11.91</b>	<b>1.88</b>
	Less: Finance Cost	0.38	0.28
	Add: Other Income	3.70	0.49
	Less: Unallocated Expenses	10.98	1.31
	<b>Profit before tax</b>	<b>4.25</b>	<b>0.77</b>
	Less: Tax expenses	0.86	-
	Net profit/(loss) for the Period	<b>3.39</b>	<b>0.77</b>

### 3.Segment Assets and Liabilities

Assets			
(a)	Trading of securities	2.11	-
(b)	Marketing & Support Services	-	1.91
(c)	Hospitality Business	60.47	-
(d)	Unallocated	131.72	0.25
	<b>Total</b>	<b>194.30</b>	<b>2.17</b>
Liabilities			
(a)	Trading of securities	-	-
(b)	Marketing & Support Services	0.03	-
(c)	Hospitality Business	0.03	-
(d)	Unallocated	4.54	8.63
	<b>Total</b>	<b>4.60</b>	<b>8.63</b>

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

### Note # 36 Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	1.12	1.03
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year. *	Nil	Nil
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
The amount of interest due and payable for the year.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	Nil	Nil

\*Interest due on Micro and small Enterprises is nil, as confirmation from MSME creditors is received that no interest would be claimed or charged on outstanding balance with the company.

### Note # 37 Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with capital adequacy requirements required by the Reserve Bank of India and maintain strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders value.

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern

### Standalone Statement of change in equity for the year ended as at 31 March 2024

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the sub-ordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets (including investments in Subsidiary companies). In order to maintain or adjust

the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net Debt*	-	7.12
Total Equity	133.43	-6.46
<b>Net debt to equity ratio</b>	-	-0.11

\* Net debt includes debt securities + borrowings other than debt securities + sub-ordinated liabilities + interest accrued – cash and cash equivalents – bank balances other than cash and cash equivalents.

#### Note # 38 Contingent Liabilities and commitments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Capital Commitment in respect of Purchase of Properties	219.79	Nil

\*The Company has intended to purchase the property for Rs. 244.22 million at Mohali Punjab. The Company has made the payment of Rs.24.42 million for the same till 31 March 2024 (also refer note no. 6). Balance payment will be done in due course at the time of possession and after successful completion of registration and other legal formalities.

#### Note 39: Additional Regulatory Information

##### During the Period or previous years

- (a) There are no immovable property whose title deed are not in the name of company.
- (b) The Company has not revalued its Property, Plant and Equipment during the year.
- (c) The company does not have any “Benami Property”, where any proceeding has been initiated pending against the company for holding any “Benami Property”.
- (d) The company has advanced any loan or advances in the nature of loan to specified persons viz. Promoters, Directors, KMP, and Related Parties which are repayable on demand or where the agreement document specifies any terms or period of repayment.

##### Discloser on Loans or Advances in the nature of loans:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties*	-	-

\* During the year the company advanced unsecured interest bearing loan which was repayable on demand to its related party M/s. Just Right Life Ltd and received back the same within same financial year.

(e) The company has not been declared as a willful defaulter by any lender who has the power to declare a Company as a willful defaulter at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved.

(f) The company has utilized funds raised from the issue of securities or borrowings from banks & financial institutions for the specific purposes, for which they were issued/taken refer note 13(a)

(g) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding 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) or

ii. Provide any guarantees, securities or the like or on behalf of the ultimate beneficiaries

h) The company has not received any funds from any person(s) or entity(ies), including foreign entity(ies) (funding party) with the understanding (whether recorded in writing or otherwise) that the company 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) or

ii. Provide any guarantees, securities or the like or on behalf of the ultimate beneficiaries.

i) There are no transactions and/or balances outstanding with companies struck off under section 248 of the Companies Act'2013.

- j) The company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act'1961.
- k) The company has not traded or invested in cryptocurrency or virtual currency during the financial year
- l) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act'2013 read with Companies (Restriction on Number of Layers) Rules'2017
- n) The company does not have any charges or satisfaction of charges which is yet to be registered with the registrar of companies (ROC) beyond the satisfactory period.

<b>Note # 40. Disclosure- Financials Ratios</b>						
<b>Financials Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>	<b>Change in Percentage</b>	<b>Remark</b>
a) Current Ratio (no. of times)	Total Current Assets	Total Current Liabilities	15.86	0.25	6218%	Current assets increased and current Liabilities decreased significantly as compare to previous year.
b) Debt-Equity Ratio	Total Debts (Long term borrowing + Short term borrowings (including Current maturities of long-term borrowings))	Equity	-	NA#		
c) Debt Service Coverage Ratio (no. of times)	Profit after tax + Finance Cost + Depreciation and amortization expenses	Finance costs + repayment of long-term borrowings	NA	NA		
d) Return on Equity (ROE) (%)	Net profit after taxes	Average Shareholder's Equity	0.05	NA#		
e) Inventory turnover ratio	Turnover	Average Inventory	NA	NA		
f) Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	3,070.26	2.04	150343%	The significant increase in the revenue during the current period as compared to previous year.
g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	2,664.77	NA		
h) Net Capital turnover ratio	Revenue from operations	Working capital	43.95	NA#		

i) Net profit ratio (%)	Net Profit after tax	Total Revenue	0.00	0.39	-100%	The net profit not increased significantly as compare to increase in revenue from operations during the current period.
j) Return on capital employed (ROCE) (%)	Earnings before interest and taxes	Capital Employed (Tangible net worth + Long term borrowings+ Deferred Tax Liability)	0.03	NA#		
k) Return on investment (ROI) (%)	Income generated from investments	Average value of investments	NA	NA	NA	NA

**NOTES TO ACCOUNTS: forming part of Financial Statement 1– 40**

For & on behalf of the Board of Directors of  
Eraaya Lifespaces Limited

As per our Report of even date attached  
FOR KSMC AND ASSOCIATES  
Chartered Accountants  
FRN: 003565N

Sukriti Garg  
(Managing Director)  
DIN:09585946

Bhawana Gupta  
(Whole Time Director)  
DIN:10101543

CA SACHIN SINGHAL  
Membership No. 505732  
UDIN: 24505732BKEGJG8633

Date: 11th April,2024  
Place: Delhi

Meenakshi Sharma  
(Chief financial officer)

Vasudha Aggarwal  
(Company Secretary)

**LIMITED REVIEW REPORT ON UNAUDITED RESULTS FOR THREE MONTHS PERIOD ENDED  
30 JUNE 2024**

**Independent Auditor's Limited Review Report on the Quarterly Unaudited Financial Results ERAAYA LIFESPACES LIMITED (Formerly known as JUSTRIDE ENTERPRISES LIMITED) pursuant to the Regulations 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended**

Limited Review Report

To The Board of Directors

ERAAYA LIFESPACES LIMITED (Formerly known as JUSTRIDE ENTERPRISES LIMITED)

We have reviewed the accompanying statement of unaudited financial results of ERAAYA LIFESPACES LIMITED (Formerly known as JUSTRIDE ENTERPRISES LIMITED) for the quarter ended 30<sup>th</sup> June 2024, ("the statement") being submitted by the company pursuant to requirements of Regulation 3 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations).

1. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Ind AS 34 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 3 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KSMC & Associates  
Chartered Accountants  
FRN: 003565N

CA SACHIN SINGHAL  
(Partner)  
M. No: 505732  
UDIN: 24505732BKEGKR3411  
Place: New Delhi  
Date: 09.07.2024

**UNAUDITED STANDALONE RESULTS FOR THREE MONTHS PERIOD ENDED 30 JUNE 2024**

S. No.	Particulars	Unaudited for three months period ended		
		30-Jun-24		30-Jun-23
		US\$/Mn.	Rs./Mn.	Rs./Mn.
	<b>Revenues</b>			
<b>1</b>	Revenue from Operations	0.24	19.99	275.27
<b>2</b>	Other Income	-	-	-
<b>3</b>	Total Revenue (1+2)	<b>0.24</b>	<b>19.99</b>	<b>275.27</b>
<b>4</b>	<b>Expenses</b>			
	(a) Cost of Materials consumed	-	-	-
	(b) Purchase of Stock-in-Trade	0.06	5.01	274.28
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	(0.02)	(1.49)	(0.64)
	(d) Employee benefits expense	0.01	1.16	0.34
	(e) Finance Cost	-	-	0.17
	(f) Depreciation and amortisation expense	0.00	0.41	-
	(g) Other expenses	0.03	2.14	0.64
	<b>Total Expenses</b>	<b>0.09</b>	<b>7.23</b>	<b>274.79</b>
<b>5</b>	Profit / (Loss) before exceptional items and Tax (3-4)	0.15	12.76	0.48
<b>6</b>	Exceptional items	-	-	-
<b>7</b>	Profit / (Loss) before Tax (5 - 6)	0.15	12.76	0.48
<b>8</b>	Tax Expense:			
	a) Current Tax	0.04	3.21	-
	b) Deferred Tax	-	-	-
<b>9</b>	Profit/ (Loss) for the period from Continuing operations (7-8)	0.11	9.55	0.48
<b>10</b>	Profit/ (Loss) for the period from Discontinued operations	-	-	-
<b>11</b>	Tax Expense of Discontinued operations	-	-	-
<b>12</b>	Profit/ (Loss) for the period from Discontinued operations (After Tax)	-	-	-
<b>13</b>	Profit/ (Loss) for the period (After Tax)	<b>0.11</b>	<b>9.55</b>	<b>0.48</b>
<b>14</b>	Other Comprehensive Income A) (i) Items that will not be reclassified to profit or loss (ii) Income Tax relating to item that will not be re-classified to profit or loss B) A) (i) Items that will be reclassified to profit or loss (ii) Income Tax relating to item that will be re-classified to profit or loss	-	-	-
<b>15</b>	Total Comprehensive income for the period (13+14)	<b>0.11</b>	<b>9.55</b>	<b>0.48</b>
<b>16</b>	Paid up equity Share Capital (Face value of the shares shall be indicated)	1.81	151.23	14.73
<b>17</b>	Other Equity excluding revaluation reserve	(0.10)	(8.25)	(22.58)
<b>18</b>	Earnings Per Share (EPS) Equity shares of Par value at Rs. 10 Each.			
	(a) Basic	0.01	0.63	0.03
	(b) Diluted	0.01	0.63	0.03

**REGISTERED OFFICE OF THE COMPANY**

B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh  
Sec – III, West Delhi,  
New Delhi - 110026  
India

**REGISTRAR AND PRINCIPAL PAYING AND CONVERSION AGENT**

**GLAS Trust Company LLC**  
3 Second Street, Suite 206  
New Jersey NJ 07311  
United States of America

**REGISTRAR AND TRANSFER AGENT**

**GLAS Trust Company LLC**  
3 Second Street, Suite 206  
New Jersey NJ 07311  
United States of America

**LEGAL ADVISERS**

*To the Company as to Indian Law*

*To the Registrar as to English Law*

**AUDITORS**

KSMC & Associates  
Chartered Accountants  
G-5, Vikas House, 34/1 East Punjabi Bagh  
New Delhi - 110026  
India