

VARANIUM CLOUD LIMITED

Corporate Identification Number: U64200MH2017PLC303172

Our Company was originally incorporated as a private limited company on December 21, 2017, under the name and style of “Streamcast Cloud Private Limited” under the provisions of the Companies Act, 2013, with the Registrar of Companies, Maharashtra, Mumbai. Subsequently, the name of our Company was changed to ‘Varanium Cloud Private Limited’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai, Maharashtra, on June 29, 2021. Our Company was converted into a public limited company pursuant to a shareholders resolution passed at an Extra-Ordinary General Meeting of the Company held on September 17, 2021. The equity shares of our Company were listed on the NSE Limited on September 27, 2022. The Scrip symbol ‘CLOUD’ and ISIN ‘INE0J0001021’. The Corporate Identification Number of our Company is U64200MH2017PLC303172.

Registered Office: Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai- 400053, Maharashtra, India;

Contact Person: Ms. Hetal Harshal Somani, Company Secretary and Compliance Officer;
Tel: +91 22 2632 5683 / + 91 8976881523; **Email:** info@vrnm.com; **Website:** www.vrnm.com

PROMOTERS OF OUR COMPANY: MR. HARSHAWARDHAN HANMANT SABALE

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF VARANIUM CLOUD LIMITED (“COMPANY” OR “ISSUER”) ONLY

ISSUE OF UP TO 40,20,574 EQUITY SHARES WITH A FACE VALUE OF ₹ 5 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 123 (RUPEES ONE HUNDRED TWENTY THREE ONLY) EACH INCLUDING A SHARE PREMIUM OF ₹ 118 (RUPEE ONE HUNDRED EIGHTEEN ONLY) PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT UP TO ₹ 4946.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 01 (ONE) RIGHTS EQUITY SHARES FOR EVERY 10 (TEN) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, SEPTEMBER 15, 2023 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 24.6 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 138 OF THIS LETTER OF OFFER.

PAYMENT SCHEDULE FOR THE RIGHT EQUITY SHARES

Amount Payable per Right Equity Share*	Face Value (₹)	Premium (₹)	Total (₹)
On Application		2.50	59
One or more subsequent Call(s) within three months		2.50	59
Total (₹)		5.00	118

*For further details on Payment Schedule, see “Terms of the Issue” on page 138

WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company nor any of our Promoters or Directors has been categorized as a Wilful Defaulter or a Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter or a Fraudulent Borrower issued by the Reserve Bank of India.

GENERAL RISKS

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this offer including the risks involved. The Rights Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Investors are advised to refer “Risk Factors” beginning on page 20 of this Letter of Offer before investing in the Issue.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of our Company are listed and traded on the NSE Limited (“NSE”). Our Company has received an in-principle approval from NSE for listing Rights Equity shares through their letter dated August 30, 2023. Our Company will also make an application to the stock exchange to obtain its trading approval for the Rights Entitlement as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 For the purpose of this Issue, the Designated Stock Exchange is NSE.

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED

S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre,
 Andheri East, Mumbai – 400 093, Maharashtra, India;

Tel: +91 -22-62638200122; **Email:** rightsissue@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Jibu John

Investor Grievance Email: investor@bigshareonline.com

SEBI Registration Number: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSURES ON
Thursday, September 28, 2023	Friday, September 29, 2023	Friday, October 06, 2023



**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees not later than two working days prior to the issue closing date.
Our Board or a duly authorized thereof will have the right to extend the Issue Period as it may determine from time to time not exceeding 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

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

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are to Varanium Cloud Limited as the context requires, and references to ‘you’ are to the Eligible Equity Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled “*Industry Overview*”, “*Statement of Tax Benefits*”, “*Financial Information*”, “*Outstanding Litigations, Defaults, and Material Developments*” and “*Terms of the Issue*” on pages 57, 53, 90, 126, and 138 respectively, shall have the meaning given to such terms in such sections.

COMPANY RELATED AND GENERAL TERMS

Term	Description
“VARANIUM CLOUD LIMITED”, “VCL”, “Streamcast Cloud Private Limited” “Streamcast” “We” or “us” or “our Company” or “the Issuer	Unless the context otherwise requires, refers to Varanium Cloud Limited, a Company incorporated under the Companies Act, 2013 and having its registered office at Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai 400053, Maharashtra, India.
We/ us/ our	Unless the context otherwise indicates or implies, refers to Varanium Cloud Limited;
AoA/ Articles of Association	The Articles of Association of Varanium Cloud Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013;
Auditors / Statutory Auditors / Peer Review Auditor	The Statutory Auditor of our Company, being M/s. A K Kocchar & Associates, Chartered Accountants.
Board of Directors/ Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Chairman & Managing Director	Mr. Harshawardhan Hanmant Sabale ;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Mukundan Raghavan;
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Hetal Harshal Somani;
Equity Shares	Equity shares of the Company having face value of ₹ 5.00 (Rupees Five only);

Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 85 of this Letter of Offer;
ISIN	International Securities Identification Number being INE0JOO01021; Partly Paid up Equity Shares ISIN: IN90JOO01011
Term	Description
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled “ <i>Our Management</i> ” beginning on page 85 of this Letter of Offer;
MoA/ Memorandum of Association	The Memorandum of Association of Varanium Cloud Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013;
Non-Executive Director	A Director, not being an Executive Director of our Company;
Promoters	Mr. Harshawardhan Hanmant Sabale
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the NSE under the SEBI (LODR) Regulations;
Registered Office	The registered office of our Company situated at Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai- 400053, Maharashtra, India.
Registrar of Companies/ RoC	Registrar of Companies, Mumbai, Maharashtra;
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being NSE Limited;
Unaudited Financial Results	The limited review unaudited financial results for the Quarter ended June 30, 2023, including the notes thereto and the report thereon. For details, see “Financial Statements” on page 90 of this Letter of Offer;

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlements;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Date	Date on which the Allotment is made pursuant to the Issue;
Allottees	Persons to whom Rights Equity Shares are issued pursuant to the Issue;

Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Letter of Offer, being an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form (including online application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this issue;
Application Money	Aggregate amount payable in respect of the Equity Shares applied for in the Issue at the Issue Price for the Application.
Application Supported by Blocked Amount or ASBA	Application used by ASBA Investors to make an application authorizing a SCSB to block the Application Money in the ASBA Account;

Term	Description
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, CIR/CFD/DIL/1/2011 dated April 29, 2011, and SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being HDFC Bank;
Bankers to the Issue Agreement	Agreement dated September 23, 2023 entered into by and amongst our Company, the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and which is described in the chapter titled “ <i>Terms of the Issue</i> ” beginning on page 138 of this Letter of Offer;
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Stock Exchange	NSE Limited;

Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Letter of Offer	This Letter of Offer filed with the Stock Exchange;
Eligible Equity Shareholder(s)	Eligible holder(s) of the Equity Shares of Varanium Cloud Limited as on the Record Date;
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being HDFC Bank;
Issue/ Rights Issue	<p>Issue of up to 4020574 equity shares with a face value of ₹ 5 each (“rights equity shares”) of our company for cash at a price of ₹ 123 each including a share premium of ₹ 118 per rights equity share (“issue price”) for an aggregate amount up to ₹ 4946 lakhs* on a rights basis to the existing equity shareholders of our company in the ratio of 01 (One) Right equity shares for every 10 (Ten) Fully paid-up equity shares held by the existing equity shareholders on the record date, that is on Friday, September 15, 2023 (the “issue”). The issue price for the rights equity shares is 24.6 Times the face value of the equity shares.</p> <p>On Application, Investors will have to pay ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.</p>
Issue Closing Date	Friday, October 06, 2023;
Issue Opening Date	Thursday, September 28, 2023

Term	Description
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations;
Issue Material	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter.
Issue Price	<p>₹ 123/- (Rupees One Hundred Twenty Three) per Rights Equity Share including a premium of ₹ 118/- (Rupees One Hundred Eighteen) per Rights Equity Share);</p> <p>On Application, Investors will have to pay ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.</p>
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount aggregating up to ₹ 4946 Lakhs;
Letter of Offer/ LoF	The final letter of offer to be filed with the NSE after incorporating the NSE observations received from the NSE on the Letter of Offer;
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Material Subsidiaries	Following company have been identified by our Company based on the materiality threshold adopted by our Board under SEBI Listing Regulations as Material Subsidiaries; Our Company does not have any Material Subsidiaries as of now;
MCA Circulars	General Circular No. 21/2020 dated May 11, 2020 issued by the Ministry of Corporate Affairs, Government of India, read with the circular dated August 3, 2020;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;

Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 47 of this Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders who intend to renounce their Rights Entitlement in part or full and Renouncees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
NRI(s)	An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations.
NSE	National Stock Exchange of India Limited.
Offer Document	The Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before September 30, 2023;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Friday, September 15, 2023;
Refund Account Bank	The Banker to the Issue with whom the refund account will be opened, in this case being <u>HDFC Bank</u> .
Registrar to the Issue	The Registrar to the Issue being Bigshare Services Private Limited
Registrar Agreement	Agreement dated September 23, 2023 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renouncees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. Thursday, September 28, 2023. Such period shall close on Friday, September 29, 2023 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee not later than two working days prior to the issue closing date.
RE ISIN	ISIN for Rights Entitlement i.e, INE0JOO20013
Retail Individual Investors/ RIIs	Individual Investors who have applied for Equity Shares for an amount not more than ₹2,00,000.00/- (Rupees Two Lakhs) (including HUFs applying through their Karta);
Rights Entitlement (s)/ Res	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being 01 (One) Equity Shares for every (Ten) Equity Shares held by an Eligible Equity Shareholder;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders;
Term	Description
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment;
Self-Certified Syndicate Banks/ SCSB(s)	Banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and offer services of ASBA, and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=3

SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being NSE India.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being NSE India.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or a Fraudulent Borrower	A Company or person categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or a fraudulent borrowers issued by the RBI, including any Company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays;

INDUSTRY RELATED TERMS

Term	Description
API	Active Pharmaceutical Ingredient
Covid-19	Coronavirus Disease
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
U.S.	United States of America
UK	United Kingdom
US\$	United States Dollar

ABBREVIATIONS

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
₹/ Rs./ Rupees/ INR	Indian Rupees
ADR	American Depository Receipt;
Arbitration Act	Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting standards issued by the ICAI
Aadhar	Aadhar Card
ASEAN	Association of Southeast Asian Nations
CAGR	Compound Annual Growth Rate
CrPC	Code of Criminal Procedure, 1973
CIRP	Corporate Insolvency Resolution Process
Client Id	The client identification number maintained with one of the Depositories in relation to the demat account
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996.
AGM	Annual General Meeting;

AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
NSE	NSE Limited;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020

Term	Description
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996;
DIN	Director Identification Number;
DP	Depository Participant;
DP-ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortisation expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EEA	European Economic Area;
EPS	Earning per Equity Share;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	Foreign Portfolio Investors;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GDR	Global Depository Receipt;
GNPA	Gross Net Performing Assets;
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
Ind AS	Indian Accounting Standards;
ICAI	The Institute of Chartered Accountants of India;

ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Indian GAAP/ IGAAP	Generally Accepted Accounting Principles In India;
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
INR / ₹ / Rs. / Indian Rupees	Indian Rupee, the official currency of the Republic of India;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
Mn / mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value;
NEFT	National Electronic Fund Transfer;
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
Term	Description
NRE	Account Non-resident external account;
NRI	Non-resident Indian;
NSDL	National Securities Depository Limited;
NSE	National Stock Exchange of India Limited;
OCB	Overseas Corporate Body;
p.a.	Per annum;
P/E Ratio	Price/Earnings Ratio;
PAN	Permanent account number;
PAT	Profit after Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;

SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities transaction tax;
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto;
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America;
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Letter of Offer the Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions. For more details, please see the section titled “Restrictions on Foreign Ownership on Indian Securities” beginning on page 169 of this Letter of Offer.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through speed post the Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can also access this, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, SEBI and the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer, Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer, Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer, Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF.

Neither the delivery of Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company’s affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

Neither the delivery of this Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer, Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

THE CONTENTS OF THIS LETTER OF OFFER, LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX, BUSINESS, FINANCIAL OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, 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 EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“United States”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer, Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer, Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer, Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “US SEC”), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer, Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer, Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

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

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2023 and Financial Results for the Quarter ended June 30, 2023.

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2023 and Unaudited Financial Results for the Quarter ended June 30, 2023 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, 2023 and the Unaudited Financial Results for the Quarter June 30, 2023, please refer to the section titled “*Financial Statements*” beginning on page 90 of this Letter of Offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees” or “₹” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

In this Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in “lakhs”. The amounts derived from financial statements included herein are represented in “lakhs”, as presented in the Audited Financial Statements and the Unaudited Financial Results. One lakh represents 1,00,000 and one crore represents 1,00,00,000.

Except as otherwise set out in this Letter of Offer, certain monetary thresholds have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

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

The industry data used in this Letter of Offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 20 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute “forward looking statements”. Investors can generally identify forward-looking statements by terminology including anticipate, believe, continue, can, could, estimate, expect, future, forecast, intend, may, objective, plan, potential, project, pursue, shall, should, target, will, would or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward- looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward - looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward looking statements include, among others:

- Company’s ability to successfully implement our strategy, our growth and expansion, technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Audience’s taste and behavior;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Our failure to keep pace with rapid changes in entertainment sector;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Intensified competition in industries/sector in which we operate;
- Our ability to attract, retain and manage qualified personnel;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our ability to expand our geographical area of operation.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 20, 75 and 119, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon 19 which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements

attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our Directors nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI (ICDR) Regulations, our Company will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permits

SECTION II – SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of Offer, including the sections titled “*Risk Factors*”, “*Objects of the Issue*”, “*Our Business*” and “*Outstanding Litigations, Defaults and Material Developments*” beginning on pages 20, 47, 75 and 126 of this Letter of Offer, respectively.

SUMMARY OF OUR BUSINESS

We are a fast-growing Indian technology company that is focused on providing services surrounding digital audio and based streaming services.

The Company operates in the following key verticals:

- Provision of digital audio and video content streaming services to various content owners and telecom operators in India and internationally on a SaaS (Software As A Service) model such as Voice & Video over Internet Protocol solutions (VoIP) in the B2B and B2C segments;
- Transforming cost-effective BPO and KPO operations in non-urban areas.
- Provision of low bandwidth digital education content platforms (EdTech) with complete Learning Management Systems (LMS) focused on Tier 2 & rural areas under Edmission brand;

Provision of information technology related services to startups and SMEs to help them transition their business to digital platforms and manage the relevant infrastructure on a IaaS (Infrastructure As A Service) model;

OBJECTS OF THE ISSUE

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	To augment the existing and incremental working capital requirement of our company	3637.50
2.	General Corporate Purposes [#]	1212.50
	Total Net Proceeds*	4850.00

* Subject to the finalization of the basis of Allotment and the allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.

*Assuming full subscription and Allotment of the Rights Equity Shares. However, On Application, Investors will have to pay ₹61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.

For further details, please refer to the section titled “*Objects of the Issue*” beginning on page 47 of this Letter of Offer.

SUBSCRIPTION TO THE ISSUE BY OUR PROMOTER AND PROMOTER GROUP

The Promoters and Promoter Group of our Company vide letters dated 29th July 2023, has confirmed that they may: (a) subscribe in part or to full extent of their Rights Entitlement in this Issue or may renounce all or a portion of their Rights Entitlements, subject to compliance with the provisions Companies Act, the SEBI ICDR Regulations, the Takeover Regulations and other applicable laws/ regulations. The Promoter and Promoter Group has acknowledged and undertaken that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

SUMMARY OF OUTSTANDING LITIGATIONS

Nature of cases	Number of cases	Amount involved (₹ in Lakhs)
Litigations involving our Company		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	Nil	Nil
Nature of cases	Number of cases	Amount involved (₹ in Lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group	Nil	Nil
Litigation involving our Group Companies	Nil	Nil

For further details, please refer to section titled “*Outstanding Litigations, Defaults and Material Developments*” beginning on page 126 of this Letter of Offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled “*Risk Factors*” beginning on page 20 of this Letter of Offer.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled “*Financial Statements*” beginning on page 90 of this Letter of Offer.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled “*Financial Statements*” beginning on page 90 of this Letter of Offer.

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

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Letter of Offer.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company did sub-division of its equity shares on 17th April, 2023 from Rs. 10/- per equity shares to Rs. 5/- per equity shares.

SECTION III – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in “Our Business”, ‘Industry Overview’, and “Financial Statements” beginning on pages 75, 57, and 90 respectively in this Letter of Offer, before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic has adversely affected and may affect our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to ‘we’, ‘us’, ‘our’ refers to our Company.

INTERNAL RISK FACTORS

- 1. There are no certain outstanding legal proceeding against our company except outstanding Dues payable to the Government regarding Direct Tax which may adversely affect our business, financial condition and results of operations.**

There are no certain tax matters pending against Our Promoter. A summary of the outstanding dues payable to the Government regarding Direct Tax against our promoter as disclosed in this Offer Letter, to the extent quantifiable, have been set out below:

Nature of Dues	Outstanding Dues (in ₹lakhs)
Our Promoter- Direct Tax	21.06

The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.

- 2. We have entered into an agreement with Rolta India Limited to acquire the secured debt of Rolta Private Limited.**

We have entered agreement with Rolta India Limited to acquire the secured debt of Rolta Private Limited which could adversely affect the business of our Company. Although we have taken such decision to achieve company’s long term vision and growth and Rolta Group presents an exceptional platform for expansion of company’s presence in the Geographic information system. The inherent potential and expertise within the Rolta brand aligns closely with company’s strategic focus, enabling the company to explore new avenue for innovation and market leadership, there is no certainty that the same may affect our profitability.

- 3. Exchange rate fluctuations may adversely affect our results of operations as majority of our revenue is from export of services.**

Our financial statements are prepared in Indian Rupees. However, majority of our revenue is from export of services and a portion of our expenditures are denominated in foreign currencies, mostly the U.S. Dollars. Accordingly, we have currency exposures relating to buying and selling in currencies other than in Indian Rupees, particularly the U.S. Dollar. During Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenues from export of services were ₹32,622.37 Lakhs, ₹3077.43 Lakhs and ₹374.93 Lakhs respectively, and our revenues from exports as a percentage of revenues from operations were 85.09%, 87.05% and 89.37%, respectively, during the same periods. Further, In Fiscal 2023, Fiscal 2022 and Fiscal 2021, our expenditure in foreign exchange was ₹ 20184.67 Lakhs, ₹ 969.10 Lakhs and ₹ Nil Lakhs, and constituted 75.84%, 41.40% % and Nil %, respectively, of our total operating expenditure. While we hedge a portion of the resulting net foreign exchange position, we are still affected by fluctuations in exchange rates among the U.S. dollar and the Indian Rupee and we cannot assure you whether hedging or other risk management strategies will be effective. Therefore, any changes in the relevant exchange rates could also affect sales, operating results and profitability of our Company.

4. *We have not entered into any long-term contracts with any of our clients.*

We do not have any long-term contracts with our clients and any change in the business pattern of our existing clients could adversely affect the business of our Company. Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

5. *Our operations are significantly located in the Maharashtra region and failure to expand our operations may restrict our growth and adversely affect our business*

Currently, all our facilities and registered office are situated in Maharashtra and we are carrying our business mainly from these facilities. Hence our major revenues are generated from operations in this region only. In the event that demand for our services in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and adversely affected. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating region could impact our future revenues.

6. *We have limited history of operating in the business vis-à-vis some of our Competitors. If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.*

We have limited history of operating in the business vis-à-vis some of our competitors, wherein our Company has ventured in the FY 2019 only. However, our Promoter, Harshawardhan Hanmant Sabale, is involved in this line of business for a long time. For more details about our Promoters experience, please refer to chapter “Our Promoters and Promoter Group” on page 83. There may be many unforeseen challenges in the business and they may pose bigger risk due to our inexperience. Our business and financial position may be adversely affected to the extent we are not able to deal with these business challenges in a timely and effective manner. Although, we plan to continue to expand our scale of operations, we may not grow at a rate comparable to our growth rate in the past or the growth of the industry, either in terms of income or profit.

We have a limited operational history in these segments. Our results may vary from year to year due to various factors. You should not rely on our past financial results for any year as indicators of future performance. Our future growth is subject to risks arising from a rapid increase in order volume, and inability to retain and recruit skilled staff. Although, we plan to continue to expand our scale of operations, we may not grow at a rate comparable to our growth rate in the past, either in terms of income or profit.

Our future growth may place significant demands on our management and operations and require us to continuously evolve and improve our financial, operational and other internal controls.

In particular, continued expansion may pose challenges in:

- Maintaining high levels of client satisfaction;
- Recruiting, training and retaining sufficient skilled management and trained personnel;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;

- Making accurate assessments of the resources we will require;
- Adhering to the standards of quality and process execution to meet clients' expectations;
- Operating in business segments where we have limited experience;
- Preserving a uniform culture, values and work environment;
- Strengthening internal control and ensuring compliance with legal and contractual obligations;
- Managing relationships with clients, suppliers, investors, lenders and service providers; and If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected

7. *We may not maintain profitability in the future.*

Although we have been profitable in the past, we expect to make heavy investments in growing our business, which could reduce our profitability compared to past periods. In addition, as a public company, we will incur significant accounting, legal and other expenses that we did not incur as a private company. As a result of these increased expenditures, our profitability could decline in future periods. In future periods, our revenue could decline or grow more slowly than we expect. We also may incur significant losses in the future for a number of reasons, including due to the other risks described in this Offer Letter, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors.

8. *Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.*

For the FY ended March 31, 2023 and March 31, 2022, our top ten largest clients accounted for approximately 100% and 12.95% of our revenues from operations respectively. The loss of a significant client or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could adversely impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, adversely impacting our income and financial condition.

9. *We are dependent upon few suppliers for the material requirements of our business.*

For the FY ended March 31, 2023 and March 31, 2022, our top ten suppliers for expenses and capital expenditure contributed for approximately 100% and 78.30% of our purchases respectively. Any problems faced by our supplier resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

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

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

11. *Our Promoter has direct / indirect interest in certain of our Group Entities, which are engaged in similar businesses, which may create a conflict of interest. Further we do not enjoy contractual protection by way of a non-compete or other agreement or arrangement with such Group Entities.*

Our Promoter is promoter of our Group Companies namely, Varanium Networks Private Limited, which is engaged in the business similar to the business of our Company. As this entity do not have any non-compete agreements in place amongst themselves, there is a conflict of interest between our Company and the said Group Entities. For

further details please refer to the chapters titled 'Our Promoters and Promoter Group' and 'Our Group Entities' beginning on page 83 and 84 respectively of the Offer Letter.

12. We may enter into related party transactions and may continue to do so in the future. We have entered into related party transactions in the last three financial years, i.e. FY 2023, 2022 and 2021.

Further we may enter into transactions with our promoters and our Promoter Group. While we believe that all such transactions will be conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Hence, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

13. Our business and profitability could be adversely affected if we fail to keep pace with changing technology and evolving industry standards and norms or fail to enhance existing services and develop and introduce new latest designs in a timely manner.

The markets for our services are characterized by rapidly changing technology, evolving industry standards and norms and new service introductions. Adaptability is one of the key attributes for success in our industry. Our results of operations and financial condition depend on our ability to develop and introduce new products and services, as well as our ability to modify and upgrade our existing products. Our success will depend on several factors, including proper identification of market demands and the competitiveness of our products with the products introduced by our competitors. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we provide.

In particular, wireless networks around the world have recently started to test 5G technology, the next phase of mobile telecommunications standards. Our success will depend, in part, on our ability to identify, develop, acquire or license leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way. The development of internet services and other proprietary technology entails significant technical and business risks. There can be no assurance that we will be able to use new technologies effectively or adapt our services, proprietary technologies and systems to meet customer requirements or emerging industry standards.

If we are unable to adapt in a cost-effective and timely manner in response to changing market conditions or customer preferences, whether for technical, legal, financial or other reasons, our business may be materially and adversely affected.

Though, we have a track record of successfully expanding into new service categories. Developing and launching enhancements to our platform and new services on our platform may also involve significant technical risks and upfront capital investments that may not generate return on investment. We may use new technologies ineffectively, or we may fail to adapt to emerging industry standards. If we face material delays in introducing new or enhanced platform features and services or if our recently introduced offerings do not perform in accordance with our expectations, our business may be materially affected.

14. Our inability to build and maintain our brand name will adversely affect our business, prospects, financial condition and results of operation.

Brand recognition is important to the success of our business. Establishing and maintaining our brand name for people relying on our services to look for desired results is critical to the success of the customer acquisition process of our business. No assurance can be given that our brand name will be effective in attracting and growing user and customer base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, prospects, financial condition and results of operations.

15. Systems failures and resulting interruptions in the availability of our services could adversely affect our business, financial condition, cash flows and results of operations.

The proper functioning of our technology infrastructure is essential to the conduct of our business. Specifically, the satisfactory performance, reliability and availability of our platform, our transaction-processing systems and our

network infrastructure are critical to our success and our ability to attract and retain customers and provide adequate services. It is critical to our success that all participants on our platform are able to access our platform, at all times. Our systems, or those of third parties upon which we rely, may experience service interruptions or degradation or other performance problems because of hardware and software defects or malfunctions, unexpected high volume of transactions, distributed denial-of-service and other cyberattacks, infrastructure changes, human error, earthquakes, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, unauthorized access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Our systems also may be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by our own employees. Some of our systems are not fully redundant and our disaster recovery planning may not be sufficient for all eventualities. Our business interruption insurance may not be sufficient to cover all of our losses that may result from interruptions in our service as a result of systems failures and similar events. We have experienced and will likely continue to experience system failures and other events or conditions from time to time that interrupt the availability or reduce or affect the speed or functionality of our platform. These system failures generally occur either as a result of software updates being deployed with unexpected errors or as a result of temporary infrastructure failures related to storage, network, or computing capacity being exhausted. Further, in some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Even a minor interruption in the availability or reduction in the availability, speed, or other functionality of our platform could adversely affect our business and reputation and could result in the loss of customers.

The software underlying our platform is highly complex and may contain undetected errors or vulnerabilities, some of which may only be discovered at a subsequent stage or may not get discovered at all. Our practice is to release frequent software updates. Any third-party software that we integrate into our platform, may also be subject to errors or vulnerabilities. Any errors, vulnerabilities or infringements discovered in our code or from third-party software after release could result in negative publicity, a loss of customer or loss of revenue, legal proceedings, and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of the participants on our platform, or otherwise result in a security breach or other security incident. We may need to expend significant financial and development resources to analyze, correct, eliminate, or work around errors or defects or to address and eliminate vulnerabilities. Any failure to timely and effectively resolve any such errors, defects, or vulnerabilities could adversely affect our business, reputation, brand, financial condition, cash flows and results of operations.

16. Security breaches and attacks against our Infrastructure, and any potentially resulting breach or failure to otherwise protect confidential and proprietary information, could damage our reputation and negatively impact our business, as well as materially and adversely affect our financial condition and results of operations.

Our business may generate, store and process a large quantity of personal, transaction, demographic, behavioural or other data. We may face risks inherent in handling large volumes of data and in protecting the security of such data. In particular, we may face a number of challenges relating to activities performed via our platform or services, including protecting the data in and hosted on our platform or system or by using our services, including against attacks on our system by outside parties or fraudulent behaviour by our employees; addressing concerns related to privacy and sharing, safety, security and other factors; and complying with applicable laws, rules and regulations relating to the collection, use, disclosure or security of personal information, including any requests from regulatory and government authorities relating to such data. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any regulatory requirements or privacy protection-related laws, rules and regulations could result in proceedings or actions against us by governmental entities or others, which could have a material adverse impact on our results of operations, cash flows and business.

Although we have employed significant resources to develop security measures against breaches, such measures may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, phishing attacks, social engineering, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain. Breaches of our cybersecurity measures could result in unauthorized access to our systems, misappropriation of information or data, deletion or modification of customer information, or a denial of service or other interruption to our business operations. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or any third-party service providers we use, we may be unable to anticipate or implement adequate measures to protect against these attacks.

We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. Cyber-attacks may target us, our customers, the participants on our platform, or the communication infrastructure on which we depend. Our inability to avert these attacks and security breaches, could subject us to significant legal and financial liability, our reputation would be harmed and we could sustain substantial revenue loss from lost sales and customer dissatisfaction. Actual or anticipated attacks and risks may cause us to incur significantly higher costs, including costs to deploy additional personnel and network protection technologies, train employees, and engage third-party experts and consultants.

We are subject to domestic and international laws relating to the collection, use, retention, security and transfer of personally identifiable information with respect to our customers and employees. Several jurisdictions have passed laws in this area, and other jurisdictions are considering imposing additional restrictions. These laws continue to develop and may vary from jurisdiction to jurisdiction. Complying with emerging and changing international requirements may cause us to incur substantial costs or require us to change our business practices. With the proposed enactment of the Personal Data Protection Bill, 2019 (“PDP Bill”), and the ongoing regulatory discussions along proposed Indian regulation to govern non-personal data, the privacy and data protection laws are set to be closely administered in India, and we may become subject to additional potential compliance requirements. The PDP Bill proposes a legal framework governing the processing of personal data, where such data has been collected, disclosed, shared or otherwise processed within India, as well as any processing of personal data by the GoI, Indian companies, Indian citizens or any person or body of persons incorporated or created under Indian law. The PDP Bill defines personal data and sensitive personal data, prescribes rules for collecting, storing and processing of such data and creates rights and obligations of data-subjects and processors.

As part of our operations, we are required to comply with the IT Act and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and the recently introduced the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information.

17. We rely on telecommunications and information technology systems, networks and infrastructure to offer and operate our services and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively operate our platform or provide our services.

Our business could be impacted by the failure of telecommunications network operators to provide us with the requisite bandwidth which could also interfere with the speed and availability of our platform or services, as well as by breakdowns at the level of our Internet service providers. Additionally, systems and software that are developed internally may contain undetected errors, defects or bugs, which we may not be able to detect and repair in time, in a cost-effective manner or at all. In such circumstances, we may be liable for all costs and damages, as we would not be entitled to any indemnification or warranty that may have been available if we had obtained such systems or software from third-party providers.

Disruptions or instabilities in telecommunications networks, servers or databases as well as the functioning of internet service providers could lead to customer dissatisfaction and damage to our reputation.

In addition, to perform reliably, the fixed telecommunications networks and the internet infrastructure of internet service providers in India, and in any other locations that we may operate in, require maintenance and periodic upgrading of the appropriate networks and infrastructure which are beyond our control. We cannot assure you that our back-up and disaster recovery measures and business continuity planning would effectively eliminate or alleviate the risks arising from the above contingencies. In addition, we cannot assure you that a more technologically sophisticated and reliable fixed telecommunications network or internet infrastructure will be developed in India or any other region that we may operate in, that will ensure our ability to deliver smooth and reliable provision of our services to restaurant partners and customers on our platform. Our success will depend upon third parties maintaining and improving internet infrastructure to provide a reliable network with adequate speed and data capacity and telecommunication networks with good quality of services and lower congestion.

18. Our success depends largely on our senior management and skilled employees and our ability to attract and retain them.

Our success depends on the continued services and performance of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain skilled staff, particularly managers and skilled workers. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of skilled professionals could have a material adverse effect on our operations and profitability. Competition for senior management in our industry in which we operate is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. Moreover, we do not maintain “key man” life insurance policies for senior members of our management team or other key personnel. Any such loss of the services of our senior management personnel or skilled staff could adversely affect our business, prospects, financial condition and results of operation.

19. Our Promoter, Directors and Key Managerial Personnel of our Company may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoter is interested in us to the extent of any transactions entered into or his shareholding and dividend entitlement in us. Our Directors are also interested in us to the extent of remuneration paid to them for services rendered as our Directors and reimbursement of expenses payable to them. Our Directors may also be interested in any transaction entered into by us with any other company or firm in which they are shareholders, directors or partners or in their individual capacity.

20. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, schedule of implementation as described herein are based on management’s current expectations and are subject to change due to various factors some of which may not be in our control.

21. Our Company’s management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, our Company shall inform about material deviations in the utilization of Net Issue Proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

22. We have not obtained the registration of our trademarks used in our businesses and our inability to obtain or maintain these registrations may adversely affect our competitive business position.

Our Company is not the legal owner of any of the logos used by us in our business as well as of Company logo and hence we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies

may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business.

There can be no assurance that we will be able to obtain the registration of our trademarks in a timely manner, or at all. If any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospectus and results of operations.

23. Our business operations are conducted on premises leased from third parties. Our inability to continue operating from such premises, or to seek renewal or extension of such leases may materially affect our business operations.

Our business operations are being conducted on premises leased from third parties, and we may continue to enter such transactions in future. Our Registered Office is operated from leased premises, currently valid for a period upto March 31, 2026. Further, the landlord of our Registered Office may have encumbered the premises. Accordingly, in the event of, inter alia, a breach of covenant of their encumbrance, any invocation of the encumbrance of the property or any inability on the part of our landlord to have the property released from encumbrance may adversely impact our leasehold rights on the property, and we may be required to relocate our operations to a different location. Our leases may expire in the ordinary course. We cannot assure a potential investor that we will be able to continue operating out of our existing premises or renew our existing leases at favourable terms or at all. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations. Given that our business operations are conducted on premises leased from third parties, any encumbrance or adverse impact on, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms or at all may materially affect our business operations.

24. We require certain registrations, licenses, approvals and permissions from government and regulatory authorities in the ordinary course of our business and any delay or failure to obtain them may adversely affect our operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations. Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at both the Central Government and State Government levels. If we fail to comply, or a regulator claims that we have not complied, with these conditions, we may not be able to commence or continue with work or operate these projects. Further, we may become liable to penal action if our activities are adjudged to be undertaken in the manner not authorized under the applicable law. This could materially and adversely affect our business, financial condition and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future.

25. Our Company has taken certain insurance cover but that may not be adequate hence we may not be able to protect ourselves from all losses and may in turn adversely affect our financial condition.

Though we believe that our insurance cover is adequate but the same may not be able to protect ourselves from all damage or loss suffered by us. To the extent that we suffer loss or damage not covered by our insurance cover, our results of operations or cash flow may be affected.

26. The requirements of being a listed company may strain our resources.

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited

review reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of the Company.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

27. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

28. Our Promoters and certain of our directors hold Equity Shares in our Company and are therefore interested in addition to their remuneration and reimbursement of expenses.

Certain of our Directors including our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

29. As the Equity Shares of our Company are listed on the NSE, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any noncompliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavours to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert

management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

30. *We have not commissioned an industry report for the disclosures made in the section titled ‘Industry Overview’ and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled “*Industry Overview*” beginning on page 57 of this Letter of Offer. We have 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. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

31. *Investment in Rights Equity Shares is exposed to certain risks. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Further, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, as determined by our Board at its sole discretion, from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders’ account as fully paid-up. Further, until the subsistence of Rights Equity Shares, we may not be able to undertake certain forms of equity capital raising.*

The Issue Price is ₹ 123 per Rights Equity Share. Investors will have to pay ₹ 61.5 per Rights Equity Shares which constitutes 50% of the Issue Price on Application and the balance ₹ 61.5 per Rights Equity Shares which constitutes 50% of the Issue Price on One or more subsequent Call(s) within three months. The Rights Equity Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Equity Shares. This may affect the liquidity of the Rights Equity Shares and restrict your ability to sell them.

If our Company does not receive the Call Money as per the timelines stipulated in the Call notice, unless extended by our Board, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Articles of Association. For details, see “Terms of the Issue” on page 138. Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid up and the voting rights (exercisable on a poll) by investors shall also be proportional to such investor's share of the paid-up equity capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue.

The ISIN representing partly paid-up Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call in respect of the partly paid-up Rights Equity Shares, such partly paid-up Rights Equity Shares would be converted into fully paid-up Equity Shares and shall be listed and identified under the existing ISIN for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations. Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders’ account as fully paid-up Rights Equity Shares. Similarly, for an applicable period, from the Call Record Date for each Call, the trading of the Rights Equity Shares would be suspended under the applicable law. Further, there is little history of trading of partly paid-up shares in India and therefore there could be less liquidity in this segment, which may cause the price of the Rights Equity Shares to fall and may limit ability of Investors to sell the Rights Equity Shares. There may also be a risk of the Rights Equity Shares not forming part of the index. Further, until the subsistence of Rights Equity Shares, we cannot undertake further rights issues, further public offers or bonus issues. In terms of Regulations 62 and 104 of the SEBI ICDR Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI ICDR Regulations

ISSUE RELATED RISKS

- 32. SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.**

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 138 of this Letter of Offer. In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

- 33. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.**

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees not later than two working days prior to the issue closing date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

- 34. Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholders”) may lapse in case they fail to furnish the details of their demat account to the Registrar.**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. For details, see “*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 138 of this Letter of Offer.

- 35. The entitlement of Equity Shares to be allotted to investors applying for Allotment in physical form, will be kept in abeyance.**

Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This further means that they will have no voting rights in respect of the Equity Shares. For details, see “*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 138 of the Letter of Offer.

36. *The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Equity Shares until they provide details of their demat account and Equity Shares are transferred to such demat account from the demat suspense account thereafter.*

The Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, amongst others, details of their demat accounts to our Company or the Registrar to enable our Company to transfer, after verification of the details of such demat account by the Registrar, the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Equity Shares. For details, see “*Terms of the Issue*” on page 138 of this Letter of Offer.

37. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020 and May 6, 2020, read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated

January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 138 of this Letter of Offer. In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

38. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant’s decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

39. *Our Company will not distribute the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the “**Offering Materials**”) to such shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

40. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

41. You may be subject to Indian taxes arising out of capital gains on the sale of the Rights Equity Shares and Rights Entitlement.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchange will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

42. You may not receive the Equity Shares that you subscribe in the Issue until 15 (Fifteen) days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 (Fifteen) days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

43. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.*

In accordance with applicable laws and regulations and the requirements of the NSE, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all the relevant documents authorising the issuance of Rights Equity Shares to be submitted. Accordingly, there could be a delay in listing the Rights Equity Shares on the NSE. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Issue Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, please refer to the section titled “*Terms of the Issue*” beginning on page 138 of this Letter of Offer.

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

Under the Companies Act, any 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 prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

45. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

46. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

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

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

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a Company in another jurisdiction. Shareholders’ rights including in relation to class actions, 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 shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

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

There is a difference between the level of regulation and monitoring of the Indian securities markets and that of the activities of investors, brokers and other participants in securities markets in more developed economies SEBI is responsible for monitoring disclosure and other regulatory standards for the Indian securities market. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may be less publicly available information about Indian companies than is regularly made available by public companies in more developed countries pursuant to such disclosure requirements, which could adversely affect the market for our Equity Shares. As a result, investors may have access to less information about our business, financial condition, cash flows and results of operation, on an ongoing basis, than investors in companies subject to the reporting requirements of other more developed countries.

49. No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchange, the trading of Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

50. There is no public market for the Equity Shares or Equity Shares outside India.

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India, we cannot assure you that the face value of the Equity Shares will correspond to the price at which the Equity Shares will trade subsequent to this Issue. This may also affect the liquidity of our Equity Shares and Equity Shares and restrict your ability to sell them.

51. Any trading closures at the Stock Exchange may adversely affect the trading prices of our Equity Shares.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

EXTERNAL RISK FACTORS

89. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and

profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, and loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

90. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, and volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

91. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- (a) Any increase in Indian interest rates or inflation;
- (b) Any scarcity of credit or other financing in India;
- (c) Prevailing income conditions among Indian consumers and Indian corporations;
- (d) Changes in India's tax, trade, fiscal or monetary policies;
- (e) Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- (f) Prevailing regional or global economic conditions; and
- (g) Other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

92. A third party could be prevented from acquiring control of us because of anti-takeover provisions under Indian law.

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

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

Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

94. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the

securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

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

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will

require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

97. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

99. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.

We are incorporated in India, and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include, any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on 29th July, 2023 in pursuance of Section 62(1)(a) of the Companies Act, 2013.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section titled “*Terms of the Issue*” beginning on page 138 of this Letter of Offer.

Equity Shares outstanding prior to the Issue	4,02,05,736 Equity Shares
Rights Equity Shares offered in the Issue	Up to 40,20,574 Rights Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for allotment and the Rights Entitlement)	4,42,26,310 Equity Shares
Rights Entitlement	01 Equity Shares for every 10 Equity Shares held on the Record Date
Record Date	Friday, September 15, 2023
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Shareholders is less than 10 (Ten) Equity Shares or is not in multiples of 10 (Ten), the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Share each, if such Eligible Shareholders have applied for additional Rights Shares over and above their Rights Entitlement, if any.;
Face Value per Equity Share	₹ 5.00/- (Rupees Five Only) each
Issue Price per Equity Share	₹ 123/- (Rupees One Hundred Twenty Three Only) including a premium of ₹ 118/- (Rupees One Hundred Eighteen Only) per Rights Equity Share On Application, Investors will have to pay ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.
Issue Size	Up to ₹ 49,46,00,000/- (Rupees Forty Nine Crores Forty Six Lakhs Only), assuming full subscription.
Terms of the Issue	Please refer to the section titled “ <i>Terms of the Issue</i> ” beginning on page 138 of this Letter of Offer
Use of Issue Proceeds	Please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 47 of this Letter of Offer
Security Code/ Scrip Details[#]	ISIN: INE0JOO01021 NSE Scrip Code: CLOUD ISIN for Rights Entitlements: INE0JOO20013 ISIN for Partly Paid up Shares: IN90JOO01011

* For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 10 Equity Shares or is not in multiples of 10, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of One additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements.

#Our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, as may be required under applicable law.

TERMS OF PAYMENT

Amount Payable Per Right Shares	Face Value	Premium	Total
On Application	₹ 2.50	₹ 59	₹ 61.5*
On One or more subsequent Call(s) within three months*	₹ 2.50	₹ 59	₹ 61.5**
Total	₹5.00/-	₹ 118	₹ 61.5

*Constitutes 50 % of the Issue Price.

**Constitutes 50 % of the Issue Price

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra, Mumbai dated December 21, 2017 with the name 'Streamcast Cloud Private Limited'. Subsequently, the name of our Company was changed to 'Varanium Cloud Private Limited' and a fresh certificate of incorporation consequent upon change of the name was issued by the Registrar of Companies, Mumbai, Maharashtra, on June 29, 2021. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Varanium Cloud Limited' and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Mumbai, Maharashtra, on September 17, 2021. The equity shares of our Company were listed on the NSE Limited on September 27, 2022. The Scrip symbol 'CLOUD' and ISIN 'INE0JOO01021'. The Corporate Identification Number of our Company is U64200MH2017PLC303172.

REGISTERED OFFICE OF OUR COMPANY

VARANIUM CLOUD LIMITED

Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai- 400053, Maharashtra, India

Tel: +91 22 2632 5683, +91 8976881523

Email: info@vrnm.com

Website: www.vrnm.com

CIN: U64200MH2017PLC303172

Registration Number: 303172

ADDRESS OF THE REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES, MUMBAI

The Registrar of Companies, Maharashtra at Mumbai Everest, 5th Floor 100 Marine Drive Mumbai - 400 002

Tel: 079-27437597

Fax: 079-27438371

Email: roc.Mumbai@mca.gov.in

Website: www.mca.gov.in

COMPANY SECRETARY AND COMPLIANCE OFFICER

Hetal Harshal Somani

Company Secretary and Compliance Officer

Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai- 400053, Maharashtra, India.

Tel: +91 22 2632 5683

Website: www.vrnm.com

E-mail: info@vrnm.com

STATUTORY AUDITORS OF OUR COMPANY

M/s. A K Kocchar & Associates, Chartered Accountants

601, Vakratunda Corporate Park, Behind Udipi Vihar , Vishweshwar Road, Off. Aarey Road, Goreg-on - East Mumbai – 400063, Maharashtra, India

Tel No.: +91 22 2088 1017 / 18

Email: ca.shk.jain@gmail.com

Contact Person: CA Hitesh Kumar S

Membership Number – 134763

Firm Registration No: 120410W

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED

S6-2, 6th Floor, Pinnacle Business Park,
Mahakali Caves Road, Next to Ahura Centre,
Andheri East, Mumbai - 400 093, Maharashtra, India
Tel. No.: +91 -22-62638200122

Email: rightsissue@bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Jibu John.

SEBI Registration No.: INR000001385

INVESTOR GRIEVANCES

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process)). For details on the ASBA process see section titled “*Terms of the Issue*” beginning on page 138 of this Letter of Offer.

BANKERS TO THE ISSUE / REFUND BANK**HDFC Bank Limited**

Address: FIG-OPS Department-Lodha, I Think Techno Campus O-3 Level,
Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai-400042,
Maharashtra, India

Tel: +91- 22 30752927

Email: Siddharth.jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, Sachin.gawade@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Siddharth Jadhav, Eric Bacha, Sachin Gawade

BANKERS TO OUR COMPANY**ICICI Bank Limited**

Address: C-53. G – Block, Bandra Kurla Complex,
Bandra – East, Mumbai - 400 070.

Tel: +91- 7506406502

Email: divya.khalkho@icicibank.com

Website: www.icicibank.com

Contact Person: Divya Khalkho

EXPERT

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

Our Company has received a written consent from our Statutory Auditors, A K Kocchar & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act as required under Section 26(5) of the Companies Act in this Letter of Offer and as an ‘expert’, as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated August 18, 2023, included in this Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	Tuesday, September 26, 2023
Issue Opening Date	Thursday, September 28, 2023
Last Date for On Market Renunciation of Rights Entitlements#	Friday, September 29, 2023
Issue Closing Date*	Friday, October 06, 2023
Finalization of Basis of Allotment (on or about)	Monday, October 09, 2023
Date of Allotment (on or about)	Monday, October 09, 2023
Date of credit (on or about)	Wednesday, October 11, 2023
Date of listing (on or about)	Friday, October 13, 2023

Note:

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees not later than two working days prior to the issue closing date;

**Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, please refer to the section titled “*Terms of the Issue*” beginning on page 138 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue at www.bigshareonline.com after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” under the section titled “*Terms of the Issue*” beginning on page 139 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Issue size does not exceed ₹ 100 crore, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores.

Since the size of this Issue falls below this threshold, this Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

This Letter of Offer is being filed with the Stock Exchanges i.e NSE as per the provisions of the SEBI ICDR Regulations. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Letter of Offer to the e-mail address: cfddil@sebi.gov.in.

MINIMUM SUBSCRIPTION

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under “*Terms of the Issue*” on page 138 of this Letter of Offer.

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Letter of Offer, prior to and after the proposed Issue, is set forth below:

(In ₹ lakhs, except share data)

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Equity Share capital		
5,00,00,000 (Five Crore) Equity Shares	2,500.00	-
Issued, subscribed and paid-up Equity Share capital before this Issue		
4,02,05,736 (Four Crore Two Lakh Five Thousand Seven Hundred Thirty Six) Equity Shares	2010.2868	-
Present Issue in terms of this Letter of Offer^{(a) (b)}		
40,20,574 (Forty Lakh Twenty Thousand Five Hundred Seventy Four) Issue of Equity Shares, each at a premium of ₹ 118/- (Rupees One Hundred Eighteen Only) per Equity Share, at an Issue Price of ₹ 123/- (Rupees One Hundred Twenty Three Only) per Equity Share	₹ 201.0287	₹ 4945.30602
Issued, subscribed and paid-up Equity Share capital after the Issue		
4,42,26,310 (Four Crore Forty Two Lakh Twenty Six Thousand Three Hundred and Ten) Equity Shares	₹ 2,211.3155	
Subscribed and paid-up Equity Share capital		
4,02,05,736 (Four Crore Two Lakh Five Thousand Seven Hundred Thirty Six) fully paid-up Equity Shares	₹ 2010.2868	
40,20,574 ((Forty Lakh Twenty Thousand Five Hundred Seventy Four)) partly paid-up Equity Shares	₹ 100.51435	
Securities premium account		
Before the Issue (as on June 30, 2023)	₹ 2977.85	
After the Issue ^(c)	₹ 4744.27732	
After all Call made in respect of Rights Shares	₹ 4744.27732	
After all Call made in respect of Rights Shares	₹ 4744.27732	

- (a) *The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on July 29, 2023.*
- (b) *Assuming full subscription for allotment of Rights Equity Shares. Please note that the Payment Schedule and the right to call up the remaining paid-up capital in one or more calls will be as determined by our Board at its sole discretion.*
- (c) *Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses*
- (d) *On Application, Investors will have to pay ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.*

NOTES TO THE CAPITAL STRUCTURE

1. Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares

As on the date of this Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares.

2. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares

The details of the Equity Shares held by our Promoters and members of our Promoter Group, including details of Equity Shares which are locked-in, pledged or encumbered can be accessed on the website of NSE.

3. Details of Equity Shares acquired by the promoters and promoter group in the last one year prior to the filing of this Letter of Offer

Our Promoters have acquired 88,000 equity shares in the last one year preceding the date of the Letter of Offer.

4. Intention and participation by the promoter and promoter group

Any such subscription for Rights Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. The allotment of Equity Shares of the Company subscribed by the Promoters and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue.

5. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹ 156.59/-.

6. Shareholding Pattern of our company

(a) The details of the shareholding pattern of our Company as on June 30, 2023 can be accessed on the website of NSE at <https://www.nseindia.com/get-quotes/equity?symbol=CLOUD>.

(b) The details of shareholders of our Company holding 1% or more of the paid-up capital as on June 30, 2023 can be accessed on the website of NSE at <https://www.nseindia.com/get-quotes/equity?symbol=CLOUD>.

7. At any given time, there shall be only one denomination of the Equity Shares of our Company.

8. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds to:

1. To augment the existing and incremental working capital requirement of our company; and
2. General Corporate Purposes

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

ISSUE PROCEEDS

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount
Gross Proceeds from the Issue [#]	4946.00
Less: Estimated Issue related Expenses	100.00
Net Proceeds from the Issue*	4846.00

Assuming full subscription and Allotment;

**The Issue size will not exceed ₹49.46 Crores. If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.*

REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount
1.	To augment the existing and incremental working capital requirement of our company- Hydra BPO Unit	3637.50
2.	General Corporate Purposes [#]	1208.50
	Total Net Proceeds*	4846.00

*#The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty Five Percent) of the Gross Proceeds; *To be determined on finalization of the Issue Price and updated in the Letter of Offer at the time of filing with the NSE.*

UTILIZATION OF NET PROCEEDS AND SCHEDULE OF IMPLEMENTATION

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the FY 2023-24	Estimated deployment of Net Proceeds for the FY 2024-25

1.	To augment the existing and incremental working capital requirement of our company- Hydra BPO Unit	3637.50	3637.50	-
2.	General Corporate Purposes [#]	1208.50	606.25	602.25
	Total Net Proceeds*	4846.00	4243.75	602.25

#The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds;

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

The above fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. Our Company's funding requirements and deployment schedule are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements, and deployment from time to time on account of various factors such as economic and business conditions, increased competition and other external factors which may not be within our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Further, in case the Net Proceeds are not completely utilized in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. For further details, please see the section titled "Risk Factors" beginning on page 20 of this Letter of Offer.

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met through means available to us, including by way of incremental debt and/or internal accruals. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including funding other existing Objects, if required and will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purpose will not exceed 25% of the Gross Proceeds from the Issue in accordance with applicable law.

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75.00% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue. Further, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management and may also be subject to timing of making subsequent calls (one or more) in the future, as determined by our Board at its sole discretion, with respect to the Rights Equity Shares for the balance ₹ 61.5 per Rights Equity Share which constitutes 50% of the Issue Price. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them.

DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to objects of the Issue are set forth herein below:

1. To augment the existing and incremental working capital requirement of our company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change. However, given that our Company is raising only 50% of the Gross Proceeds on Application, with the balance being raised in subsequent Calls (the timing of which shall be determined by our Board at its sole discretion).

The details of Working Capital for the F.Y 2022-23 is as under:

(₹ in Lakhs)

Particulars	March 31, 2023 (Audited)
Current Assets	
Inventories	NIL
Trade Receivables	12864.17
Cash and Cash Equivalents	9.09
Short-term loans and advances	223.91
Other Current Assets	23.96
Total Current Assets (1)	13121.13
Current Liabilities	
Short Term Borrowings	NIL
Trade Payables	93.66
Other Current Liabilities	530.39
Short Term Provision	3585.52
Total Current Liabilities (2)	4209.57
Particulars	March 31, 2023 (Audited)
Working Capital (1-2)	8911.56
Source of Working Capital	
Internal Accruals	8911.56

ESTIMATION OF WORKING CAPITAL REQUIREMENT FOR THE HYDRA BPO UNIT IN THE F.Y 2023-24 AND 2024-25:

FOR THE F.Y 2023-24

Particulars	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	March-24	F.Y2023-24
Number of staff in Hydra BPO unit	200	400	800	1000	2000	3000	-
Average salary per month in Rs.	12000	12000	12000	12000	12000	12000	-
Total salary cost per month (A)	24,00,000	48,00,000	96,00,000	120,00,000	240,00,000	360,00,000	888,00,000
Opex per seat							
Rent per seat in RS.	1000	1000	1000	1000	1000	1000	
Total rent cost per month (B)	2,00,000	4,00,000	8,00,000	10,00,000	20,00,000	30,00,000	74,00,000
Setup Opex							
Per Seat	3000	3000	3000	3000	3000	3000	
Total opex spend on setup (C)		6,00,000	12,00,000	6,00,000	30,00,000	30,00,000	84,00,000
Total Cash Outflow Per Month On Hydra BPO Unit (E = A+B+C)	26,00,000	58,00,000	1,16,00,000	1,36,00,000	2,90,00,000	4,20,00,000	10,46,00,000
Hydra BPO Unit Revenue per seat	15000	15000	15000	15000	15000	15000	15000
Credit Period	180 Days						
Cash Inflow From Hydra BPO Unit (D)	-	-	-	-	-	-	-
Net Cash Inflow/(Outflow) From Hydra BPO Unit (F = D-E)	(26,00,000)	(58,00,000)	(1,16,00,000)	(1,36,00,000)	(2,90,00,000)	(4,20,00,000)	(10,46,00,000)

FOR THE F.Y 2023-24

Particulars	Apr-24	May-24	Jun-24	July-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	March-25	FY 2024-25
Number of staff in Hydra BPO unit	3500	3750	4000	4250	4500	4750	5000	5250	5500	5750	6000	6250	-
Average salary per month in Rs.	Rs. 12000 Per Month/-												
Total salary cost per month (A)	4,20,00,000	4,50,00,000	4,80,00,000	5,10,00,000	5,40,00,000	5,70,00,000	6,00,00,000	6,30,00,000	6,60,00,000	6,90,00,000	7,20,00,000	7,50,00,000	70,20,00,000
OPEX PER SEAT													
Rent per seat in RS.	Rs 1000 Per Seat/-												
Total rent cost per month (B)	35,00,000	37,50,000	40,00,000	42,50,000	45,00,000	47,50,000	50,00,000	52,50,000	55,00,000	57,50,000	60,00,000	62,50,000	5,85,00,000
SETUP OPEX													
Per Seat	Rs. 3000 Per Seat/-												
Total opex spend on setup (C)	15,00,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	97,50,000
Total Cash Outflow Per Month On Hydra BPO Unit (E = A+B+C)	4,70,00,000	4,95,00,000	5,27,50,000	5,60,00,000	5,92,50,000	6,25,00,000	6,57,50,000	6,90,00,000	7,22,50,000	7,55,00,000	7,87,50,000	8,20,00,000	77,02,50,000
Hydra BPO Unit Revenue per seat	Rs. 15000 per Seat/-												
Credit Period	180 Days												
Cash Inflow From Hydra BPO Unit (D)	30,00,000	60,00,000	1,20,00,000	1,50,00,000	3,00,00,000	4,50,00,000	5,25,00,000	5,62,50,000	6,00,00,000	6,37,50,000	6,75,00,000	7,12,50,000	48,22,50,000
Net Cash Inflow/(Outflow) From Hydra BPO Unit (F = D-E)	(4,40,00,000)	(4,35,00,000)	(4,07,50,000)	(4,10,00,000)	(2,92,50,000)	(1,75,00,000)	(1,32,50,000)	(1,27,50,000)	(1,22,50,000)	(1,17,50,000)	(1,12,50,000)	(1,07,50,000)	(28,80,00,000)

ASSUMPTIONS FOR WORKING CAPITAL REQUIREMENTS

The assumptions of the working capital requirement as tabled above are based on the workings of the data of the current projects which are in place managed by the company for its existing clients for its Hydra BPO unit comprising 75 seater Hydra BPO unit for its clients SecUR Credentials Limited and Arise IT BPO.

The company is targeting to enhance its seats for Hydra BPO unit as the working capital requirement are in alignment with respect to same keeping in line the assumptions of working capital required in current projects. The company has maintained credit period of 180 days and it is expected the same to be followed for new projects of the Hydra BPO unit.

2. General Corporate Purpose

The remaining Net Proceeds, if any, shall be utilized towards general corporate purposes and the amount to be utilized for general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to the compliance with necessary provisions of the Companies Act, 2013 and other applicable laws. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any in accordance with applicable laws.

EXPENSES FOR THE ISSUE

The Issue related expenses consist of fees payable to the Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ 100 lakhs/- towards these expenses, a break-up of the same is as follows:

(₹ in Lakhs)

Activity	Estimated Expense (₹ in lakhs)	% of Estimate Issue Expenses	% of Estimated Issue Size
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	53.00	53%	1.07%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	07.00	07%	0.14%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	40.00	40%	0.81%
Total estimated Issue expenses*	100.00	100%	2.02%

* Subject to finalization of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount

allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

APPRAISAL OF THE OBJECTS

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

STRATEGIC AND/ OR FINANCIAL PARTNERS

There are no strategic and financial partners to the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

MONITORING OF UTILIZATION OF FUNDS

Since the proceeds from this Issue are less than ₹10,000 Lakhs, in terms of Regulation 82 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Board of Directors of the Company would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. Pursuant to Regulation 32 of the SEBI (LODR) Regulations, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulations, the Company shall furnish to the Stock Exchange, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the '**Postal Ballot Notice**') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE

The Promoters and Promoter Group of our Company vide letters dated 29th July 2023, has confirmed that they may: (a) subscribe in part or to full extent of their Rights Entitlement in this Issue or may renounce all or a portion of their Rights Entitlements, subject to compliance with the provisions Companies Act, the SEBI ICDR Regulations, the Takeover Regulations and other applicable laws/ regulations. The Promoter and Promoter Group has acknowledged and undertaken that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations. None of our Promoter, members of the Promoter Group and the Directors do not have any interest in the Objects of the Issue.

OTHER CONFIRMATIONS

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our Group Companies, our directors, or Key Managerial Personnel.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

S. No.	Details	Page Number
1.	Statement of Tax Benefits	S-1 to S-3

ARUN KOCCHAR
B.Com. F.C.A.
HITESH KUMAR S.
B.C.S. F.C.A.
ABHILASH DARDA
M.Com. F.C.A. C.S. C.M.A. LLB



A K KOCCHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO VARANIUM CLOUD LIMITED
AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

To,
The Board of Directors
Varanium Cloud Limited
Third Floor, Plot No. 244-A RDP 2,
CTS 1374/B Vill. Versova SVP Nagar,
Four Bungalows Mumbai- 400053,
Maharashtra, India.

Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to Varanium Cloud Limited ("the Company") and its shareholders prepared in accordance with the requirements of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018, as amended ("the Regulations")

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – Tax Act, 1961 ('Act') as amended by the Finance Act, 2022 (i.e. applicable to Financial Year 2023-24 relevant to Assessment Year 2024-25), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.



601, Vakratunda Corporate Park, Behind Hotel Udipi Vihar, Vishweshwar Road, Off Aarey Road, Goregaon (E),
Mumbai - 400 063. Tel. : 2088 1017 / 2088 1018 • E-mail : admin@akkocchar.com

The enclosed annexure is intended for your information and for inclusion in this Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For M/s. A K Kocchar & Associates,
Chartered Accountants
Firm Registration Number – 120410W



CA Hitesh Kumar S
Partner
Membership Number – 134763
Date: August 18, 2023
Place: Mumbai



Annexure

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Shareholders of the Company are not entitled to any special tax benefits under the Act.



SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from reports publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.

We provide services to stream high quality content and other digital services over low bandwidth to our clients. Our services broadly fall under the Telecommunications Industry. Further, the extent to which the industry and market data presented in this Offer Letter is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor the Lead Manager or any of its respective advisors, and should not be relied on as if it had been so verified.

INDIAN ECONOMY

(Source: <https://www.ibef.org/economy/indian-economy-overview>, updated December 2022)

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of September 21, 2022, India's foreign exchange reserves stood at US\$ 524, 520 billion. January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark

RECENT DEVELOPMENTS

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments stood at US\$ 2 billion in September 2022.
- India's merchandise exports were at a high of US\$ 32.62 billion in September 2022. From April 2022 - September 2022 the Manufacturing Purchasing Managers' Index (PMI) in India stood in an expansionary zone of 56.7.

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 604, 996 billion between April 2000-June 2022.
- India's Index of Industrial Production (IIP) for August 2022 stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- The data released by the Ministry of Statistics & Programme Implementation (MoSPI) stated that the Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- Foreign portfolio investors (FPIs) invested Rs.58,762 crore (US\$ 7.13 billion) in FY 2022 - 2023 (until October 28, 2022).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

ROAD AHEAD

In July 2022, under the leadership of Prime Minister Mr. Narendra Modi, the Union Cabinet granted approval for the formalization of a Memorandum of Understanding (MoU) between India and Maldives. This MoU serves as a strategic foundation for leveraging information technology to digitize the court system, presenting an opportunity for IT companies and startups in both nations to explore a promising avenue for growth.

During the inaugural 'AI in Defence' (AIDef) symposium and exhibition held in New Delhi on July 11, 2022, Mr. Rajnath Singh, the Minister of Defence, introduced a collection of 75 newly created Artificial Intelligence (AI) products and technologies. The event was organized by the Ministry of Defence.

In the 2022-23 Union Budget, a sum of Rs. 44,720 crore (equivalent to US\$ 5.98 billion) has been earmarked by the government to Bharat Sanchar Nigam Limited (BSNL) for capital investments specifically aimed at acquiring the 4G spectrum.

As part of the 2022 Union Budget, Ms. Nirmala Sitharaman, the Minister for Finance & Corporate Affairs, revealed the introduction of a program within the PLI scheme focused on design-led manufacturing in the realm of 5G technology.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-2 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040.

GLOBAL ECONOMIC OUTLOOK

(Source: World Economic Outlook –July 2023)

The global economic growth rate is anticipated to decrease from 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024 on an average annual basis (as shown in Table 1). This represents an improvement of 0.2 percentage points for 2023 compared to the projections made in the April 2023 WEO, while 2024 remains unchanged. Nevertheless, the projected growth for 2023-24 remains below the historical average of 3.8 percent observed from 2000 to 2019. This holds true for various income groups and measures, encompassing overall GDP as well as per capita GDP.

The decrease in growth is primarily driven by advanced economies, as manufacturing weakness and specific factors counterbalance stronger service sector activity. Meanwhile, in emerging markets and developing economies, the growth forecast for 2023 and 2024 remains relatively stable, although noteworthy shifts are evident across different regions. The global growth trajectory hit its lowest point in the fourth quarter of 2022 on a year-over-year basis, but in some major economies, this decline is expected to continue until the latter half of 2023.

World trade growth is projected to dwindle from 5.2 percent in 2022 to 2.0 percent in 2023, before rebounding to 3.7 percent in 2024. These figures fall well below the average of 4.9 percent observed from 2000 to 2019. The decline in 2023 is attributed not only to changes in global demand but also to shifts in its composition, including an increased focus on domestic services. Additionally, the lagged effects of US dollar appreciation and the rise of trade barriers contribute to the decline.

These forecasts are grounded in a range of assumptions, encompassing factors like fuel and nonfuel commodity prices and interest rates. Notably, oil prices experienced a 39 percent increase in 2022 and are projected to decline by approximately 21 percent in 2023, reflecting the broader slowdown in global economic activity. Expectations regarding global interest rates have been revised upwards due to actual and indicated policy tightening by major central banks since April. The Federal Reserve and Bank of England are now anticipated to implement larger rate hikes compared to the previous April 2023 WEO, with the Federal Reserve reaching a peak of around 5.6 percent before reducing rates in 2024. Similarly, the European Central Bank is predicted to raise its policy rate to a peak of 3¾ percent in 2023 and gradually ease it in 2024. Furthermore, despite nominal rate reductions, real interest rates are expected to remain elevated due to falling near-term inflation expectations.

WORLD ECONOMIC OUTLOOK UPDATE, JULY 2023

Table 1. Overview of the World Economic Outlook Projections
(Percent change, unless noted otherwise)

	Year over Year						Q4 over Q4 2/		
	Estimate		Projections		Difference from April 2023 WEO		Estimate	Projections	
	2021	2022	2023	2024	2023	2024	2022	2023	2024
World Output	6.3	3.5	3.0	3.0	0.2	0.0	2.2	2.9	2.9
Advanced Economies	5.4	2.7	1.5	1.4	0.2	0.0	1.2	1.4	1.4
United States	5.9	2.1	1.8	1.0	0.2	-0.1	0.9	1.4	1.1
Euro Area	5.3	3.5	0.9	1.5	0.1	0.1	1.8	1.2	1.5
Germany	2.6	1.8	-0.3	1.3	-0.2	0.2	0.8	0.5	1.5
France	6.4	2.5	0.8	1.3	0.1	0.0	0.6	0.9	1.6
Italy	7.0	3.7	1.1	0.9	0.4	0.1	1.5	0.9	1.1
Spain	5.5	5.5	2.5	2.0	1.0	0.0	3.0	1.8	2.2
Japan	2.2	1.0	1.4	1.0	0.1	0.0	0.4	1.5	1.0
United Kingdom	7.5	4.1	0.4	1.0	0.7	0.0	0.6	0.5	1.3
Canada	5.0	3.4	1.7	1.4	0.2	-0.1	2.1	1.6	1.8
Other Advanced Economies 3/	5.5	2.7	2.0	2.3	0.2	0.1	1.0	1.8	2.1
Emerging Market and Developing Economies	6.8	4.0	4.0	4.1	0.1	-0.1	3.1	4.1	4.1
Emerging and Developing Asia	7.5	4.5	5.3	5.0	0.0	-0.1	4.2	5.3	4.9
China	8.4	3.0	5.2	4.5	0.0	0.0	3.1	5.8	4.1
India 4/	9.1	7.2	6.1	6.3	0.2	0.0	6.1	4.3	6.4
Emerging and Developing Europe	7.3	0.8	1.8	2.2	0.6	-0.3	-1.3	2.7	2.0
Russia	5.6	-2.1	1.5	1.3	0.8	0.0	-3.1	1.9	0.8
Latin America and the Caribbean	7.0	3.9	1.9	2.2	0.3	0.0	2.6	0.8	2.9
Brazil	5.0	2.9	2.1	1.2	1.2	-0.3	2.5	1.3	2.2
Mexico	4.7	3.0	2.6	1.5	0.8	-0.1	3.7	1.9	1.7
Middle East and Central Asia	4.4	5.4	2.5	3.2	-0.4	-0.3	...	...	...
Saudi Arabia	3.9	8.7	1.9	2.8	-1.2	-0.3	5.5	2.0	2.9
Sub-Saharan Africa	4.7	3.9	3.5	4.1	-0.1	-0.1	...	...	...
Nigeria	3.6	3.3	3.2	3.0	0.0	0.0	3.2	2.6	3.6
South Africa	4.7	1.9	0.3	1.7	0.2	-0.1	1.3	0.9	2.0
Memorandum									
World Growth Based on Market Exchange Rates	6.0	3.0	2.5	2.4	0.1	0.0	1.8	2.5	2.4
European Union	5.5	3.7	1.0	1.7	0.3	0.1	1.8	1.5	1.7
ASEAN-5 5/	4.0	5.5	4.6	4.5	0.1	-0.1	4.7	4.6	4.8
Middle East and North Africa	4.0	5.4	2.6	3.1	-0.5	-0.3	...	...	...
Emerging Market and Middle-income Economies	7.1	3.9	3.9	3.9	0.0	-0.1	3.1	4.1	4.1
Low-income Developing Countries	4.1	5.0	4.5	5.2	-0.2	-0.2	...	...	...
World Trade Volume (goods and services) 6/	10.7	5.2	2.0	3.7	-0.4	0.2	...	...	...
Advanced Economies	9.9	6.1	2.3	3.2	-0.1	0.3	...	...	...
Emerging Market and Developing Economies	12.2	3.7	1.5	4.5	-0.9	-0.2	...	...	...
Commodity Prices									
Oil 7/	65.8	39.2	-20.7	-6.2	3.4	-0.4	8.8	-13.0	-4.9
Nonfuel (average based on world commodity import weights)	26.7	7.9	-4.8	-1.4	-2.0	-0.4	-0.4	-0.0	0.8
World Consumer Prices 8/	4.7	8.7	6.8	5.2	-0.2	0.3	9.2	5.5	3.9
Advanced Economies 9/	3.1	7.3	4.7	2.8	0.0	0.2	7.7	3.3	2.5
Emerging Market and Developing Economies 8/	5.9	9.8	8.3	6.8	-0.3	0.3	10.5	7.4	5.1

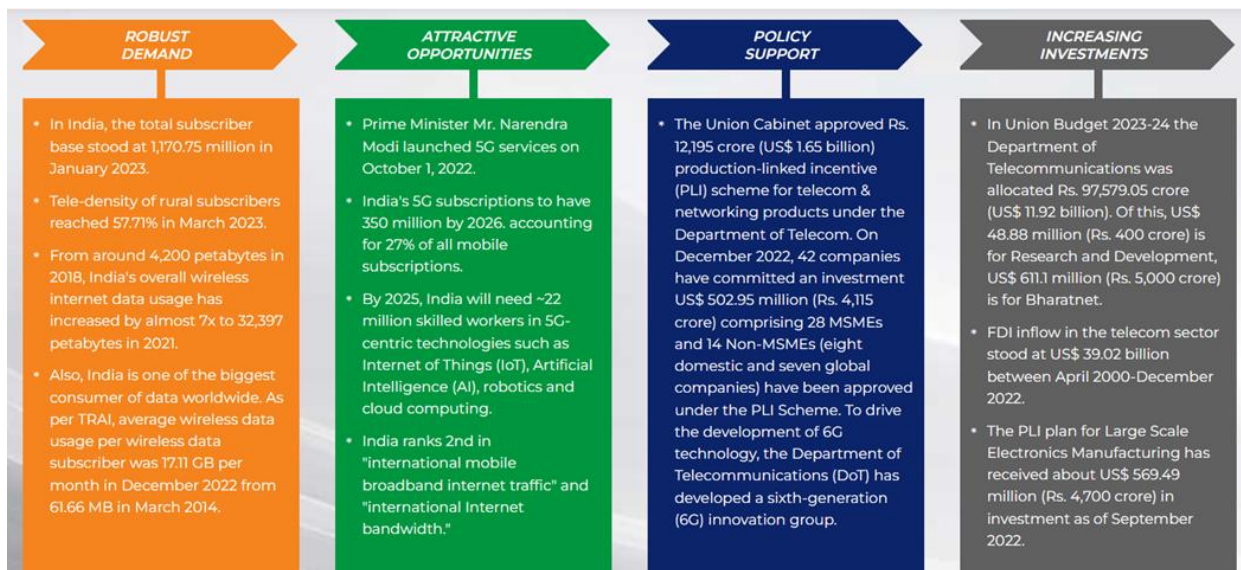
The anticipated deceleration of growth for advanced economies in 2023 continues to be noteworthy, transitioning from 2.7 percent in 2022 to 1.5 percent in 2023, representing an upward adjustment of 0.2 percentage points from the April 2023 WEO. Roughly 93 percent of advanced economies are expected to experience reduced growth in 2023, and the projection for 2024 suggests that growth within this group of economies will persist at 1.4 percent.

For emerging market and developing economies, the outlook foresees a generally steady growth rate of 4.0 percent in 2023 and a slight increase to 4.1 percent in 2024. These figures have undergone modest adjustments of 0.1 percentage points for 2023 and a decrease of -0.1 percentage points for 2024. However, beneath this overall stability, there exist disparities. Approximately 61 percent of economies within this category are anticipated to experience accelerated growth in 2023, while the remaining portion, including low-income countries and three out of the five geographical regions described below, are projected to undergo a slower growth trajectory.

Growth in the emerging and developing Asian region is set to ascend to 5.3 percent in 2023 before easing to 5.0 percent in 2024. This downward adjustment of 0.1 percentage points is evident for 2024. The projection for China remains unchanged at 5.2 percent for 2023 and 4.5 percent for 2024, with a notable shift in composition. Consumption growth has closely aligned with the April 2023 WEO forecasts, while investment has fallen short due to the ongoing decline in the real estate sector. Despite the investment weakness, stronger-than-expected net exports have partly offset this decline, though their contribution is diminishing as the global economy slows. Meanwhile, growth in India is predicted to reach 6.1 percent in 2023, reflecting a positive revision of 0.2 percentage points compared to the April estimate. This upward adjustment is attributed to the momentum generated by robust domestic investment, resulting in stronger-than-anticipated growth in the final quarter of 2022.

TELECOM INDUSTRY IN INDIA

(Source: <https://www.ibef.org/industry/telecommunications> and IBEF Infographic updated till August 2023)

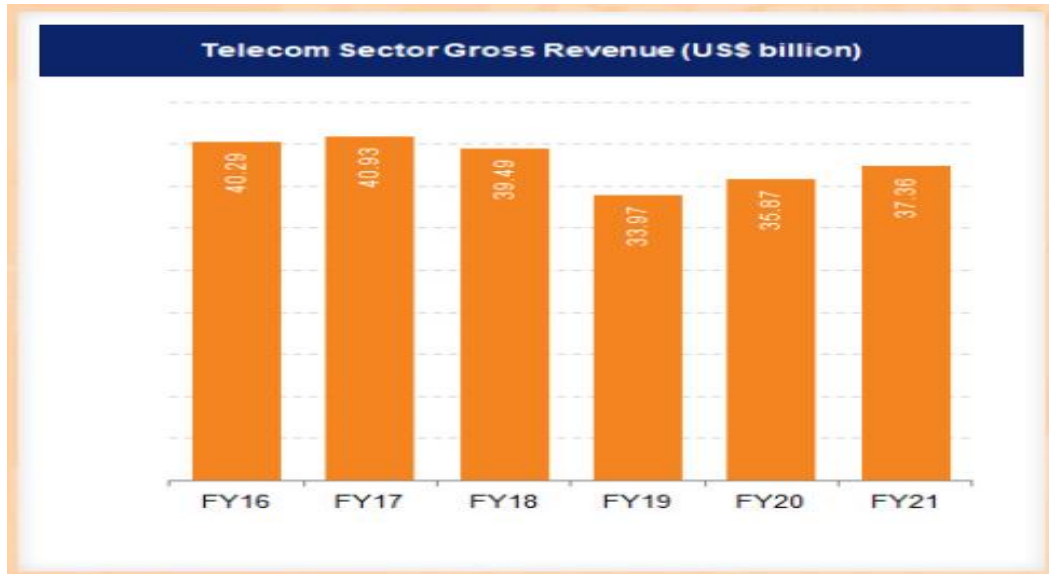


Currently, India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP) according to a report prepared by GSM Association (GSMA) in collaboration with Boston Consulting Group (BCG). In 2019, India surpassed the US to become the second largest market in terms of number of app downloads.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The Government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to consumers at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms have made the sector one of the fastest growing and the top five employment opportunity generators in the country.

Market Size





India stands as the globe's second-largest telecommunications market, having witnessed consistent growth across its total subscriber base, encompassing both wireless and wired broadband subscriptions. As of December 2022, the tele-density reached 84.56%, while the tally of broadband subscriptions surged to 832.2 million. Furthermore, the overall subscriber base reached a significant milestone of 1,170.38 million by December 2022.

During the initial quarter of FY23, the telecom sector's gross revenue amounted to Rs. 76,408 crore (equivalent to US\$ 9.3 billion).

The realm of wireless data usage in India exhibited a growth rate of 6.65%, progressing from 37,626 PB in September 2021 to 40,126 PB in September 2022. The distribution of data usage among 2G, 3G, and 4G technologies accounted for 0.16%, 1.02%, and 98.81%, respectively, of the total volume of wireless data usage.

Within the span of June to September 2022, the cumulative count of internet subscribers soared to 850.95 million. Notably, the wireless segment constituted a substantial 95.4% share of the entire telephone subscriptions during June 2022.

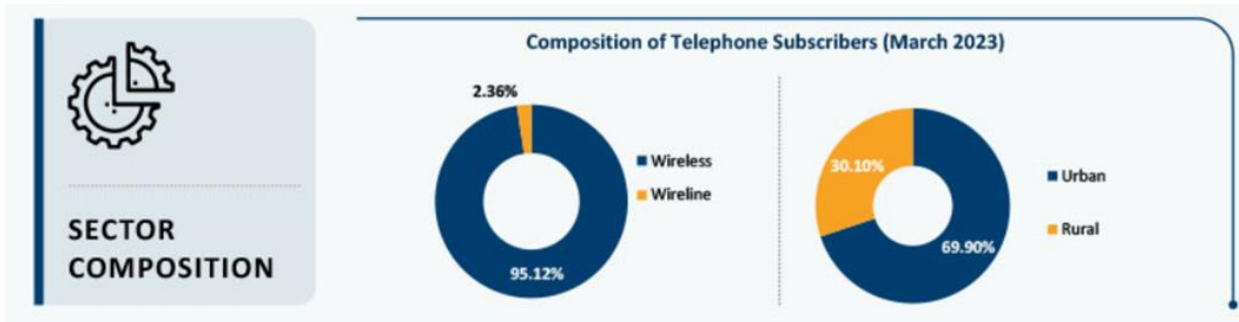
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Over the forthcoming five years, the surge in mobile-phone penetration coupled with decreasing data costs is anticipated to introduce 500 million new internet users to India, thereby opening avenues for fresh business ventures.

Projected into 2025, India is projected to require around 22 million adept professionals skilled in 5G-centric domains like Internet of Things (IoT), Artificial Intelligence (AI), robotics, and cloud computing.



INVESTMENT/MAJOR DEVELOPMENT

As the subscriber base continues to grow daily, substantial investments and advancements have been witnessed within the sector. Foreign Direct Investment (FDI) inflow into the telecom industry amounted to a significant US\$ 39.02 billion during the period spanning April 2000 to September 2022.

Some of the developments in the recent past are:

- In September 2022, Vodafone Idea has partnered with Indian Council for Research on International Economic Relations (ICRIER) called InViCT to set up a telecom Centre of Excellence.
- In Q1 FY22, Indian technology, media and telecom (TMT) sector lead the M&A market in India bagging deals worth US\$ 11.5 billion.
- In February 2022, Bharti Airtel acquired 10% strategic stake in a Singapore-based start-up, Aqilliz.
- In January 2022, Google made a US\$ 1 billion investment in Airtel through the India Digitization Fund.
- In October 2021, Vodafone Idea stated that it is in advanced talks to sell a minority stake to global private equity investors including Apollo Global Management and Carlyle to raise up to Rs. 7,540 crore (US\$ 1 billion) over the next 2-3 months.
- In October 2021, British satellite operator Inmarsat Holdings Ltd. announced that it is the first foreign operator to get India's approval to sell high-speed broadband to planes and shipping vessels. Inmarsat will access the market via Bharat Sanchar Nigam Ltd. (BSNL) after BSNL received a license from the Department of Telecommunications.
- In October 2021, Dixon Technologies announced plans to invest Rs. 200 crore (US\$ 26.69 million) under the telecom PLI scheme; this investment will include the acquisition cost of Bharti Group's manufacturing unit.
- In September 2021, Bharti Airtel announced an investment of Rs. 50 billion (US\$ 673 million) in expanding its data centre business to meet the customer demand in and around India.

- In August 2021, Tata Group company Nelco announced that the company is in talks with Canadian firm Telesat to sign a commercial pact for launching fast satellite broadband services in India under the latter's Lightspeed brand, a move which will pit the combined entity against Bharti Enterprises-backed OneWeb, Elon Musk's SpaceX and Amazon.
- In March 2021, Vodafone Idea Ltd. (VIL) announced that the acquired spectrum in five circles would help improve 4G coverage and bandwidth, allowing it to offer 'superior digital experience' to customers.
- In March 2021, Advanced Television Systems Committee (ATSC) and Telecommunications Standards Development Society, India (TSDSI) signed a deal to boost adoption of ATSC standards in India in order to make broadcast services available on mobile devices. This allows the TSDSI to follow ATSC standards, fostering global digital broadcasting standard harmonisation.
- In the first quarter of FY21, customer spending on telecom services increased 16.6% y-o-y, with over three-fourths spent on data services. This spike in consumer spending came despite of the COVID-19 disruption and lack of access of offline recharges for a few weeks
- India had over 500 million active internet users (accessed Internet in the last one month) as of May 2020.

Road Ahead

Projected growth indicates that revenue from the telecom equipment sector is set to reach a substantial US\$ 26.38 billion by 2020. The country's internet subscriber count is expected to double by 2021, reaching a total of 829 million, while the overall IP traffic is anticipated to undergo a four-fold expansion at a Compound Annual Growth Rate (CAGR) of 30% by the same year.

According to findings from a Zenith Media survey, India is poised to emerge as the swiftest-growing telecom advertising market, displaying an annual growth rate of 11% spanning from 2020 to 2023.

The Indian Government has outlined plans to initiate the development of 100 smart city projects, and the Internet of Things (IoT) is primed to play a pivotal role in shaping these urban centers. The National Digital Communications Policy of 2018 has envisioned the attraction of investments amounting to US\$ 100 billion within the telecommunications sector by the year 2022. Anticipated figures point to an increase in app downloads in India, reaching 18.11 billion in 2018F and a further surge to 37.21 billion in 2022F. A significant driving force behind the fulfillment of both present and future technological requisites within the telecom industry is the Atmanirbhar Bharat program. There exists a notable impetus towards the creation of indigenous 5G technology to expedite India's transition towards 5G connectivity. Furthermore, the country is already taking steps towards planning for 6G technology, investing in its development in advance.

Edge Data Center and the Future

(Source : Beyond the Data Center : Edge Data Center and the Future paper was prepared inhouse using various references and citations listed at the end. Also for the figures have used references from Manget 2019, CB Insights2019, Siemon Interconnect Solutions 2019 and ericsson.com 2019 as references.)

Introduction

As digital transformation sweeps across our society and economy, expansion of internet infrastructure must follow the data and with the anticipation of 5G mobile networking connectivity means networks want to get closer to the edge where edge computing will capture, process, analyse data at the edges (Fulton III, 2020). This decentralised approach, brings the data closest to the point of interaction, and takes place in what we now call edge data center. In

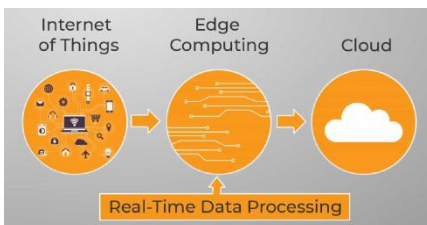
understanding the ecosystem of edge computing and edge data center, one has to grasp the basic knowledge from the beginning.

What is edge computing?

Edge computing, one of the most recent buzzword in tech, can be challenging to understand as data processing can happen in many ways and in different settings. It is the science of capturing, processing, and analysing data near to its creation point. This is done without having the need for the data to be transported to another server environment in a centralized data center but instead processed locally and possibly real time in the edge data center (Overby, 2019), highlighting its main difference between cloud computing architecture. The main concept is to bring computing services closer to data sources or local end users. Another definition worth mentioning as suggested by a Forrester report (Staten et al., 2018), “Edge computing is a family of technologies that distributes application data and services where they can best optimize outcomes in a growing set of connected assets. It includes edge infrastructure and edge analytics software.”

When talking about reaping the benefits of digital transformation, the full potential cannot be appreciated if it only depends on cloud computing due to its latency as it is no longer cutting edge when it comes to deploying artificial intelligence machines and getting real-time results. In short, it solves the key challenges of bandwidth, latency, resiliency, and data sovereignty (Overby, 2020).

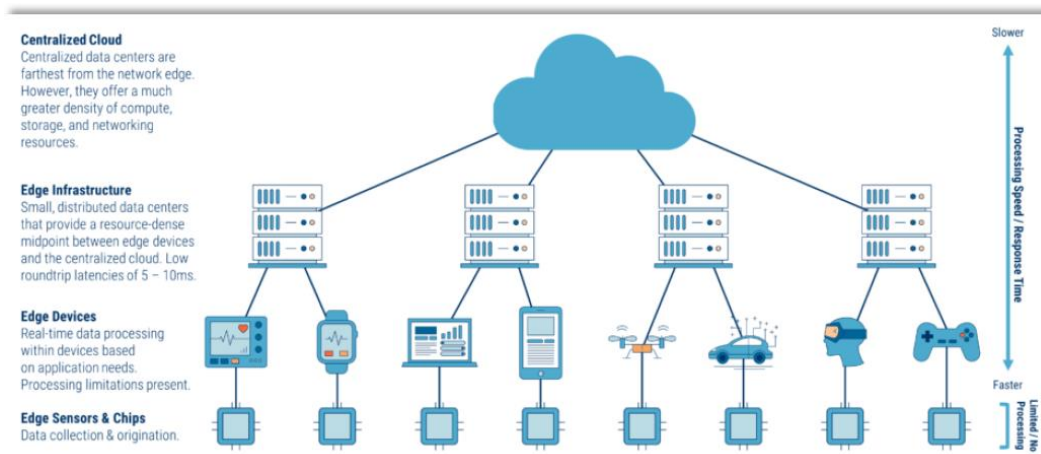
The relationship between Edge Computing and Cloud Computing shown in this figure.



The ecosystem and what goes on in an edge data center?

In understanding what goes on in an edge center, we will look at the bigger picture of the ecosystem of a network architecture, which is broken down to 4 primary tiers and explained as below (CBInsights, 2019) with a simple visual graphic in Figure :

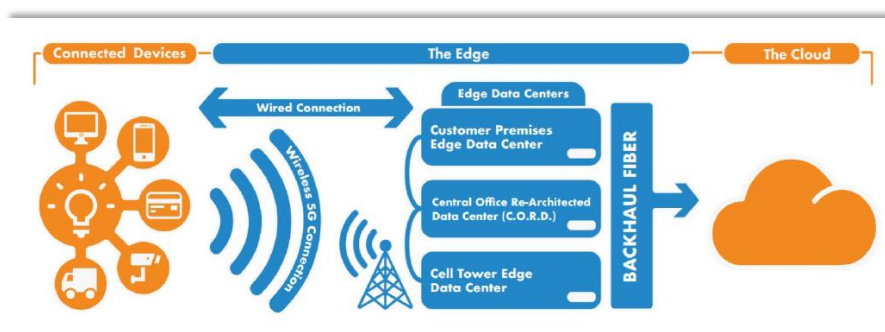
The ecosystem of network architecture from bottom up



1. **Edge Sensors and Chips:** The first point of data collection. Different technologies are developed and manufactured for a wide range of use cases complementing Application-Specific Integrated Circuits (ASICs) and Application-Specific Standard Products (ASSPs).
2. **Edge Devices:** Devices can range from smart watches to autonomous vehicles and it provides the first line of offense in processing and storing data. It analyses to an extent.
3. **Edge Infrastructure:** Data center comes in all shapes and sizes. The latest trend is deploying edge data center to offer a point between the edge devices and centralized data center. It has more data processing and storage capacity than edge devices and its advantage over centralized data center would be the low latency.
4. **Centralized Cloud Data Center:** This is the main location to store, analyse, and process large scale datasets. It is not a place to analyse and deliver insights needed in real time. This is the final destination for edge data and be added to historic data.

One of the key characteristics of an edge center is the locality of its location and closeness to the population. It resides on the outer edges of an IP network, connects to a centralized cloud core in a data center, and can be managed remotely. An edge cloud/aggregate is often formed by a group of edge data centers to share network resources.

The edge data center is a hub hosting the edge server and works as a connection between two separated networks where devices can request data from one network to another. The concept is to move data such as JavaScript files, images, or HTML closest to the requesting machine in order to reduce the time taken for the resources to load (Siemon Interconnect Solutions, 2019). This allows quick and smooth traffic between the networks due to its close proximity to the requesting machine and its location inside an internet exchange point. Following Figure highlights the function of the Edge Data center as a hub connecting between networks.



The future trends of Edge Data Center

The changing economy and our way of life drives the growth for edge computing as we live in a data-driven world. The wave of technologies, from Artificial Intelligence & Machine Learning (AI/ML) to Internet of Things (IoT), to 5G and much more, means that data will need to be closest to the point of use, hence the requirement for many more edge data centers. These applications are projected to expand and at the current market, less than 10% of enterprise-generated datasets are processed at the edge, a small number compared to 2025's 75%, projected exponential growth by van der Meulen, 2018 of Gartner Research.

Emerging needs for Edge Data Center and the developing countries

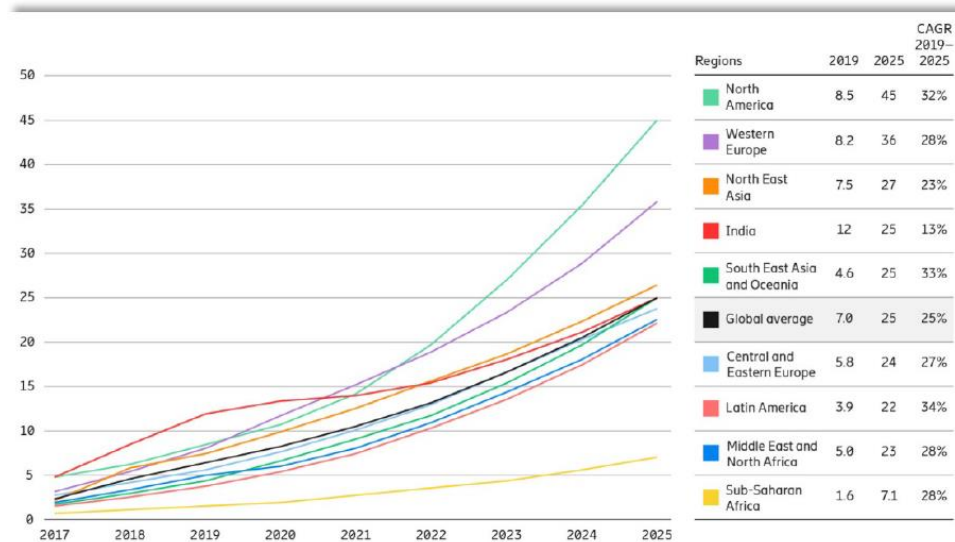
Factors driving need for Edge Data Center:

1. Arrival of 5G
2. Internet of Things (IoT) is growing
3. Widening data gap
4. Adoption of Software-defined Networking (SDN) and Network-function virtualisation (NFV) tech
5. Video streaming and AR/VR

While expanding rapidly, edge computing is still in its infancy and it will take time but the surge in demand for Edge Data Center will be real. It is projected to accelerate its growth from 2022 onwards where by then, 5G will be fully deployed globally, a key underlying catalyst. Now is the time to get ready for the edge and it is clear at this point, those that invest in edge data centers today will achieve a competitive edge for the future. A new game is developing, and we will have to adapt to the new reality.

The number of Internet users and subscribers are rising globally and this indicates a positivity towards the growth of Edge Computing and Edge Data Center. The main factors contributing to the growth are: improved device capabilities, increased data-intensive content, and more affordable data plans. This, coupled with Edge Computing will project a surge globally from 2022 onwards in parallel with the stability of 5G networks.

Global mobile data traffic per smartphone (GB per month) (ericsson.com, 2019)



Conclusion

In the context of developing countries, the understanding and adoption of edge computing is still fairly low. This is reflected in business strategies, deploying Edge Data Centers mainly as a backup infrastructure or part of recovery initiatives. However, Edge has a potential to become more than just a digital trend across the developing nation due to the positive outlook many businesses have in regards to this technology.

The sizeable and growing population of developing countries and steadily expanding economy as well as increasing technological adoption present many unique growth opportunities. The trade tension between the US and China propels global companies to look elsewhere as they want to reduce their dependence on China and move their operations to other countries. The Edge Data Center market is fairly clear for developing countries – edge technology is the platform of choice and the future is all about adoption, penetration, and applications. The opportunities on the other end are promising and lucrative, just a matter of aligning in the right direction.

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Making India A Global Hub For Data Centre And Cloud Solutions

(Source: <https://www.ibef.org/blogs/making-india-a-global-hub-for-data-centre-and-cloud-solutions> - June 29, 2023)

In India, digital commerce, digital entertainment, and social media usage have experienced a rapid and exponential surge. The country currently boasts the highest mobile data consumption globally, and this consumption trend is steadily on the rise. In response to India's burgeoning requirements, the expansion of data centers must occur swiftly, propelled by the sheer magnitude of its digital populace and the swiftly ascending trajectory of its digital economy. The recent deluge of data stemming from smartphones, e-commerce, social networking platforms, digital education, online payments, and various other digital business services has significantly contributed to the remarkable growth of the Indian data center market.

Presently, there are over 80 third-party data centers in India, constituting a total count of approximately 130 data centers, a number projected to further escalate in the upcoming years as India endeavors to establish itself as a truly digital economy. The rapid proliferation of internet users, the remarkable emergence of startups, the swift adoption of cloud computing, and the government's substantial investments in the IT sector all play crucial roles in driving digital and economic advancement within India. The Indian market benefits from favorable factors such as affordable internet and data plans, strong demand coupled with limited supply, and an evolving market landscape, all of which highlight substantial potential for growth.

As of 2020, India's data center industry held a valuation of US\$ 4.4 billion. Moreover, by the year 2026, projections indicate a substantial increase to US\$ 8.0 billion within the Indian data center industry. The Indian Public Cloud Services (PCS) market is poised to reach a valuation of US\$ 13.5 billion, achieving a Compound Annual Growth Rate (CAGR) of 24% between 2021 and 2026. The exponential surge in data-intensive technologies such as Big Data and the Internet of Things (IoT) is driving an escalating demand for data collection and storage, consequently fueling the expansion of the Indian data center market, which is currently estimated at US\$ 1.5 billion and is projected to experience an 11.4% CAGR. The digital economy within India is anticipated to soar from its 2017-18 valuation of US\$ 200 billion to an impressive US\$ 1 trillion by the year 2025.

Data Centre and Cloud Solutions Industry in India

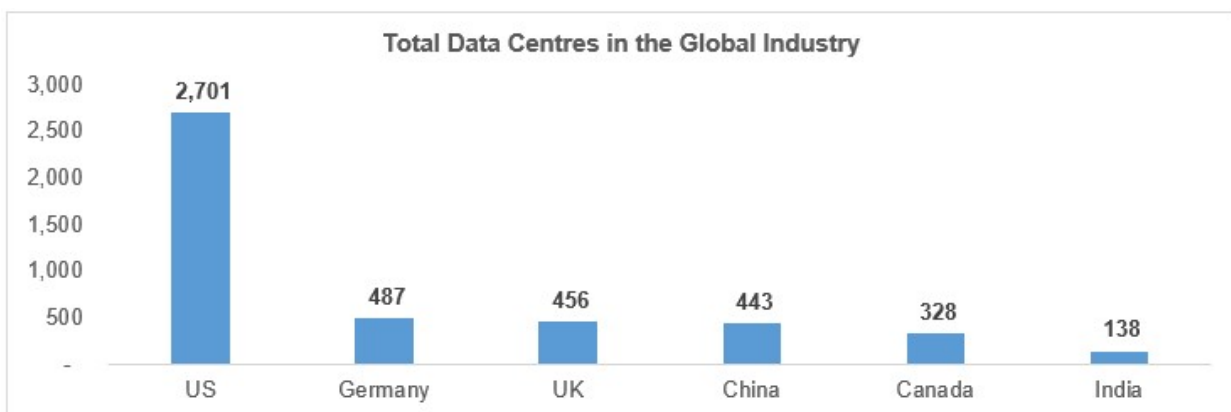
(Source : <https://www.ibef.org/blogs/making-india-a-global-hub-for-data-centre-and-cloud-solutions> - June 29, 2023)

A Data Centre is a specialised secure room within a centralised location where computing and networking equipment is concentrated for the purpose of gathering, storing, processing, distributing, or enabling access to massive volumes of data. Cloud service providers store their IT infrastructure in Data Centres to deliver Cloud Computing services to end customers. A cloud service provider is a third-party company that provides a cloud-

based platform, infrastructure, application, or storage service. Examples include Google Cloud Services, Microsoft Azure, and Amazon Web Services.

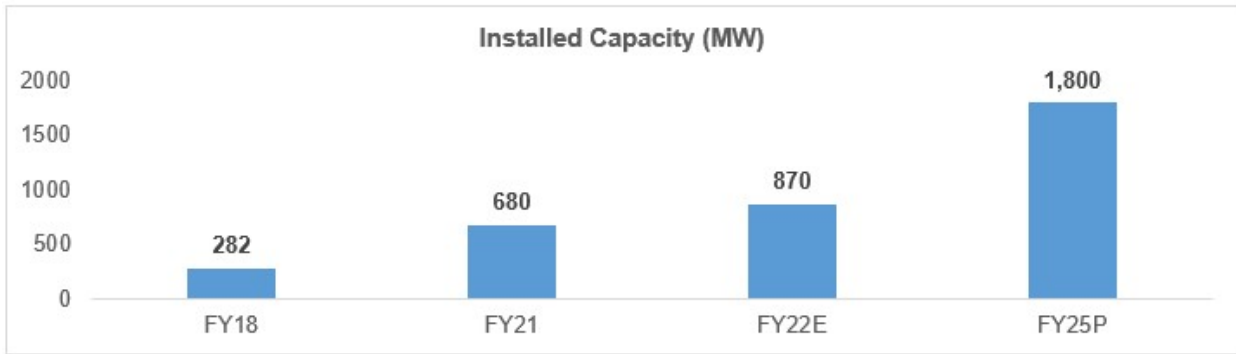
The cloud is the foundation of digital transformation, and the data centres are the foundation of cloud services. Cloud service providers are heavy users of data centre colocation space. Beyond their own build, CSPs are one of the major users of external data centre services. Over the last three years, hyper scalers have consumed over 60% of data centre capacity, and their thirst is only expanding. Additionally, the CSPs require edge data centres to link with carriers and, via the telecom service providers, to businesses and end consumers. For the CSPs to be able to offer the needed level of services, all under 1 millisecond of latency with appropriate redundancy for 99.99% uptime, interconnected data centres in other cities are crucial.

India is the world's 13th largest data centre market, with 138 data centres. And by the end of 2025, it is anticipated that 45 new data centres with a combined 13 million square feet and 1,015 MW of capacity will be built. In 2021, India's data centre industry was estimated to be worth US\$ 4.35 billion. It is anticipated to increase by 132% in just six years, to US\$ 10.09 billion, by 2027. By the end of 2022, India would have more than 700 million internet users, nearly double the number in the United States.



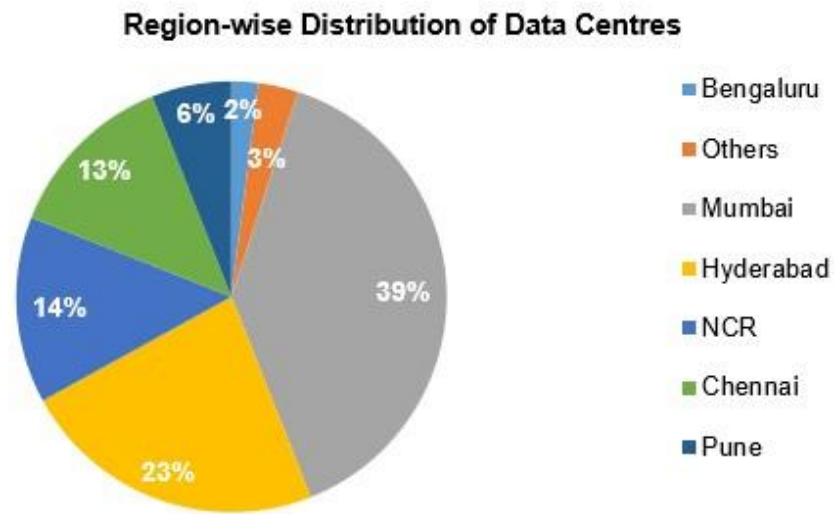
Source : News Articles

India is also concentrating on boosting electricity capacity through solar, hydroelectric, and wind, which will draw both domestic and global firms to the Indian data centre sector. The government of India is developing a data centre policy to attract investments and increase the country's current rate of data centre expansion. Along with the establishment of data centre economic zones and Data Centre Facilitation Units (DCFU), the incorporation of data centres under the Essential Services Maintenance Act (ESMA), and the development of a distinct category code for data centres under the National Building Code of India are all included in this plan. It also includes plans to use renewable energy sources to reduce carbon footprint. According to Crisil India, data centre capacity in India is predicted to increase by more than double to 1,700-1,800 megawatts (MW) by fiscal 2025, up from 870 MW last fiscal year, due to the data boom, digital adoption, and local data storage laws. In order to achieve this, an investment of more than US\$ 4.84 billion (Rs. 40,000 crore) would be necessary.



Source : CIRSIL India

The availability of major hyper-scalers who have started outsourcing their storage needs to third-party data centre providers is the main factor driving the healthy growth of the data centre industry in India. Indian corporate tycoons and overseas investors are investing in Tier 1 cities. Most data centres in India are located in Tier 1 cities, leaving market prospects in Tier 2 and Tier 3 cities untapped. Tier 2 cities are projected to invest more in Edge Data Centre use cases to provide inhabitants with a seamless digital experience. Presently, India has more than 132 data centres spread out around the country, with Mumbai operating about 45% of them. Chennai is a distant second, but it is quickly developing as India's next major data centre powerhouse.



Investment Landscape

- In May 2023, Adani to invest more than US\$ 2.42 billion (Rs. 20,000 crore) to build India’s first integrated data centre and tech biz park in Andhra Pradesh, hosting a 300 MW of data centre capacity.
- Global titans including NTT, Google, Microsoft, and Amazon, as well as L&T, and Hiranandani Group, have plans to build new data centres in the nation or expand their current ones. Around 4,900-5,000 MW of data centre capacity is likely to be built in the next six years, including investments of up to US\$ 18.16 (Rs. 1.5 lakh crore).

- One of the top hyper-scalers has plans to invest more than US\$ 2 billion in Hyderabad to build two data centres.
- A Japanese corporation has also announced plans to invest over US\$ 2 billion in India over the next four years, citing India's booming data centre sector.
- Another factor contributing to the growth of the Indian DC market is the increased demand for colocation data centres in both global and local organisations. As a result, over ten colocation providers will make major investments in the Indian DC market in 2021.
- A major Indian telecommunications company has announced plans to spend US\$ 605.29 million (Rs. 5,000 crore) to construct seven hyper-scale data centres, which will triple its capacity and help India establish itself as a regional data centre hub.
- Another major telecommunications company also intended to invest US\$ 950 million in the construction of a data centre in Uttar Pradesh.
- The Indian government has proposed an incentive system to stimulate the establishment of data centres. Additionally, the government intends to invest more than US\$ 1 billion over the course of the following five years as part of a hyper-scale data centre plan.

Road Ahead

India is in the midst of a transition from being an emerging market economy to a developed one, and technology is poised to play an integral role in facilitating this shift. The process of digital transformation is not only triggering economic growth across all sectors but is also acting as the bedrock for enhancing citizen services, promoting social and financial inclusivity, boosting productivity, and fostering the creation of a connected ecosystem.

The market for data processing and storage is projected to experience a notable upswing, escalating from US\$ 56 billion in 2020 to a projected US\$ 90 billion by the year 2025. In a digitally interconnected society, the volume of daily data collected is experiencing a significant surge. Organizations and businesses are increasingly reliant on data accumulation and the corresponding Information and Technology (IT) infrastructure. As this dependence on data deepens, the demand for robust, reliable, scalable, and sustainable data centers is correspondingly surging.

The Indian government is actively fostering the growth of the data center industry. In addition to domestic players, numerous international data center and cloud service providers are establishing their presence within India. The government's initiatives, such as the National eGovernance Plan (NeGP) and the Digital India program, have taken substantial strides to transform and enhance the nation's digital capabilities. These endeavors aim to harness digital technologies across diverse sectors such as education, healthcare, e-commerce, industry, and agriculture. The incorporation of cutting-edge technologies, including quantum computing, artificial intelligence, and the Internet of Things, has further spurred the expansion of data.

To bolster India's digital economy, a range of measures are being introduced, encompassing the establishment of a greater number of Special Economic Zones (SEZs) and Software Technology Parks (STPs), the reinforcement of skills development and entrepreneurial ecosystems, as well as the provision of various tax and non-tax incentives within these regions.

Given its capacity to swiftly embrace the multi-cloud era, India is anticipated to emerge as a pivotal hub for the proliferation of data centers over the next decade.

EdTech: The new growth catalyst of Indian education industry

(Source : <https://www.indiatoday.in/education-today/featurephilia/story/edtech-the-new-growth-catalyst-of-indian-education-industry-1912116-2022-02-12>)

The Education industry in India has witnessed maximum disruption during the pandemic. Education today is no longer restricted to just traditional classrooms. The restrictions imposed by the Government and the rigid safety protocols have paved the way to new-age pedagogies.

A fruitful outcome of these disruptions, however, has been the openness of all stakeholders- the government, private and public schools, tutors, coaching institutes, students, and teachers- in adopting the digital mode of learning, leading to the EdTech boom we are seeing today.

Increase in EdTech industry

The Indian EdTech industry is believed to have received \$16.1B in VC funding, a 32X increase from 500M received in 2010. The growth spurt in this industry is driven largely by K-12 Segment, higher education, and upskilling categories. Coupled with the growing popularity of Massive Open Online Courses (MOOCs) and distant education, India's EdTech industry is poised to reach \$30 billion in the next 10 years. While the long-term impact of the pandemic on the education industry is yet to unfold, learning models are definitely going to go hybrid with smartphone and internet penetration increasing.

What's in the store for learners?

EdTech has the power to bridge the learning gap given technology's ability to obliterate geographical barriers. As much as educators understand that digital adoption is the need of the hour, they also want to retain a few unparalleled benefits of a traditional classroom setup such as peer discussion, one-on-one support from educators and creating opportunities to work on group collaborative assignments. A few of the newer provisions of EdTech include video-assisted remote learning, immersive learning, AI and VR, on-demand learning, etc. However, realising this smoothly would mean that both educators and learners need adequate training to use platform tools for ease of knowledge delivery. As learning demands increase, further technological advancements will progressively be integrated into the classrooms.

Virtual classrooms can improve student to tutor engagement

Online education is far more affordable in comparison to traditional education (school, college). As per industry reports, education from grade 1 to 12 has increased 6.3 times in 2022 from the base of 2019. Students belonging to different income categories and social classes have been able to access quality education through these platforms because of their affordability, accessibility, and flexibility. Moreover, as online class sizes are smaller than conventional classroom sizes, there is greater time for interactions and feedback between the tutor and the student.

Technology enables customization that was not feasible before

Adopting artificial intelligence (AI) also offers major educational benefits, such as learning that is customized to each student's needs, allowing them to adjust the speed and control iterations to enhance the subject's expertise. EdTech platforms that are powered by AI search engines can make things simple. Learners would probably need to fill out a questionnaire at the start. This will help the AI-powered platform to understand the learner's potential, interests, career options, budget, location, among others. AI is making long strides in the academic world, turning

the traditional methods of imparting knowledge into a comprehensive system of learning with the use of simulation and augmented reality tools.

Government Digital Initiatives will accelerate e-learning adoption

One of the major factors proving impetus to EdTech companies has been the encouraging initiatives from the Indian Government making education accessible to anyone, anywhere. The encouragement and provisions made by the Govt. through initiatives like the SWAYAM (study webs of active learning for young aspiring minds) Diksha, e-pathshala, etc. to encourage educational institutes even in rural towns to switch to online methods of teaching has helped ensure continuity in academic sessions.

A purpose-built “phy-gital” (physical + digital) platform for educators and learners to come together online. It is the platform wherein , that takes into consideration device and bandwidth issues that are prevalent in the rural as well as semi rural environment and seeks to resolve them for the benefit of students, teachers and institutions.

Full learning management tools including unlimited whiteboards, presentation sharing, digital material distribution capability, note taking and online cloud storage wherein a physical presence of teachers, students at the class or video streaming of the physical class to various remote locations or vice versa wherein the teacher would be in a remote location with efficient teaching tools and students in physical classrooms or at remote locations would be driven by technology mechanisms.

Platforms that focus on learning outcomes will thrive

While the potential to scale online learning is immense, weak digital infrastructure has been one of the primary challenges in India for scaling up the active use of technology in education. As per reports, only 8 percent-10 percent of Indian households have both a computer and an internet connection. However, the rapid use of mobile phones has been believed to boost accessibility and the learning capabilities of students. However, even as accessibility gets addressed, affordability is still a matter of concern when it comes to specialised EdTech products, specifically for lower and lower-middle-income households, limiting its reach.

EdTech startups, through better technological and innovative products, need to focus on better learning outcomes, results, and student engagement. As several players enter the industry, it is important to identify players who are assuring proven results and have rich experience in Pedagogy. If such players join the bandwagon, it will not only help bring authenticity and trust in offerings but also improve competitive innovation.

OUR BUSINESS

BUSINESS OVERVIEW

We are a fast-growing Indian technology company that is focused on providing services surrounding digital audio and video based streaming services.

The Company operates in the following key verticals:

- Provision of digital audio and video content streaming services to various content owners and telecom operators in India and internationally on a SaaS (Software As A Service) model such as Voice & Video over Internet Protocol solutions (VoIP) in the B2B and B2C segments;
- Transforming the BPO and KPO industry by providing services strategically based in Tier 2 cities, harnessing cost advantages and skilled workforce availability.
- Provision of low bandwidth digital education content platforms (EdTech) with complete Learning Management Systems (LMS) focused on non-urban areas under Edmission brand;
- Provision of information technology related services to startups and SMEs to help them transition their business to digital platforms and manage the relevant infrastructure on a IaaS (Infrastructure As A Service) model;

OUR STREAMING TECHNOLOGY

At the core of Varanium is a transformative, transportation technology that delivers cloud content and services at low bandwidth, reaching large populations of the world who were previously underserved. Sitting above the software layer, and within the Transport Control Protocol (“TCP”) layer, Varanium’s unique network transportation technology allows content to be delivered to end devices faster and cheaper.

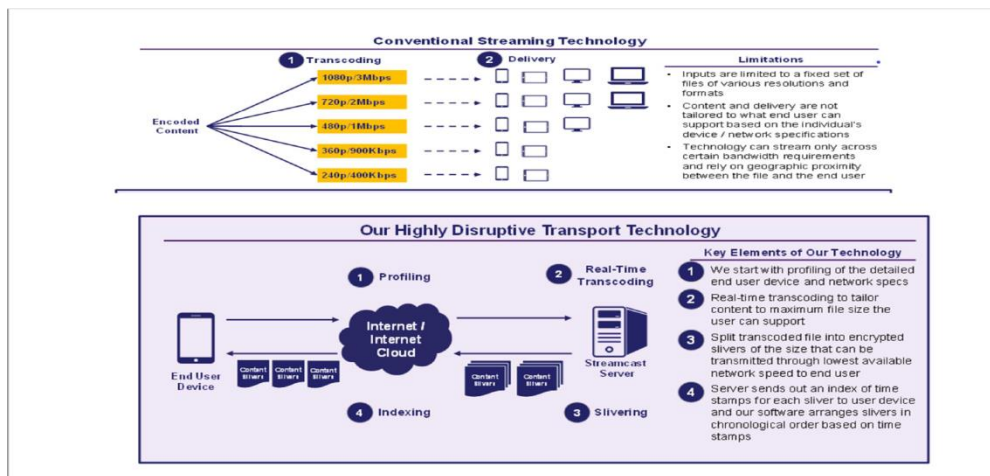
Varanium’s technology is also completely device agnostic and can be delivered to any mobile device or screen, wired or wireless, agnostic of operating system or type of screen.

We reduce transmission needs by giving people what they need, rather than transmitting the entirety of the file which necessitates the need for multiple copies to be made and proximity to the end user.

Our algorithm first profiles the end user for device and IP characteristics. Once the profiles are created, server works to determine the fastest possible delivery route to the end user. Depending on the user profile created, the server computes the maximum potential file size that can be supported by the end user and commences real time transcode.

The transcoded data file is then split into smaller fragments or encrypted “slivers” of the size that can be transmitted through the lowest available network speed to the end user. An index is also created matching the timestamps that the slivers represent.

Conventional streaming technology relies on a fixed set of file formats and resolution and bandwidth specifications limiting its reach. Further, the technology relies on transportation of data files in its entirety, necessitating the need for several physical points of presence (where multiple copies of the file are saved) and ultimate proximity to the consumer to ensure high quality delivery. This approach not only makes the conventional technology cumbersome but also expensive.



CUSTOMERS OF THE COMPANY

Customers of the company range from business owners, telecom providers, education institutions to end consumers in some cases. For our phy-gital educational platform 'Edmission', customers include educational institutions – private & government organisations. JumpTalk customers include resellers of mobile services as well as end consumers who wish to avail international calling facilities to India. Lastly, our offering of Infrastructure as a Service, payment facilitation services and e-commerce as a service, are all B2B (business to business) in nature and comprises of small to large businesses across industries who want to avail of our services to enhance their offering to the end consumers.

Marketing and Customer Acquisition process

Marketing and Customer Acquisition process is a mix of offline & digital media along with a focused direct sales approach. Largely for B2B services, our approach is more focused on direct sales, promotional activities for targeted industries. This also includes some above-the-line media such as television, print, outdoor as well as digital media to increase our brand visibility. For example, Edmission Centre in Sawantwadi is regularly promoted via the regional media channels to increase the brand saliency of Edmission. Customer acquisition for JumpTalk mainly relies on hyper-local marketing activities which include branded calling cards, high value discount offers, 1+1 offers, etc.

Revenue Model of the Company

With our B2B customers, we follow a revenue share model where our customers charge a fee to their end consumer and the agreed margins are shared between our customer and us like in the case of Edmission, e-commerce as a service, infrastructure as a service. For offerings such as JumpTalk, revenue is two-fold – a fixed price from the resellers of our product and a direct-to-consumer price model (similar to a mobile recharge pack).

Our Competitive Strengths

We believe that the following strengths contribute to our success:

1. Transport Technology

We believe that our technology makes us low bandwidth provider of cloud-based SaaS services to audiences that are traditionally not reachable. We have developed a simple approach to transporting digital content, that addresses the limitations of today's conventional streaming technology. Rather than creating a fixed set of file sizes and resolutions and restricting delivery to certain network bandwidths, we start at the end user device and tailor the content and delivery to suit the specifications at the end user device. In contrast to delivering the entirety of the content file, we split up the file into encrypted "Slivers" of the size that can be transmitted through the lowest available network speed to the end user, thereby reducing reliance on network bandwidths. We believe this transport technology will help bring connectivity to many parts of the world that lack access because of economic status or poor infrastructure.

2. Low cost of delivery

The development of owning the technology and our own data center has minimized our reliance on third-party commercial hardware and software, optimized our operating costs and given us the flexibility to innovate and scale our business rapidly. The efficiency of our technology and minimal dependence on third party data center providers allows us to deliver content and services to customers at the lowest costs.

3. Valuable data insights

Data on user behaviors and transactions completed on our platform provides us with valuable insights to help improve the consumer experience, operate more efficiently and create innovative and relevant products and services. Our technology creates a profile for each user, continuously recording the user's device type, operating system, network, last recorded speed, and application usage. Some of the application data available to us include content viewing trends, details around payments and remittances transacted, and types of products delivered. We utilize this data to monitor the use of our existing services and to drive further innovation.

4. Founder-led visionary management team

Our management team's clear sense of mission, long-term focus, and expertise define the Varanium culture. Our core management team has been with the group for quite some time, setting the foundation for and developing our long-term vision. We are proud of our entrepreneurial culture. Each of our businesses is led by a sector expert with good industry experience and expertise. This allows us to combine our strategic vision with focus on operational execution.

Our Business Strategy

Our key strategic initiatives are described below:

1. Grow subscriber base across existing and new geographies

Through our wired and wireless customers, we plan to increase our penetration of the partners' subscriber base as we increase our hosting capacity through co-location and building our own data centers.

Through existing as well as new wired and wireless customers, we will continue to scale subscriber base by expanding our geographic reach. We plan to launch our services in new geographies as we complete the build out of our infrastructure and increase data center capacity.

2. Expand product offerings

We believe that increasing the number of services available on our cloud platform will contribute to higher user engagement and help us on-board more carrier customers and penetrate more subscribers within those carriers. We launched Edmission and plan to launch a few more products and services in the near future. These additional offerings will further improve our value proposition to consumers and end subscribers.

3. Efficient and differentiated Infrastructure

We combine our core technology with highly efficient and differentiated proposed data centres. Doing so allows us to keep our cost of delivery to a minimum and gives us the unique flexibility to achieve profitability at even low average revenue per user ("ARPU") price points. While today, we co-locate some of our capacity needs, in the future we expect to bring full capacity in house, further improving our operational and cost efficiencies.

4. Focused on growth and margin enhancement

Recognising our phy-gital (Physical – Digital) edtech platform, Edmission, and its impact, the Company has been working with India's largest Government university as its phy-gital platform partner for provision of the University's content in the underserved areas of Maharashtra starting with the Sindhudurg region of Maharashtra.

Our Major Offerings

The below provides an overview of our services offerings:

Edmission

Edmission – Education with a Mission – is a phy-gital platform that democratizes the education process of connecting the best educators globally to learners and allows learners their choice of educator, subject and style. Combining world class physical infrastructure, including digitally equipped classrooms, Edmission places the best possible tools in the hands of educators to reach millions of deserving students.

Edmission, our core consumer offering, is a purpose-built “phy-gital” platform for educators and learners to come together online. It is the only platform we are aware, that takes into consideration device and bandwidth issues that are prevalent in the developing areas and seeks to resolve them for the benefit of students, teachers and institutions.

At Edmission, we believe that every individual should have the opportunity to learn and up skill. We are democratizing education by bridging the digital divide with our revolutionary technology and a holistic ecosystem.

	<p>Centre has provided us with the perfect blueprint for our entire ecosystem and is ground zero for our mission to bring quality education to people around the world to the ‘next billion’ users who are still unable to enjoy the opportunities presented by the digital world and help them cross this divide.</p>
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JumpTalk



JumpTalk is a web-based video conferencing tool that allows users to connect online, either via audio or audio and video both.

Using VoIP service, JumpTalk provides a cloud platform for video and audio conferencing, webinars, chats file transfers across desktops.

The power of JumpTalk lies in the backend technology that allows users to call ANY device: smartphones, feature phones or landlines at extremely affordable prices, the user avails of unlimited calling by using a sample application. Some of its key features include Audio-Video recording, one-to-many solutions, Poll facility, messenger options, optimum data security, customisable windows for presentations and a 24x7 support system.

Life is all about connections. With JumpTalk, we simply enable people to Call Someone.

Infrastructure as a Service (IaaS)

Leveraging our Data Centre and other infrastructure, we offer following services:

a) Hydra Web Solutions



For small communities having high-speed internet can be a critical factor for economic growth, employment & education. HydraWeb has created edge data centres for reliable and efficient computing in non-urban cities or specific locations rather than a single central location.

HydraWeb is redefining business process outsourcing (BPO) and knowledge process outsourcing (KPO) services through strategic operation in Tier 2 cities. Leveraging the advantageous blend of lower operational costs and a skilled workforce present in these regions, we offer cost-effective excellence to businesses. The Company delivers tailored BPO and KPO solutions, underpinned by cutting-edge technology and a rigorous quality assurance framework to streamline operations and achieve scalability.

b) Corporate & Public WiFi Mesh Services



Corporate & Public Wi-Fi Mesh Services is an open Wi-Fi service that gives our customers unlimited, 24x7 internet access and to the digital world with highly customisable solutions for all their internet needs.

Public Wi-Fi is a revolutionary open Wi-Fi mesh service that allows users access to sources of education, employment, entertainment and more or gives the provider the option to customise predefined content for everyone.

eCommerce-as-a-Service (EaaS)



The pandemic saw the rise of countless brands, home grown and otherwise, selling their products direct to consumers (DTC) while seeing an exponential rise in online shopping by customers the world over. One witnessed their neighbours, aunts, even local tailors going online to market their old and new goods. Most of these new-to-online selling brand manufacturers are currently still navigating the intricacies of online selling. We saw this gap between DTC sellers and their customers and started EaaS to monetise this gap by leveraging our knowledge base.

At Varanium, we offer end-to-end warehousing, packing, shipping, social media marketing and customer relationship management services to e-commerce businesses. This enables them to focus their efforts on R&D and expansion of their products and product lines. Our clients can enjoy the benefits of our learning curve and economies of scale to power their businesses to the next level.

Process flow chart:

We are in the service industry accordingly this is not applicable.

Plant and Machinery / Equipments

Following is the list of major equipments owned by us:

	Name of Plant and Machinery/ Equipment	Specification	Quantity (Nos)
1	Generator Set	Eicher 85 / 100 KVA 3 phase	1
2	Computers	HP Desktop 280 G3 7th Generation 4 GB RAM 1 TB HDD, WiFi 18.5, Keyboard, Mouse	110
3	Security	11 Indoor / 3 Outdoor / NVR / 4 TB Backup	15
4	Rack	42 U Rack for Server & Switches	1
5	Switches	Huawei L2 5700 POE Switches 24 ports	2
6	WiFi Equipments	9 Indoor / 3 Outdoor Ligowave Radios Dual Band	12
7	Wifi Mesh	SNMP Card 65 AH 12 V Batteries	1 Set
		Cloud based AP with Pt. to Pt. Radios and accessories	25
		24 V 15 W Solar based Power Supply + Inverter	25
		6 U mountable Rack	1
		24 port Giga Switch	1

Collaborations

We have not entered into any technical or other collaboration.

Infrastructure Facilities / Utilities**Power**

Our Company has no special power load requirements for carrying out our business activities. Our average consumption as per our billing history for last 3 months is 3119 KVA and the same is available from Adani Electricity Mumbai Limited.

The available power supply in our premises is adequate to carry our existing activities.

Fuel

Our Company do not have any special requirement of fuel to carry out the present activities.

Water

We do not have any special need of water for our business. We require water for normal sanitation and the same is available in the premises we occupy.

Effluent Treatment Plant (ETP)

We are engaged in to service Industry and as there is no effluent generated from the present/ proposed activities, ETP is not required.

Raw Material

We are in service industry and there is no raw material requirements.

Manpower

The following is a break-up of our fulltime employees as on June 30, 2023:

Sr. No.	Category	Mumbai	Sawantwadi	Bengaluru	Total
1	Management	4	1	-	5
2	Skilled	6	60	1	67
3	Semi- Skilled	-	-	-	-
4	Un-Skilled	5	6	-	11
	Total				83

Competition

We are likely to face competition from those who may be better capitalized, have longer operating history, have greater brand presence, and better management than us. If we are unable to manage our business it might impede our competitive position and profitability. We intend to continue competing vigorously to capture more market share and adding more management personnel to manage our growth in an optimal way.

We operate in a competitive market and competition is based primarily on quality of service, pricing of such products and services. To remain competitive in the market we strive to improve our design capability, reduce procurement cost and improve operating efficiencies. With growing competition between the products and services, effective and efficient selling techniques seems to be the need of the hour and this need has resulted in new and innovative changes in our products. If we fail to maintain our strengths, our competitors will gain an advantage over us, which would adversely affect our market share and results of operation.

Approach to Marketing and Marketing Set-up

We have a full-fledged marketing team comprising of research, design, content and media personnel. Given the nature of business, our team is also based in different regions equipping us to access local media and markets. Our strategy includes targeted advertising across media platforms such as digital, print, outdoor etc. as well as public relations to effectively reach our customers / target audience. We have team of sales personnel who are responsible for forming new and maintaining existing customer relationships. They also regularly approach new customers to try and develop a business relationship.

Our Company has been focusing on acquiring new customers through its direct and indirect channels. Till date our top management have been instrumental in getting the business.

Capacity and Capacity Utilization

Our Company is engaged in the services business, details regarding capacity and capacity utilisation are not applicable.

Export Possibilities & Export Obligation

Our Company has been exporting our offerings but we do not have any outstanding export obligations.

Property

The following table sets forth the location and other details of property of our Company:

Sr. No	Description of Property	Name of Lessor	Agreement Date, Lease / Sub Lease period	Amount	Purpose
1	Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai-400053, Maharashtra, India.	Original Lessor - Madhuri Nandkumar Chaugule	Sub Lease Agreement dated April 14, 2021 Area - 3rd floor(400 sq. ft.) and Open terrace at 4 th floor (247 sq. ft.) Tenure – 60 months upto March 31, 2026 with lock-in period of 36 months	Rs. 50,000/- p.m. + GST payable directly to Original Lessor Rs. 1,50,000/- Security Deposit	Registered Office
2	Office no Q 13 and Q12 bearing house no 13/279/A114 and 13/279/A113 Silvio Heights, Panjim, Goa-403001	Original Lessor- Mr. Francis Braganza	Leave and Licence Agreement dated 7 th December, 2022 Tenure-	Rs. 72,500/- p.m+ GST payable directly to Original Lessor	Data Center
3	Plot No, 12, MIDC, Kudal Maharashtra-416550	Machado And Sons Agents And Stevedores Private Limited	Leave and Licence Agreement from 18 th November, 2022 Tenure- 60 Months	Rs. 175905/- P.M+ GST payable directly to Original Lessor	Warehouse and Data Center Manufacturing
4	Besides Sahyadri Mechanical, Plot No 55, Usyam Nagar, Sawantwadi, Sindhudurg, Maharashtra-416510	Uday M Tamboskar	Leave and Licence Agreement from 2 nd November, 2022 Period: 36 Months	Rs. 50250 P.m/++ GST Per Month	Warehouse

Intellectual Property

Our Company does not any intellectual property.

Insurance

Our Company maintains insurance against various risks inherent in our business activities, including property damage caused by fire, earthquake, flood, explosion and similar catastrophic events that may result in physical damage to or destruction of our plant and machinery, equipment or stocks as also burglary insurance. Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure you that we will be able to maintain insurance at rate which we consider commercially reasonable or that such coverage will be adequate to cover any claims that may arise. Overall, we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business.

OUR PROMOTER

Our Promoter is Mr. Harshawardhan Hanmant Sabale. As on date of this Letter of Offer, our Promoter personally holds 2,23,06,108 Equity Shares 5.48% of our issued, subscribed and paid-up equity share capital.

Brief Description of Promoter:

Harshawardhan Hanmant Sabale

Harshawardhan Hanmant Sabale is the Managing Director of our Company. He has been associated with our Company since inception. He is a Chartered Accountant (Membership No. 107747) from The Institute of Chartered Accountants of India since 1999. He has experience of over 15 years in Private Equity and Technology. He started his career with Arthur Andersen in 1994 in Mumbai, and worked across consulting, audit and fraud investigations. He went on to start the firm's technology consulting practice for India in 1998. He left the firm in February 2000 to start a career in Venture Capital / Private Equity (PE) Industry.

He worked for few PE firms in India and Hong Kong as an Associate and later on joined Malaysian PE firm Navis Capital Partners at Hong Kong as Director and worked from November 2003 to August 2007 focussing on SME sector. Later on, during September 2007, Mr. Sabale set up his own fund, Lauris Capital Partners, with backing from French private equity (PE) firm Natixis Private Equity to focus on SME buyouts.

In 2013, he founded Ogle. Ogle was a globally patented (personally authored) and proprietary narrowband content streaming platform that worked seamlessly across any device that had a screen and internet access. It was poised to revolutionize content delivery (entertainment, education, wellness, etc) on sub-optimal data networks across the world.

In 2016, Mr. Sabale founded the Streamcast Group (now Varanium), which was formed to carry on the work started in Ogle by taking the patented technology global on a B2B basis. The technology has been transferred from Ogle to in favour of an entity controlled entirely by the Promoter by and under an Assignment and Transfer Agreement dated February 1, 2017, and has since then been completely in control of the Promoter. The Promoter has granted the perpetual license to use the technology to Our Company in the territories viz. India, Sri Lanka, Bangladesh, Nepal, Afghanistan, Bhutan and Maldives vide Technology License Agreement dated February 15, 2021. With operations across 7 countries, it has become the go-to SaaS video & audio streaming back-end network for many wired & wires telecom operators across the world. Streamcast also built its own high compute data centres constructed in partnership with the Government of Malta and with plans to build one of the largest high compute data centres in India.

He has been guiding force behind the growth of our Company's business and has been the strategist for devising growth plans for our Company and bringing in new technologies to the Company.

The other directorship of Harshawardhan Hanmant Sabale are as follows:

1. VARANIUM NETWORKS PRIVATE LIMITED
2. AHIMSA LIFESTYLE PRIVATE LIMITED
3. VARANIUM EARTH PRIVATE LIMITED
4. VARANIUM LIFESTYLE PRIVATE LIMITED
5. TURMERIC LIFESTYLE PRIVATE LIMITED

Confirmations

1. Our Promoter has not been declared as a Wilful Defaulter or a Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by it in the past or is currently pending against it.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. Our Promoter have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters is and has never been a promoter, director, or person in control of any other company, which is debarred or prohibited from accessing or

operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Save and except as disclosed in “*Outstanding Litigations and Material Developments – Litigation involving our Promoter*” on page 126 there are no litigation or legal action pending or taken by any Ministry, Department of the Government or statutory authority during the last 5 years preceding the date of the Issue against our Promoter.

OUR PROMOTER GROUP

Our Promoter group as per the Shareholding pattern filed with the Stock Exchange and the other regulatory filings are as under:

- 1. VARANIUM EARTH PRIVATE LIMITED**
- 2. VARANIUM LIFESTYLE PRIVATE LIMITED**
- 3. VARANIUM NETWORKS PRIVATE LIMITED**

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, we are required to have not less than 3 (three) directors and not more than 15 (fifteen) directors, subject to the applicable provisions of the Companies Act, 2013. We currently have 7 (Seven) Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Letter of Offer:

Name, Designation, Address, Occupation, Age, Nationality, Date of Birth, Term and DIN	Date of Appointment/ Re appointment	Other directorships
<p>Name: Harshawardhan Hanmant Sabale</p> <p>Father's Name: Hanmant Ganpat Sabale</p> <p>Date of Birth: June 12, 1974</p> <p>Age: 47 years</p> <p>Designation: Chairman / Managing Director</p> <p>Address: Flat No-3, Sector No-63, Plot No-51, Kondhwa Kh, 411048, Pune City, Pune, Maharashtra.</p> <p>Occupation: Business</p> <p>DIN: 00168418</p> <p>Nationality: Indian</p>	<p>Initially appointed on June 1, 2019</p> <p>Appointed as Managing Director for a period of 5 years w.e.f. May 01,2022 up to April 30, 2027 on April 30, 2022</p>	<p style="text-align: center;">Companies</p> <ol style="list-style-type: none"> 1. VARANIUM NETWORKS PRIVATE LIMITED 2. AHIMSA LIFESTYLE PRIVATE LIMITED 3. VARANIUM EARTH PRIVATE LIMITED 4. VARANIUM LIFESTYLE PRIVATE LIMITED 6. TURMERIC LIFESTYLE PRIVATE LIMITED <p style="text-align: center;">LLP</p> <p style="text-align: center;">Nil</p>

<p>Name: Fahim Iunus Shaikh</p> <p>Father's Name: Iynus shaikh</p> <p>Date of Birth: January 01, 1978</p> <p>Age: 44 years</p> <p>Designation: Executive Director</p> <p>Address: Avenue J-23, Flat No. 603, Rustomjee Evershine Global City, Narangi Bypass Road, Virar – West, Palghar – 401 303, India.</p> <p>Occupation: Professional</p> <p>DIN: 09588116</p> <p>Nationality: Indian</p>	<p>Appointed as Additional Director on April 27, 2022 regularised on June 04, 2022</p>	<p>Companies</p> <ul style="list-style-type: none"> ● Varanium Networks Private Limited ● Varanium Earth Private Limited <p>LLP</p> <p>Nil</p>
<p>Name: Kalpesh Anil Acharekar</p> <p>Father's Name: Anil Acharekar</p> <p>Date of Birth: April 19, 1986</p> <p>Age: 36 years</p> <p>Designation: Non-Executive Non-Independent Director</p> <p>Address: Room No. 2, 1st Floor, B I T Chawl No. 3, Chinchbunder, Sandhurst Road - West, Mumbai – 400 009, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>DIN: 09588277</p> <p>Nationality: Indian</p>	<p>Appointed as Additional Director on April 27, 2022 regularised on June 04, 2022</p>	<p>Companies</p> <ul style="list-style-type: none"> ● Varanium Networks Private Limited ● Varanium Earth Private Limited ● Varanium Lifestyle Private Limited <p>LLP</p> <p>NIL</p>

<p>Name: Pratik Surendrakumar Shah</p> <p>Father's Name: Surendrakumar Mangaldas Shah</p> <p>Date of Birth: July 03, 1987</p> <p>Age: 34 years</p> <p>Designation: Independent Director Address: 303 A, 3rd Floor, Vasupujya Apartments, Behind St. Xaviers Loyela Hall, Naranpura, Ahmedabad – 380013, Gujarat, India</p> <p>Occupation: Professional</p> <p>DIN: 08233777</p> <p>Nationality: Indian</p>	<p>Appointed as Additional Director on May 20, 2022 for a period of 5 years w.e.f. May 20, 2022 upto May 19, 2027 regularised on June 04, 2022</p>	<p>Companies</p> <p>Caspian Corporate Services Limited ZEB IT Services Limited</p> <p>CONTER RECRUITMENT SERVICES PRIVATE LIMITED</p> <p>VARANIUM LIFESTYLE PRIVATE LIMITED</p> <p>LLP Nil</p>
<p>Name: Nidhi Jain</p> <p>Father's Name: Suganti Lal Jain</p> <p>Date of Birth: April 14, 1988</p> <p>Age: 34 years</p> <p>Designation: Independent Director Address: 1338-A, Prabhat Nagar, Sector 5, Manwa Khera Rural, Udaipur H Magri, Udaipur – 313 002, Rajasthan, India</p> <p>Occupation: Professional</p> <p>DIN: 09184058</p> <p>Nationality: Indian</p>	<p>Appointed as Additional Director on May 20, 2022 for a period of 5 years w.e.f. May 20, 2022 upto May 19, 2027 regularised on June 04, 2022</p>	<p>Companies</p> <ul style="list-style-type: none"> ● Caspian Corporate Services Limited ● Goblin India Limited <p>LLP Nil</p>

<p>Name: Harshita Singhal</p> <p>Father's Name: Vinod Kumar Singhal</p> <p>Date of Birth: February 20, 1997</p> <p>Age: 26 years</p> <p>Designation: Independent Director</p> <p>Address: M-203, Sarjan Towers, Off Gurukul Road, Opp Sunvilla House, Membagar, Ahmedabad – 380 052, Gujarat, India</p> <p>Occupation: Professional</p> <p>DIN: 09184058</p> <p>Nationality: Indian</p>	<p>Appointed as Additional Director on May 20, 2022 for a period of 5 years w.e.f. May 20, 2022 upto May 19, 2027 regularised on June 04, 2022</p>	<p><i>Companies</i></p> <ul style="list-style-type: none"> ● <i>Goblin India Limited</i> ● <i>VARANIUM LIFESTYLE PRIVATE LIMITED</i> <p><i>LLP</i></p> <p><i>Nil</i></p>
<p><i>Name: Vinayak Vasant Jadhav</i></p> <p><i>Father's Name: Vasant Jadhav</i></p> <p><i>Date of Birth: January 15, 1984</i></p> <p><i>Age: 38 years</i></p> <p><i>Designation: Executive Director</i></p> <p><i>Address: House No. 305, A / P Kolgaon, Jadhavwadi, Taluka Sawantwadi, District Sindhudurg, Pin – 416510, Maharashtra, India</i></p> <p><i>Occupation: Professional</i></p> <p><i>DIN: 09588333</i></p> <p><i>Nationality: Indian</i></p>	<p><i>Appointed as Executive Additional Director on May 01, 2022 regularised on June 04,20</i></p>	<p><i>Companies</i></p> <p><i>VARANIUM NETWORKS PRIVATE LIMITED</i></p> <p><i>LLP</i></p> <p><i>Nil</i></p>

Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or none of our directors were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Letter of Offer.

Past Directorships in delisted companies

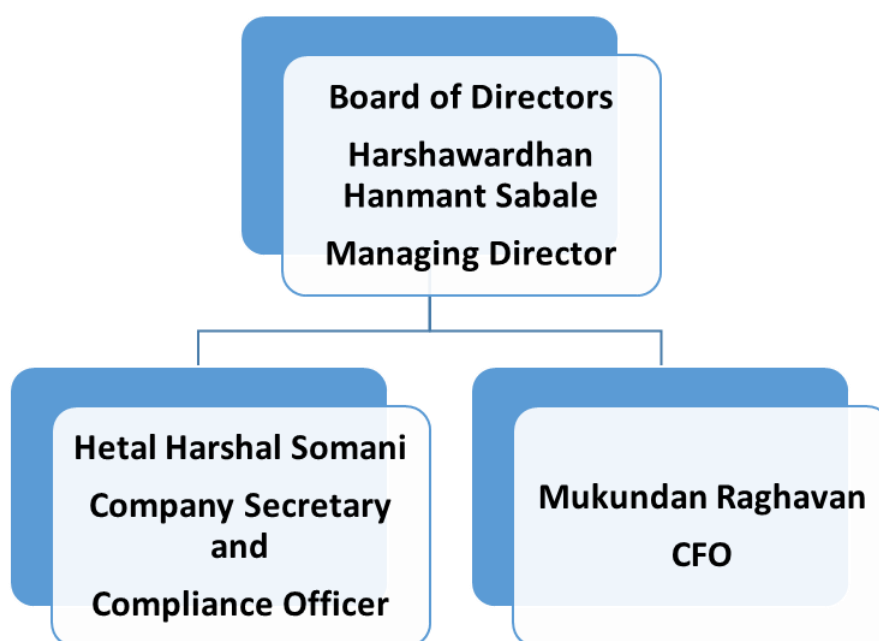
None of our Directors are or were a director of any listed company, which has been, or none of our directors were delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Letter of Offer.

SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL

Set forth below are the details of our senior management and key managerial personnel:

Name	Designation	Associated with Company since
Mr. Harshawardhan Hanmant Sabale	Chairman & Managing Director	01/06/2019
Mr. Mukundan Raghavan	Chief Financial Officer	13/05/2022
Ms. Hetal Harshal Somani	Company Secretary & Compliance Officer	02/08/2021

ORGANISATIONAL STRUCTURE



SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr No.	Particulars	Page No
1.	Unaudited Financial Results for the three months period ended June 30, 2023	F- 1 to F- 3
2.	Audited Financial Statements as at and for the year ended March 31, 2023	F-4 to F-16

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LIMITED REVIEW REPORT on Standalone Unaudited quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
**The Board of Directors,
VARANIUM CLOUD LIMITED
244-A RDP 2, CTS 1374/B Villa
Versova SVP Nagar, Four Bungalows,
Mumbai-400053**

1. We have reviewed the accompanying statement of unaudited financial results of VARANIUM CLOUD LIMITED, for the quarter ended June 30, 2023 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles



generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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 A.K. Kocchar & Associates
(Chartered Accountants)
FRN: 120410W**



**Hitesh Kumar S
(Partner)**

**Mem. No.: 134763
UDIN: 23134763BGWWTD2334**



**Date: 21-July-2023
Place: Mumbai**

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023
Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Sr. No.	PART-I Particulars	Rs. in Lakhs (Except EPS)				
		QUARTER ENDED		YEAR ENDED		
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1	Revenue from Operations					
	Gross Value of Sales & Services (Revenue)					
	Less : GST Recovered					
	(a) Net Sales/ Income from Operations	15,032.97	10,948.64	1,332.15	38,336.34	3,535.21
	(b) Other Income	0.02	-	-	1.02	-
	Total Income from Operations (a+b)	15,032.99	10,948.64	1332.15	38,337.36	3,535.21
2	Expenses					
	(a) Cost of materials consumed					
	(b) Data center, bandwidth & hosting charges (Direct costs)	10,348.76	6,659.15	969.10	25,136.94	1,038.86
	(c) Changes in inventories of finished goods, and work-in-progress and stock in trade	-	-	-	-	-
	(d) Employee Benefit Expenses	38.99	52.76	787.30	175.15	903.82
	(e) Finance Cost	-	-	-	-	-
	(f) Depreciation & Amortisation Expenses	194.81	8.18	2.41	210.03	9.66
	(g) Other Expenses	212.56	275.83	277.73	1,097.18	388.37
	Total Expenses	10,795.11	6,995.92	2,036.55	26,619.31	2,340.71
3	Profit / (Loss) before Exceptional and Extra ordinary items and Tax (1-2)	4,237.88	3,952.72	-704.40	11,718.05	1,194.50
4	Exceptional Items					
5	Profit / (Loss) before Extra ordinary items and Tax (3-4)	4,237.88	3,952.72	(704.40)	11,718.05	1,194.50
6	Extra ordinary items					
7	Net Profit / (Loss) from Ordinary Activities before Tax(5-6)	4,237.88	3,952.72	(704.40)	11,718.05	1,194.50
8	Tax Expenses					
	i. Current Tax	1,281.15	994.86	88.82	3,163.87	355.29
	ii. Deferred Tax	7.74	-	(0.25)	7.74	(0.98)
	iii. MAT Credit Entitlement	-	-	-	-	-
9	Net Profit / (Loss) for the Period (7-8)	2,948.99	2,957.86	(793.22)	8,546.44	840.19
10	Interim Dividend				301.54	
11	Other Comprehensive Income					
	Remeasurement of defined benefit plans	-	-	-	-	-
	Prior Period Adjustments	-	-	-	-	-
12	Total Comprehensive Income for the period (9+10)	2,948.99	2,957.86	(793.22)	8,244.89	840.19
13	Paid up Equity Share Capital (F. V. of Re. 10/- Each)	1,005.14	1,005.14	635.14	1,005.14	635.14
14	Other Equity excluding Revaluation Reserve					
15	Earnings per Share (of Re. 10/- each) :					
	(a) Basic-Rs	29.34	29.43	(15.01)	82.03	15.90
	(b) Diluted-Rs	29.34	29.43	(15.01)	82.03	15.90

Notes :

- The Financial Results have been reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors in its meeting held on 28th April, 2023. The above results have been audited by the Statutory Auditors of the Company.
- Figures for the Previous period /quarter have been rearranged/re-grouped wherever necessary, to confirm with the figures for the current year/quarter.
- The entire operation of the Company relate to only one segment viz. IT Services. Hence, Ind AS - 108 is not applicable..

Place : Mumbai
Date : 28/04/2023

For and on behalf of the Board
For Varanium Cloud Limited


HARSHAWARDHAN HANWANT SABALE
DIN:00168418
Managing Director



Auditor's Report on Quarterly Financial Results and Year to Date Results of Varanium Cloud Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
VARANIUM CLOUD LIMITED
244-A RDP 2, CTS 1374/B Villa
Versova SVP Nagar, Four Bungalows, Mumbai-400053

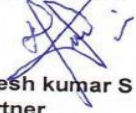
We have audited the quarterly financial results of **Varanium Cloud Limited** for the quarter and year ended **31st March, 2023** and the year to date results along with audited statement of assets and liabilities and cash flow statement for the period **1st April, 2022 to 31st March, 2023**, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared from interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 in this regard ; and
- (ii) Give a true and fair view of the net profit and other financial information for the quarter ended **31st March, 2023** as well as the year to date results for the period from **1st April, 2022 to 31st March, 2023**.

For A.K. Kocchar & Associates
Chartered Accountants
FRN: 120410W


Hitesh kumar S
Partner

Membership Number: 134763
Place : Mumbai
Date : 28/04/2023
UDIN : 23134763BGWWSS6664



INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF VARANIUM CLOUD LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **VARANIUM CLOUD LIMITED**, which comprise the Balance Sheet as at **31/03/2023**, the Statement of Profit and Loss, the **cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2023**, and its **Profit and it's cash flows** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Responsibility of Management and Those Charged with Governance (TCWG)

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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 is 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

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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

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

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 **31/03/2023** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2023** 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 to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 28/04/2023
Place: Mumbai



FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountants)
Reg No. :0120410W

HITESH KUMAR S
Partner

M.No.: 134763
UDIN: 23134763BGWWSS6664

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of VARANIUM CLOUD LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of VARANIUM CLOUD LIMITED as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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. 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”) 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 applicable to an audit of Internal Financial Controls and, 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 amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon 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 control 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 authorizations 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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2023, 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 issues by the Institute of Chartered Accountants of India.

FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountants)
Reg No. :0120410W



HITESH KUMAR S
Partner

M.No.: 134763
UDIN: 23134763BGWWSS6664

Date : 28/04/2023
Place : Mumbai

ANNEXURE - A

**Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31st
March 2023**

To,

The Members of VARANIUM CLOUD LIMITED

i. 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 has maintained proper records showing full particulars of Intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property during the year.
- (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 or Intangible assets or both during the year.
- (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 as at 31/03/2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. Inventory and other current assets

- (a) The Company does not have any inventory and hence reporting under clause ii(a) is not applicable.
- (b) The company has not been sanctioned working capital limits at any point of time during the year, from bank or financial institutions on the basis of security of current assets and hence reporting under clause ii(b) is not applicable.

iii. Investment, Loans or Advances by Company

- (a) The company has made investments in companies during the year.
- (b) The Company has granted unsecured loans and advances to companies, firms and other parties during the year.



- (c) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are prima facie not prejudicial to the company's interest.
- (d) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (e) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

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 given any loans either repayable on demand or without specifying any terms or period of repayment.

iv. Loan to Directors and Investment by the Company

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. Deposits Accepted by the Company

The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. Maintenance of Cost records

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. Statutory Dues

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues



applicable to it.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.

viii. Disclosure of Undisclosed Transactions

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.

ix. Loans or Other Borrowings

- (a) The company has not defaulted in repayment of dues to financial institution or bank .
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the end of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (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 have been raised on short-term basis by the Company. Accordingly, clause (ix)(d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

X. Money raised by IPO, FPOs

- (a) The Company has raised moneys by way of initial public offer or further public offer during the year, were applied for the purposes for which those are raised.
- (b) During the year, the company had not made preferential allotment of shares, Therefore clause 3(x)(b) of the order is not applicable.

xi. Reporting of Fraud During the Year

- (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 with the Central Government, during the year and upto the date of this report

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. Related party transactions

In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Ind As.

xiv. Internal audit system

In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

xv. Non cash transactions

In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors.

xvi. Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

xvii. Cash Losses

The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. Consideration of outgoing auditors

The issues, objections or concerns raised by the outgoing auditors has been taken into considerations.



xix. Material uncertainty in relation to realisation of financial assets and payment of financial liabilities

According to the information and explanations given to us and 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, 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 that the 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.

xx. Compliance of CSR

In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Place : Mumbai
Date : 28/04/2023



FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountants)
Reg No. :0120410W

HITESH KUMAR S
(Partner)

Membership No : 134763
UDIN: 23134763BGWWSS6664

VARANIUM CLOUD LIMITED
CIN NO: U64200MH2017PTC303172
Balance Sheet As on 31st March, 2023

(Rs. In Lacs)

Particulars	Note No	CURRENT YEAR	PREVIOUS YEAR
(II) Assets			
[A] Non current assets			
(a) Property, Plant and Equipment	5	4,250.67	16.36
(b) Intangible Assets	5	17.10	17.59
(c) Capital Work in Progress	6	349.34	3,095.27
(d) Financial Assets		-	-
(i) Investments	7	578.94	371.28
(i) Other Financial Assets	8	81.49	36.71
(e) Deferred Tax Asset (Net)		-	-
(f) Other Non Current Assets	9	-	18.68
Total Non-current assets		5,277.53	3,555.88
Current assets			
(a) Inventories		-	-
(a) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	10	12,864.17	386.90
(iii) Cash and Cash Equivalents	11	9.09	2.41
(iv) Bank Balances other than Cash and Cash Equivalents		-	-
(v) Loans	12	223.91	92.31
(vi) Other Financial Assets		-	-
(b) Other Current Assets	13	23.96	26.83
Total Current Assets		13,121.12	508.45
TOTAL ASSETS		18,398.65	4,064.33
(I) Equity And Liabilities			
(1) Shareholder's Funds			
(a) Equity Share Capital	14	1,005.14	635.14
(b) Other Equity	15	13,105.24	877.34
Total Equity		14,110.38	1,512.49
(2) Share Application Money Pending Allotment			
		-	-
(3) Non-Current Liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		5.40	(2.34)
Total Non-current liabilities		5.40	(2.34)
(4) Current Liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	16	-	25.63
(ii) Trade Payables	17	93.66	1,623.48
(iii) Other Financial Liabilities	18	530.39	139.33
(b) Other Current Liabilities	19	13.23	-
(c) Current Tax Liabilities	20	60.08	276.63
(d) Provisions	21	3,585.52	489.12
Total Current Liabilities		4,282.87	2,554.18
TOTAL LIABILITIES		18,398.65	4,064.33

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials

As Per Our Audit Report Of Even Date
As per audit report of even date

1-37

FOR A K KOCCHAR & ASSOCIATES
Chartered Accountant
FRN : 0120410W


Hitesh Kumar S
(PARTNER)
Membership No : 134763
Place : Mumbai
Date : 28/04/2023
UDIN : 23134763BGWWSS6664



FOR VARANIUM CLOUD LIMITED


HARSHAWARDHAN SABLE
Managing Director
Din no.00168418


VINAYAK VASANT JADHAV
Director
Din no.09588333


Mukundan Raghavan
Chief Financial Officer


Hetal Harshal Somani
Company Secretary

VARANIUM CLOUD LIMITED
CIN NO: U64200MH2017PTC303172
Statement Of Profit & Loss For The Year Ended 31st March, 2023 (Rs. In Lacs)

PARTICULARS	NOTE No	CURRENT YEAR	PREVIOUS YEAR
(I) Revenue From Operations	22	38,336.34	3,535.21
(II) Other Income	23	1.02	-
(III) Total Revenue (I+II)		38,337.36	3,535.21
(IV) Expenses:			
Purchases		-	-
Data center, bandwidth & hosting charges (Direct costs)	24	25,136.94	1,038.86
Changes In Inventories Of Finished Goods, W.I.P and Stock-In-Trade		-	-
Finance Costs		-	-
Employee Benefits Expenses	25	175.15	903.82
Depreciation and Amortization Expense	5	210.03	9.66
Other Expenses	26	1,097.18	388.37
Total Expenses		26,619.31	2,340.71
(v) Profit Before Exceptional and Extraordinary Items and Tax (iii-iv)		11,718.05	1,194.50
(vi) Exceptional Items		-	-
(vii) Profit Before Extraordinary Items and Tax (v-vi)		11,718.05	1,194.50
(viii) Extraordinary Items		-	-
(ix) Profit Before Tax (vii-viii)		11,718.05	1,194.50
(x) Tax Expense:			
(1) Current Tax		3,163.87	355.29
(2) Excess Provision For Tax		-	-
(3) Deferred Tax		7.74	(0.98)
(xi) Profit/(Loss) for The Period From Continuing Operations (ix-x)		8,546.44	840.19
(xii) Interim Dividend		301.54	-
(xiii) Profit/ (Loss) from Discontinuing Operations			
(xiv) Tax Expense of Discontinuing Operations			
(xv) Profit/(Loss) from Discontinuing Operations (After Tax) (xii-xiii)			
(xvi) Profit (Loss) for The Period (xi+xiv)		8,244.89	840.19
(xvii) Earnings per Equity Share:			
(1) Basic	33	82.03	15.90
(2) Diluted	33	82.03	15.90

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials

1-37


As per audit report of even date


FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountant)
FRN : 0120410W



Hitesh Kumar
(PARTNER)
Membership No : 134763
Place : MUMBAI
Date : 28/04/2023
UDIN : 23134763BGWWS56664

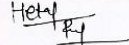


FOR VARANIUM CLOUD LIMITED


HARSHWARDHAN SABLE
Managing Director
Din no.00168418


VINAYAK VASANT JADHAV
Director
Din no.09588333


Mukundan Raghavan
Chief Financial Officer


Hetal Harshal Somani
Company Secretary

VARANIUM CLOUD LIMITED
CIN NO: U64200MH2017PTC303172
Cash Flow Statement for the Year Ending 31st March, 2023

(Rs. In lacs)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Cash Flow from Operating Activities :		
Profit/(Loss) Before Tax	11,718.05	1,194.50
Adjustments for :		
Unrealised Forex Gain	-	-
Exceptional item	-	-
Interest on short fall on payment of Advance tax	-	-
Depreciation and amortization	210.03	9.66
Interest Expense	-	-
Less Dividend Paid	(301.54)	-
Operating Profit Before Working Capital Changes	11,626.54	1,204.16
Adjustments for (Increase)/(Decrease) in operating assets :		
Financial Assets	(12,477.26)	29.72
Other current assets	95.18	(6.56)
Other non-current assets	18.68	(18.68)
Short Term Loans & Advances(Dr.)	(223.91)	-
Adjustments for (Increase)/(Decrease) in operating liabilities :		
Financial Liabilities	(1,555)	1,624
Other Financial liabilities	391.06	-
Other current liabilities	2,893.08	258.05
Cash Generated from operations	(10,859)	1,886.53
Less : Income Tax Paid	(3,163.87)	11.28
Net Cash Generated From Operating Activities	A (2,395.95)	3,101.97
Cash Flow from Investing Activities :		
Purchase of Fixed assets	(1,697.93)	(2,869.62)
(Increase)/Decrease in Deposits	(44.78)	(3.45)
Investments	(207.66)	(371.49)
Net Cash Generated From Investing Activities	B (1,950.36)	(3,245)
Cash Flow from Financing Activities :		
Proceeds from Issuance of Share Capital	4,353.00	345.00
Repayment from Long Term Borrowings	-	(200.00)
Interest Paid	-	-
Net Cash Generated From Financing Activities	C 4,353.00	145.00
Net Increase in Cash and Cash Equivalents	(A+B+C) 6.69	2.41
Cash & Cash Equivalents at the Beginning of Year (Note 1)	2.41	0.00
Cash & Cash Equivalents at the End of Year (Note 1)	9.09	2.41

Note 1 :

Cash & Cash Equivalents

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with Banks	0.53	0.62
Cash in Hand	8.56	1.79
Cash and cash equivalent as per balance sheet	9.09	2.41

As per audit report of even date

FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountant)

FRN : 0120410W

Hitesh Kumar S
(PARTNER)

Membership No : 134763

Place : MUMBAI

Date : 28/04/2023

UDIN : 23134763BGWWS6664



FOR VARANIUM CLOUD LIMITED

Harsh
HARSHAWARDHAN SABLE
Managing Director
Din no.00168418

Vinayak
VINAYAK VASANT JADHAV
Director
Din no.09588333

Mukundan
Mukundan Raghavan
Chief Financial Officer

Hetal
Hetal Harshal Somani
Company Secretary

Varanium Cloud Limited
CIN : U64200MH2017PTC303172
Statement of Change in Equity for the year ended 31st March 2023

A. Equity share capital

(Rs. In lacs)

Particulars	Note	Number of shares	Amount
Balance as at 1st April 2020	14	2,901,434	290.14
Changes in equity share capital during the year		-	-
Balance as at 31st March 2021	14	2,901,434	290.14
Changes in equity share capital during the year		3,450,000	345.00
Balance as at 31st March 2022	14	6,351,434	635.14
Changes in equity share capital during the year		3,700,000	370.00
Balance as at 31st March 2023	14	10,051,434	1,005.14

B. Other equity

(Rs. In lacs)

Particulars	Reserves and surplus	
	Retained earnings	
Balance as at 1st April 2020		(104.40)
Profit for the year		141.56
Balance as at 31st March 2021		37.16
Profit for the year		840.19
Balance as at 31st March 2022		877.34
Profit for the year		8,244.89
Balance as at 31st March 2023		9,122.24

As per our report of even date annexed

FOR A K KOCCHAR & ASSOCIATES
(Chartered Accountant)
FRN : 0120410W

Hitesh Kumar S
(PARTNER)
Membership No : 134763
Place : MUMBAI
Date : 28/04/2023
UDIN : 23134763BGWSS6664



FOR VARANIUM CLOUD LIMITED

HARSHAWARDHAN SABLE
Managing Director
Din no.00168418



VINAYAK VASANT JADHAV
Director
Din no.09588333

Mukundan Raghavan
Chief Financial Officer

Hetal Harshal Somani
Company Secretary

Varanium Cloud Limited

Notes to the financial statements for the year ended 31st March 2023

1 Company overview

Varanium Cloud Limited (the 'Company') was incorporated on 22 December 2017 to carry on the business of Edmission (Education with a mission). A Platform that democratises the education process of connecting the best educators globally to learners and allows learners their choice of educator, subject, style and also carrying on the business of Hydra Web Solutions, Jump Talk, Corporate & Public Wifi Mesh Services, Cable Cloud, eCommerce-as-a-Service (EaaS).

The Registered Office of the company is situated at 3rd, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai Mumbai City MH 400053

2 Basis of preparation and measurement

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified by Ministry of Corporate Affairs ('MCA') pursuant to Section 133 of the Companies Act, 2013 ('Act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2 Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

3 Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new accounting standards or amendments to the existing accounting standards.

4 Summary of significant accounting policies

4.1 Current versus 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 is:

- i) Expected to be realised or intended to sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4.2 Property plant and equipments

Recognition and initial measurement

All items of property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on Written Down Value method, computed on the basis of useful lives (as set out below) prescribed in Schedule II the Act:



Asset category	Estimated useful life (in years)
Computers & Data Processing Units	3
Software	6
Office Equipments	3
Motor Vehicles	5

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

4.3 Revenue recognition

Revenue is recognised by the company when the services are provided by the company and right to receive the consideration for the services provided is established. Revenue 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.

4.4 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

4.5 Trade receivable and Trade payables

During the year under consideration, the company had both Trade receivable & Trade payable in foreign exchange. The Company in its accounting policy has shown only the net receivable from its Trade Receivable after adjusting its Trade Payable to the extent of the foreign exchange only

4.5 Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i) Financial assets at amortised cost

The financial asset is measured at the amortised cost if both the following conditions are met:



a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii) **Financial assets at fair value through profit and loss**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified at amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

A financial liability is de-recognised 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

4.6 Impairment of financial assets (other than at fair value)

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.7 Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred income-tax is calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).



4.8 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

4.10 Employee benefits

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.11 Operating expenses

Operating expenses are charged to profit or loss upon utilisation of the service or as incurred.

4.12 Borrowing costs

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

4.13 Fair value measurement

The Company measures financial instruments 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.

4.14 Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

4.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



VARANIUM CLOUD LIMITED (CIN: U64200MH2017PTC303172)
PROPERTY, PLANT AND EQUIPMENT

Note No: 5

(Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK		
	As at April 1, 2022	Addition during the year	Ded/Adj during the year	As at March 31, 2023	Upto March 31, 2022	For the year	Ded/Adj during the year	Effect on Depn as per Co. Act, 2013	Upto March 31, 2023	As at March 31, 2023	As at March 31, 2022
Tangible Assets											
Computers & Data Processing Units	10.33	5.32	-	15.65	2.72	4.81	-	-	7.53	8.12	7.61
Office Equipments	1.39	52.50	-	53.89	0.36	2.48	-	-	2.84	51.05	1.03
Motor Vehicles	30.00	22.78	-	52.78	22.28	6.09	-	-	28.36	24.42	7.72
Plant & Machinery	-	4,353.31	-	4,353.31	-	186.23	-	-	186.23	4,167.08	-
Sub Total	41.72	4,433.92	-	4,475.63	25.36	199.61	-	-	224.97	4,250.67	16.36
Intangible Assets											
Software	20.25	9.94	-	30.19	2.67	10.42	-	-	13.09	17.10	17.59
Sub Total	20.25	9.94	-	30.19	2.67	10.42	-	-	13.09	17.10	17.59
Capital WIP For Technologies	319.36	102.94	422.29	-	-	-	-	-	-	-	319.36
Capital WIP For Land & Building	2,775.91	1,480.07	3,106.64	349.34	-	-	-	-	-	349.34	2,775.91
Sub Total	3,095.27	1,583.01	4,318.93	349.34	-	-	-	-	-	349.34	3,095.27
Grand Total :	3,157.24	6,026.86	4,328.93	4,855.17	28.02	210.03	-	-	238.06	4,617.11	3,129.21



FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2023:

(₹ In Lakhs)

Nature of Borrowing	Amount
Secured Borrowings	Nil
Unsecured Borrowings	Nil
Total	Nil

Details of Secured Borrowings

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on March 31, 2023 (₹ In Lakhs)	Interest Rate and Security
N.A	N.A	N.A	N.A	N.A	N.A

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Audited Financial Statements for the Financial Years ending March 31, 2023, and March 31, 2022. For further details please refer to the chapter titled “*Financial Statements*” beginning on page 90 of this Letter of Offer.

EARNINGS PER SHARE

(₹ in Lakhs, unless otherwise specified)

Particulars	For The Quarter Ended June 30, 2023	For The Financial Year Ended	
		March 31, 2023	March 31, 2022
Net profit / (loss) after tax, attributable to equity shareholders	4,068.51	8,244.89	840.19
Weighted average number of Equity Shares outstanding	4,02,05,736	1,00,51,434	63,51,434
Basic EPS in ₹	10.12	82.03	13.23
Diluted EPS in ₹	10.12	82.03	13.23
Face value in ₹	05.00	10.00	10.00

NET ASSET VALUE PER EQUITY SHARE

(₹ in Lakhs, unless otherwise specified)

Particulars	For The Quarter Ended June 30, 2023	For The Financial Year Ended	
		March 31, 2023	March 31, 2022
Net worth (A)		14,110.40	1,512.50
Number of Equity Shares outstanding (B)	4,02,05,736	1,00,51,434	61,51,434
NAV (A/B)		140.38	24.58
Face value in ₹	05.00	10.00	10.00

RETURN ON NET WORTH

(₹ in Lakhs, unless otherwise specified)

Particulars	For The Quarter Ended June 30, 2023	For The Financial Year Ended	
		March 31, 2023	March 31, 2022
Net worth (A)		14,110.40	1,512.50
Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations Attributable to Equity Holders(B)	4,068.51	8,546.44	840.19
RONW (B/A*100)		60.57	55.55

EBITDA

(₹ in Lakhs, unless otherwise specified)

The formula used in the computation of the above ratios are as follows:

Particulars	For The Quarter Ended June 30, 2023	For The Financial Year Ended	
		March 31, 2023	March 31, 2022
Profit/(Loss) after tax (A)	4,068.51	8,546.44	840.91

Tax expenses / (Credit) (B)	1,440.64	3,171.61	354.31
Exceptional Item (C)	---	----	---
Finance costs (D)	---	---	---
Depreciation & amortization expense (E)	210.03	210.03	9.66
EBIDTA (A+B+C+D+E)	5,719.18	11,928.08	1,195.22

Basic earnings per share	Net Profit/ (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders before and after exceptional item, as applicable divided by Weighted Average number of Equity Shares outstanding at the end of the financial year
Diluted earnings per share	Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders before or after exceptional item, as applicable/ Weighted Average number of Equity Shares outstanding at the end of the financial year
Return on net worth (in %)	Profit/ (Loss) for the Period/Year as per Statement of Profit and Loss attributable to Equity Shareholders of the company divided by Net worth as attributable to equity shareholders of the company at the end of the financial year
Net asset value per Equity Share	Net Worth on basis divided by the number of Equity Shares outstanding for the period/year
EBITDA	Profit for the year before finance costs, tax, depreciation, amortisation and exceptional items as presented in the statement of profit and loss in the Audited Financial Statements

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2023, which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. The Board of Directors of our Company has, at its meeting held on April 28, 2023, approved the audited financial results for the year ended March 31, 2023 and the shareholders of the Company will at annual general meeting of the Company to be held on September 15, 2023, will adopt the audited financial statements for the year ended March 31, 2023.
2. The Board of Directors of our Company has, at its meeting held on July 21, 2023, approved the unaudited financial results for the quarter year ended June 30, 2023.
3. The Board of Directors of our Company has, at its meeting held on July 29, 2023 approved the offer and issuance of fully paid-up equity shares of the Company for an amount not exceeding Rs. 49.50 Crore (Rupees Forty Nine Crore Fifty Lakhs) by way of Rights Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our audited financial statements as of and for the Fiscal 2023 and Fiscal 2022 and our unaudited financial results for the three months period (quarter) ended June 30, 2023 included in this Letter of Offer. Our audited financial statements for Fiscal 2023 & Fiscal 2022 and unaudited financial results for the three months period ended June 30, 2023, are prepared in accordance with Indian AS. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements and Unaudited Financial Results of our Company.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelvemonth period ended March 31 of that year.

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers Varanium Cloud Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “**Financial Statements**” for the period ended on June 30, 2023 and Financial Years 2023 and 2022 included in this Letter of Offer beginning on page 90 of this Letter of Offer.*

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

We are a fat-growing Indian technology company that is focused on providing services surrounding digital audio and video based streaming services

The Company operates in the following key verticals:

- Provision of digital audio and video content streaming services to various content owners and telecom operators in India and internationally on SaaS (Software As A Service) model such as Voice & Video over Internet Protocol solutions (VoIP) in the B2B and B2C segments;
- Provision of low bandwidth digital education content platforms (EdTech) with complete Learning Management Systems (LMS) focused on Tier 2 & rural area under Edmission brand;

Provision of information technology related services to startups and SMEs to help them transition their business to digital platforms and manage the relevant infrastructure on a IaaS (Infrastructure As A Service) model;

Our Competitive Strengths

1. Transport Technology
2. Low Cost of Delivery
3. Valuable Data Insights
4. Founder-led visionary management team

Our Business Strategy

1. Grow subscriber base across existing and new geographies
2. Expand Product offerings
3. Efficient and differentiated Infrastructure
4. Focus on growth and margin enhancement

Our Major Products

Following is list of our key products:

1. Edmission (phy-gital) Learning Centre
2. JumpTalk (VoIP)
3. Infrastructure as a Service (IaaS) – a) Hydra Web Solutions. b) Corporate and Public Wi-fi Mesh services.
4. eCommerce as a Service (EaaS)

For further details, please refer section titled “*Our Business*” on page 75 of this Letter of Offer.

FINANCIAL PERFORMANCE

The financial performance of our Company for the Quarter ended on June 30, 2023 and as on March 31, 2023 is as follows:

Particulars	(₹ in Lakhs)	
	For the Quarter ended June 30, 2023	Year Ended March 31, 2023
Revenue from operations	17,061.41	38,337.36
EBITDA	5,719.18	11,928.08
Profit/ (loss) after tax from continuing operation	4,068.51	8,566.44
Profit/ (loss) after tax from discontinuing operation	-	-
Profit/ (loss) from continuing and discontinuing operation	4,068.51	8,566.44

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 20 beginning of this Letter of Offer.

Our Company’s future results of operations could be affected potentially by the following factors:

Competition

Our Company faces significant competition from other companies operating in the markets in India as well as overseas in which we operate. Some of these firms have greater resources and/or a more widely known brand than we have, which may give them a competitive advantage. Our ability to grow revenues will depend on demand for our services in preference to those of its competitors.

Growth in the Indian economy

General economic conditions in India have a significant impact on our results of operations. The Indian economy has grown rapidly over the past decade and is expected to continue to grow in the future. We believe growth in the overall economy has driven, and will drive, the underlying demand for our products.

Regulatory developments

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.

Fluctuations in demand for our services

Supply and demand market conditions are affected by various factors outside our control, including:

- prevailing local economic, income and demographic conditions;

- changes in applicable regulatory schemes; and
- competition from other players

Other factors

1. Company's ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Changes in laws and regulations relating to the industries in which we operate;
4. Our ability to attract, retain and manage qualified personnel;
5. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition

SIGNIFICANT ACCOUNTING POLICIES

Except as mentioned in section titled "*Financial Statements*" beginning on page 90 of this Letter of Offer, there has been no change in accounting policies during the Fiscal years 2023, 2022 and for three months period ended June 30, 2023.

CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled "*Financial Statements*" beginning on page 90 of this Letter of Offer, there has been no change in accounting policies during the Fiscal years 2023, 2022 and for three months period ended June 30, 2023.

COMPONENTS OF INCOME AND EXPENDITURE

Total Revenue

Our total revenue is divided into revenue from operations and other income. Revenue from operations consists revenue from It Services.

Total Expenses

Our total expenses comprise of Cost of production, change in inventories, Employee benefit expenses, Finance cost, Depreciation, Other expenses.

Direct Cost

Direct Cost mainly consists of expenses directly associated with Host and Data Centers.

Employee benefit expenses

Employee benefit expenses comprises of salaries, directors' remuneration, and staff welfare expenses.

Finance cost

Finance cost comprises of interest on borrowings and other cost.

Other Expenses

Other expenses majorly comprise of Audit fees, Legal & Professional Fees, Rent, Miscellaneous expenses, Right issue Expenses, advertisement and sales promotion and Communication expenses, etc.

Taxation

The current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Audited Financial Statements of our Company for the financial years ended March 31, 2023 and 2022:

(₹ in Lakhs)

Particulars	For the quarter ended on June 30, 2023				For the year ended on March 31, 2023			
	2023	% of Total Revenue	2022	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
INCOME								
Revenue from Operation	17,061.41	100%	5,213.42	100%	38,336.34	99.99%	3,535.21	100%
Other Income	-	-	-	-	1.02	0.01%	-	-
TOTAL	17,061.41	100%	5,213.42	100%	38,337.36	100%	3,535.21	100%
EXPENDITURE								
Cost of Material Consumed	-	-	-	-	-	-	-	-
Data Centre, bandwidth & hosting charges (Direct Cost)	11,241.78	65.89%	1,843.59	35.36%	25,136.94	65.57%	1,038.86	29.38%
Change in inventories	-	-	-	-	-	-	-	-
Employee benefit expense	28.21	0.16%	37.10	0.71%	175.15	0.46%	903.82	25.57%
Finance cost	-	-	-	-	-	-	-	-
Depreciation	210.03	1.23%	52.51	1.00%	210.03	0.55%	9.66	0.27%
Other expenses	72.23	0.42%	38.87	0.74%	1,097.18	2.86%	388.37	10.99%
TOTAL	11,552.25	67.71%	1,972.08	37.83%	26,619.31	69.43%	2,340.71	66.21%
Profit/(loss) before Exceptional Items	5,509.16	32.29%	3,241.34	62.17%	11,718.05	30.56%	1,194.50	33.79%
Exceptional Items								
Profit/ (Loss) on share of associates								
Profit/ (loss) before tax	5,509.16	32.29%	3,241.34	62.17%	11,718.05	30.56%	1,194.50	33.79%
Less: Current Tax	1,440.64	8.44%	790.97	15.17%	3,163.87	8.25%	355.29	10.05%
Leaa : Deferred Tax					7.74	0.02%	(0.98)	(0.03)%
Profit/ (loss) after tax	4,068.51	23.84%	2,450.37	47.00%	8,546.44	22.29%	840.19	23.77%

THREE MONTHS PERIOD ENDED JUNE 30, 2023 COMPARED TO THREE MONTHS PERIOD ENDED JUNE 30, 2022

Total Revenue

Our total revenue for the three months ended on June 30, 2023 was ₹17,061.41 Lakhs as compared to ₹ 5,213.42 Lakhs for the three months ended on June 30, 2022, representing an increase of 227.25%. Total revenue comprises of:

Revenue from Operations

The revenue income from operations for the three months on ended on June 30, 2023 was ₹ 17,061.41 Lakhs as compared to ₹ 5,213.42 Lakhs for the three months ended on June 30, 2022, representing an increase of 227.25%.

Other Income

The other income for the three months ended on June 30, 2022 and for the three months ended on June 30, 2021, were nil.

Total Expenses

Our total expenses for the three months ended on June 30, 2023 was ₹ 11,552.25 Lakhs as compared to ₹ 1,972.08 Lakhs for the three months ended on June 30, 2022, representing an increase of 485.79 %. Total expenditure comprises of:

Direct Cost

The Direct Cost Includes Data Centre, Bandwidth & Hosting Charges for the three months ended on June 30, 2023 was ₹ 11,241.78 Lakhs as compared to ₹ 1,843.59 Lakhs for the three months ended on June 30, 2022, representing an increase of 509.78%.

Changes in Inventories

The Changes in Inventories for the three months ended on June 30, 2023 for the three months ended on June 30, 2022 were Nil.

Employee Benefit Expenses

The Employee Benefit Expenses for the three months ended on June 30, 2023 was ₹ 28.21 Lakhs as compared to ₹ 37.10 Lakhs for the three months ended on June 30, 2022, representing an increase of 31.51 %.

Finance Cost

The finance cost for the three months ended on June 30, 2023 and for the three months ended on June 30, 2022 were Nil.

Depreciation

The depreciation expenses for the three months ended on June 30, 2023 was ₹ 210.03 Lakhs as compared to ₹ 52.51 Lakhs for the three months ended on June 30, 2022, representing an increase of 299.98%.

Other Expenses

Other Expenses for the three months ended on June 30, 2023 was ₹ 72.23 Lakhs as compared to ₹ 38.87 Lakhs for the three months ended on June 30, 2022, representing an Increase of 85.82%.

Profit before Tax

Profit before tax for the three months ended on June 30, 2023 was ₹ 5,509.16 Lakhs as compared to ₹ 3,241.34 Lakhs for the three months ended on June 30, 2022, representing an increase of 69.97%.

Tax Expenses

Tax expenses for the three months ended on June 30, 2023 was ₹ 1,440.64 Lakhs as compared to ₹ 790.97 Lakhs for the three months ended on June 30, 2022, representing an increase of 82.13%.

Profit after Tax

Profit after tax for the three months ended on June 30, 2023 was ₹ 4,068.51 Lakhs as compared to ₹ 2,450.37 Lakhs for the three months ended on June 30, 2022, representing an increase of 66.03%.

COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022

Our total revenue increased by 984.44 % to ₹ 38,337.36 Lakhs for the FY 2023 from ₹ 3,535.21 Lakhs for the FY 2022 due to the factors described below:

Revenue from Operations

Our revenue from operations was increased by 984.41 % to ₹ 38,336.34 Lakhs for the FY 2023 from ₹ 3,535.21 Lakhs for the FY 2022.

Other Income

Other Income for the F.Y. 2023 was ₹ 1.02 Lakhs as compared to Nil for the F.Y. 2022, representing an increase of 100 %.

Total Expenses:

Our total expenses increased by 828.99% to ₹1954.90 Lakhs for the FY 2022 from ₹1125.91 Lakhs for the FY 2021 due to the factors described below:

Direct Cost

The Direct Cost includes Data Centre, Bandwidth & Hosting Charges increased by 2,319.67 % to ₹ 25,136.94 Lakhs in FY 2023 from ₹ 1,038.86 Lakhs in FY 2022.

Changes in Inventories

There are no Changes in Inventories in FY 2023 from FY 2022 as there are no inventories in the Company.

Employee Benefit Expenses

The Employee Benefit Expenses decreased by 80.62 % to ₹ 175.15 Lakhs in FY 2023 from ₹ 903.82 Lakhs in FY 2022.

Finance Cost

There are no Changes in Finance Cost in FY 2023 from FY 2022 as Finance Cost was Nil.

Depreciation

The Depreciation expenses increased by 2,074 % to ₹ 210.03 Lakhs in FY 2023 from ₹ 9.66 Lakhs in FY 2022.

Other Expenses

The Other expenses increased by 182.50 % to ₹ 1,097.18 Lakhs in FY 2023 from ₹ 388.37 Lakhs in FY 2022.

Profit before Tax

Our profit before tax increased by 881.00 % to ₹ 11,718.05 Lakhs for the FY 2023 from ₹ 1,194.50 Lakhs for the FY 2022.

Tax Expenses

Our tax expense also accordingly increased by 795.15 % to ₹ 3,171.61 Lakhs in FY 2023 from ₹ 354.31 Lakhs in the FY 2022.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 917.20 % to ₹ 8,546.44 Lakhs in FY 2023 from ₹ 840.19 Lakhs in FY 2022.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, salary, commission and Issue of Equity Shares. For further details of related parties kindly refer chapter titled “*Financial Statements*” beginning on page 90 of this Letter of Offer.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Other than as disclosed in this Letter of Offer, there have been no significant developments after March 31, 2023, the date of the latest balance sheet included in this Letter of Offer that may affect our future results of operations. For further information, see “*Material Developments*” on page 118 of this Letter of Offer.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are no:(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies.

Further our Company, Directors, Promoter and Group Companies are not wilful defaulters or fraudulent borrowers and there have been no violations of securities laws in the past or pending against them.

LITIGATION RELATING TO OUR COMPANY

A. CASES FILED AGAINST OUR COMPANY

1. Litigation involving Civil Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Taxation

Direct Tax

Nil

Indirect Tax

Nil

5. Other Pending Litigation based on Materiality Policy of our Company

Nil

B. CASES FILED BY OUR COMPANY

1. Litigation involving Civil Laws

Nil

2. Litigation involving Company Laws

Nil

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Taxation

Nil

5. Other Pending Litigation based on Materiality Policy of our Company

Nil

C. NOTICES FROM STATUTORY AUTHORITIES

Nil

LITIGATION RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

A. CASES FILED AGAINST THE DIRECTORS

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

Nil

5. Other Pending Litigation based on Materiality Policy of our Company

Nil

B. NOTICES FROM STATUTORY AUTHORITIES

Nil

C. CASES FILED BY THE DIRECTORS

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

Nil

LITIGATION RELATING TO OUR PROMOTER AND PROMOTER GROUP ENTITIES

A. CASES FILED AGAINST THE PROMOTER AND PROMOTER GROUP ENTITIES

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

Nil

5. Other Pending Litigation based on Materiality Policy of our Company

Nil

B. CASES FILED BY THE PROMOTER AND PROMOTER GROUP ENTITIES

1. Litigation involving Civil Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Labour Laws

Nil

5. Litigation involving Taxation

Nil

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS OR FRAUDULENT BORROWER

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

MATERIAL DEVELOPMENTS OCCURING SINCE MARCH 31, 2023

There have not arisen, since the date of the last financial statements disclosed in this Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Material Developments*” on page 118 of this Letter of Offer.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Letter of Offer) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Letter of Offer.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

Pending Approvals:

In addition, as on the date of the Letter of Offer, there are no pending regulatory and government approvals and no pending renewals of licenses or approvals in relation to the activities presently undertaken by us or in relation to the Issue.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board passed at its meeting held on 14th July, 2023 pursuant to Section 62(1)(a) of the Companies Act, 2013.

The Board of Directors has, at its meeting held on Tuesday, September 05, 2023, determined the Issue Price as ₹ 123 per Rights Equity Share (including a premium of ₹ 118 per Rights Equity Share) in consultation with the Advisor to the Issue, and the Rights Entitlement as 01 [One] Rights Equity Shares for every 10 [Ten] Equity Shares held on the Record Date. On Application, Investors will have to pay ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price and the balance ₹ 61.5/- per Right Equity Share which constitutes 50% of the Issue Price, will have to be paid, on One or more subsequent Call(s) within three months.

This Letter of Offer has been approved by our Board pursuant to the resolution Passed as per the Companies Act, 2013.

Our Company has received in-principle approval from NSE pursuant to Regulation 28 of SEBI (LODR) Regulations, vide its letter dated August 30, 2023 for listing of the Rights Equity Shares to be allotted pursuant to the Issue. Our Company will also make applications to NSE to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE0JOO20013 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. Our Company has been allotted the ISIN INE0JOO20013 both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled “*Terms of the Issue*” beginning on page 138 of this Letter of Offer.

PROHIBITION BY SEBI AND OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Promoter Group or our Directors, the persons in control of our Company have not been debarred and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

The companies with which the Promoters or the Directors are associated as promoters or directors have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our individual Promoters nor any of our Directors have been declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are, in any manner, associated with the securities market.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or our Directors have been or are identified as Wilful Defaulters or a Fraudulent Borrowers.

CONFIRMATION UNDER THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

As on the date of this Letter of Offer, our Company, our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended (“SBO Rules”), to the extent applicable.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the NSE Limited. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI (ICDR) Regulations and other applicable provisions of the SEBI (ICDR) Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations.

COMPLIANCE WITH REGULATION 61 AND 62 OF THE SEBI (ICDR) REGULATIONS

The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI.

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI (ICDR) Regulations, to the extent applicable. Our Company has made application to the Stock Exchange and has received their in-principal approval for listing of the Rights Equity Shares to be issued pursuant to this Issue. NSE is the Designated Stock Exchange for the purpose of the Issue.

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of Offer with NSE;
2. The reports, statements and information referred to above in clause (1) are available on the website of NSE;
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders’ Relationship Committee at frequent intervals, appropriate delegation of power by our Board of directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

DISCLAIMER CLAUSE OF SEBI

The Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

DISCLAIMER FROM OUR COMPANY, OUR DIRECTOR(S)

Our Company accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have represented to our Company and its officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company shall make all the relevant information available to the Eligible Equity Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date of this Letter of Offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be NSE Limited.

DISCLAIMER CLAUSE OF NSE

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/2023/0900 dated August 30, 2023 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

The Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is less than ₹ 50 crore which does not require our company to file Letter of Offer with SEBI. The Company has filed Letter of Offer with the Stock Exchange for obtaining in-principle approval.

SELLING RESTRICTIONS

The distribution of this Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Form (collectively "Issue Materials) and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Issue Materials only to the Eligible Equity Shareholders who have provided an Indian address and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

Further, the Letter of Offer will be provided to those who have provided their Indian addresses to our Company and who makes a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and The Stock Exchange.

Our Company shall also endeavor to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Issue Materials or any other material relating to our Company, the Rights Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If the Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in the Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

THE CONTENTS OF THIS LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE.

PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, 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 RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933, AS AMENDED, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED IN INDIA AND IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS ARE PERMITTED UNDER LAWS OF SUCH JURISDICTIONS, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER, THE LETTER OF OFFER, AND ABRIDGED LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY SECURITIES OR RIGHTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES OR RIGHTS. ACCORDINGLY, THIS LETTER OF OFFER, THE LETTER OF OFFER, THE ABRIDGED LETTER OF OFFER, ENTITLEMENT LETTER, AND APPLICATION FORM SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Rights Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Letter of Offer, the Letter of Offer. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other

jurisdictions where the offer and sale of the Rights Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares and/ or Rights Entitlements in respect of any such Application Form.

Our Promoters and our Company are not making, and will not make, and will not participate or otherwise be involved in any offers or sales of the Rights Entitlements, the Rights Equity Shares or any other security with respect to this Issue in the United States.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States. The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e., Bigshare Services Private Limited. The agreement between the Company and the Registrar provides for a period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of Investors.

Investors may contact the Registrar or our Compliance Officer for any pre-Issue/post-Issue related matter. All grievances relating to the ASBA process with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole/ first holder, folio number or demat account number, serial number of the Application Form, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form, or the plain paper application, as the case may be, was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip (in case of ASBA process),. For details on the ASBA process, please see "Terms of the Issue" on page 138 of this Letter of Offer.

Investor Grievances arising out of this Issue

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p>Ms. Hetal Harshal Somani Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai – 400053, Maharashtra. Contact Details: +91- 8976881523 Email: info@vrnm.com</p>	<p>BIGSHARE SERVICES PRIVATE LIMITED Address: Office No S6-2, 6th floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400 093, Maharashtra, India. Tel. No.: +91--22-62638200122 Email: rightsissue@bigshareonline.com Website: www.bigshareonline.com Investor Grievance email: investor@bigshareonline.com SEBI Registration No.: INR000001385</p>

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.bigshareonline.com . Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are (investor@bigshareonline.com/022-6263 8200).

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible

Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA.

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see 'Making Application by Eligible Equity Shareholders holding Equity Shares in physical form' beginning on page 153.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the NSE and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter and Application Form and other issue material (“Issue Materials”) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a. Our Company's website at <https://vrnm.com> ;
- b. Registrar to the Issue's website at www.bigshareonline.com ;
- c. NSE website at www.nseindia.com ;

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at <https://vrnm.com> .

Further, our Company along will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

2. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process.

a. ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "*Application on Plain Paper under ASBA process*" on page 151 of this Letter of Offer.

b. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to: (a) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (b) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to: (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (ii) Equity Shares held in the account of IEPF authority; or (iii) The demat

accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (iv) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity

Shareholders to our Company or Registrar; or (v) Credit of the Rights Entitlements returned/ reversed/ failed; or (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e.,). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com ;
2. Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company: info@vrnm.com ;
3. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: www.bigshareonline.com ;
4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: www.bigshareonline.com.

RENOUNCEES

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

BASIS FOR THIS ISSUE

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in

respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., www.bigshareonline.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue materials (“Issue Materials”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For further details, see “Notice to Investors” and “Restrictions on foreign ownership of Indian securities” on page 11 and 169 of this Letter of Offer.

PRINCIPAL TERMS OF THIS ISSUE

Face Value

Each Rights Equity Shares will be having face value of ₹ 5.00 (Rupees Five Only).

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 123/- (Rupees One Hundred Twenty Three only) per Rights Equity Share (including a premium of ₹ 118/- (Rupees One Hundred Eighteen only) per Rights Equity Share) in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company in consultation with the Advisor to the Issue and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 01 (One) Rights Equity Share(s) for every 10 (Ten) fully paid-up Equity Share(s) held by the Eligible Equity Shareholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, see "*Procedure for Renunciation of Rights Entitlements*" on page 142 of this Letter of Offer.

In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to: (a) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (b) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to: (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (ii) Equity Shares held in the account of IEPF authority; or (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (iv) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (v) Credit of the Rights Entitlements returned/ reversed/ failed; or (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE0JOO20013. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange

after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE “PROCEDURE FOR APPLICATION” ON PAGE 147.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 01 Rights Equity Shares for every 10 Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 Equity Shares or is not in the multiple of 10 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder hold 10 Equity Shares, such Equity Shareholder will be entitled to 01 Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 10 Equity Shares shall have ‘zero’ entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Shares, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Ranking of Equity Shares

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

The Rights Equity Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the NSE under ISIN INE0JOO20013. Prior to the Issue Opening Date, our Company will obtain the approval from the NSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Thursday, September 28, 2023 to Friday, September 29, 2023 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees not later than two working days prior to the issue closing date. For details, see “*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*” and “*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*” on page 151 of this Letter of Offer.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Credit Rating

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the NSE through letter bearing reference number NSE/LIST/2023/0900 dated August 30, 2023. Our Company will apply to the NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on NSE Emerge bearing Scrip Symbol ‘CLOUD’ under ISIN ‘INE0JOO01021’. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the NSE Emerge, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the NSE Emerge, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see the paragraph titled “*Intention and participation by the promoter and promoter group*” under the chapter titled “*Capital Structure*” on page 45 of this Letter of Offer.

Rights of holders of Rights Equity Shares of our Company

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders;
- c. The right to receive surplus on liquidation;
- d. The right to free transferability of Rights Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- f. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is One Shares and in multiples of One Shares. To clarify further, fractional entitlements are not eligible for trading.

Minimum Subscription

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules,

2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only. The marketable lot is 1000 Right Equity Shares and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated). The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Mumbai, Maharashtra. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Equity Shareholders only to

- (i) E-mail addresses of resident Eligible Equity Shareholders who have provided their e-mail addresses;

- (ii) Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company;
- (iii) Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company;

In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.bigshareonline.com . Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- (i) Our Company at <https://vrnm.com> ;
- (ii) The Registrar at www.bigshareonline.com;
- (iii) The Stock Exchange at www.nseindia.com ;

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) . Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page 157 of this Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an application that is available on the website of the Registrar and Stock Exchange or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 151 of this Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘*CIR/CFD/DIL/13/2012*’ dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Equity Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the NSE, and

Applications submitted to anyone other than the Designated Branches of the SCSB

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 151 of this Letter of Offer.

ADDITIONAL RIGHTS EQUITY SHARES

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section “*Basis of Allotment*” on page 161 of this Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or

stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

(i) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Shares. To clarify further, fractional entitlements are not eligible for trading.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Thursday, September 28, 2023 to Friday, September 29, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INEJOO20013 (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(ii) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees not later than two working days prior to the issue closing date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '*VARANIUM CLOUD LIMITED*';
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio No./DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Rights Equity Shares entitled to;
- (vii) Total number of Rights Equity Shares applied for;
- (viii) Number of additional Rights Equity Shares applied for, if any;
- (ix) Total amount paid at the rate of ₹ 123/- for Rights Equity Shares issued in one Rights Entitlement;
- (x) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xi) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- (xiii) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

(xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

(xv) In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as ‘**Regulation S**’), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.” In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www. www.bigshareonline.com](http://www.bigshareonline.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or us Company, Eligible Equity Shareholders should visit www.bigshareonline.com.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Application Form from:
 - (i) the website of the Registrar at www.bigshareonline.com;
 - (ii) Our Company at <https://vrnm.com> and
 - (iii) The Stock Exchange at www.nseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN.

The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 162 OF THIS LETTER OF OFFER.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Equity Shareholders and the Renounees;
4. Application should be made only through the ASBA facility;
5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 151 of this Letter of Offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected.** With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a

Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;

15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and Occupation ("Demographic Details") are updated, true and correct, in all respects;
4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;

2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don'ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

GROUNDS FOR TECHNICAL REJECTION

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;

17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MODES OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking.

1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility or internet banking or Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

- (i) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company;

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.

The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders at (i) the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.

- (ii) Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;
- (iii) Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act;
- (ii) In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;
- (iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity

Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Procedure for Applications by Mutual Funds*”

below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is Friday, October 06, 2023 i.e., Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, **subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).**

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, “*Basis of Allotment*” on page 161 of this Letter of Offer.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the NSE,

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility may withdraw their application post the Issue Closing Date.

ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	Tuesday, September 26, 2023
Issue Opening Date	Thursday, September 28, 2023
Last Date for On Market Renunciation*	Friday, September 29, 2023
Issue Closing Date	Friday, October 06, 2023
Finalisation of Basis of Allotment (on or about)	Monday, October 09, 2023
Date of Allotment (on or about)	Monday, October 09, 2023
Date of Credit (on or about)	Wednesday, October 11, 2023
Date of Listing (on or about)	Friday, October 13, 2023

** Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees not later than two working days prior to the issue closing date.*

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue

Closing Date to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

BASIS OF ALLOTMENT

Subject to the provisions contained in this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
2. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will e-mail Allotment advice, refund intimations or demat credit of Rights Equity Shares and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case

of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at 15% (Fifteen Percent) p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as ‘NACH’) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. National Electronic Fund Transfer (hereinafter referred to as ‘NEFT’) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (hereinafter referred to as ‘IFSC Code’), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO

1. THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR
2. THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR
3. DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE NSE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”) In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different

names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

PAYMENT BY STOCKINVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at the prescribed rate. In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and Satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at NSE, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;

6. Adequate arrangements shall be made to collect all ASBA applications;
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

1. All monies received out of issue of this Rights Equity Issue to the public shall be transferred to a separate bank account.
2. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
3. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

IMPORTANT

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '*VARANIUM CLOUD LIMITED – RIGHT ISSUE*' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400 093, Maharashtra, India.

Tel. No.: +91--22-62638200122

Email: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Investor Grievance email: investor@bigshareonline.com

SEBI Registration No.: INR000001385

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.bigshareonline.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties is 022- 62638200.
4. This Issue will remain open for a minimum 15 (Fifteen) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

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 fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION IX – OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at <https://vrnm.com> from the date of this Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated September 23, 2023 between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated September 23, 2023 among our Company, the Registrar to the Issue and the Bankers to the Issue;
3. Tripartite Agreement between our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement between our Company, CDSL and the Registrar to the Issue.

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our company;
3. Copies of Annual Reports of our Company for the last three Financial Years for the Financial Year ending March 31, 2023, March 31, 2022 and March 31, 2021;
4. Copy of Unaudited Financial Results for the Quarter period ended June 30, 2023.
5. Copy of the Resolution of our Board of Directors dated 14th July, 2023 approving the Issue;
6. Copy of Resolution Copy of the Resolution of Rights Issue Committee dated September 05, 2023, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
7. Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Advisor to the Issue, Bankers to our Company, Bankers to the Issue, Legal Advisor to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
8. Report on Statement of Special Tax Benefits dated August 18, 2023 for our Company from the Statutory Auditors of our Company;
9. In-principle approval issued by NSE dated August 30, 2023;

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- _____ Mr. Harshawardhan Hanmant Sabale Chairman & Managing Director	Sd/- _____ Mr. Fahim Iunus Shaikh Executive Director
Sd/- _____ Mr. Vinayak Vasant Jadhav Executive Director	Sd/- _____ Mr. Pratik Surendrakumar Shah Non-Executive Independent Director
Sd/- _____ Mr. Kalpesh Anil Acharekar Non-Executive Independent Director	Sd/- _____ Ms. Harshita Singhal Non-Executive Independent Director
Sd/- _____ Ms. Nidhi Jain Non-Executive Independent Director	

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/- _____ Mr. Mukundan Raghavan Chief Financial Officer	Sd/- _____ Ms. Hetal Harshal Somani Company Secretary & Compliance Officer
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Place: Mumbai
Date: 26/09/2023