DRAFT RED HERRING PROSPECTUS
Dated: May 11, 2022
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

(Please scan this QR Code to view the DRHP)

FIRSTMERIDIAN BUSINESS SERVICES LIMITED

CORPORATE IDENTITY NUMBER: U74999MH2018PLC371978

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Mumbai City, Maharashtra, India	Unit no. 5, 3rd Floor, RBD Icon Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India	Monali Joshi Company Secretary and Compliance Officer	E-mail: investors@firstmeridian.com Tel: +91 22 4218 0000	www.firstmeridian.com

NAME OF PROMOTER OF OUR COMPANY: MANPOWER SOLUTIONS LIMITED

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND RESERVATION
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹ 500.00 million	Up to [●] Equity Shares aggregating up to ₹ 7,500.00 million	[●] Equity Shares aggregating up to ₹ 8,000.00 million	The Offer is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations, as our Company does not fulfil requirements under Regulation 6(1)(b) of the SEBI ICDR Regulations of having operating profit in each of the preceding three years. For details of share reservation among QIBs, NIIs and RIBs, see "*Offer Structure*" on page 383.

OFFER FOR SALE

DETAILS OF OFFER FOR SALE BY OUR PROMOTER AND OTHER SELLING SHAREHOLDERS

NAME OF THE PROMOTER SELLING SHAREHOLDER AND THE OTHER SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE [(1)]
Manpower Solutions Limited	Promoter Selling Shareholder	Up to [●] Equity Shares aggregating up to ₹ 6,650.00 million	₹ 54.76
New Lane Trading LLP	Other Selling Shareholder	Up to [●] Equity Shares up to ₹ 450.00 million	₹ 54.77
Seedthree Trading LLP	Other Selling Shareholder	Up to [●] Equity Shares up to ₹ 400.00 million	₹ 63.30

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and the Offer Price determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 115) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 423.

BOOK RUNNING LEAD MANAGERS

Name of Book Running Lead Manager and logo	Contact Person	Telephone and E-mail
JM Financial Limited	Prachee Dhuri	Tel.: +91 22 6630 3030/3262 E-mail: firstmeridian.ipo@jmfl.com
DAM Capital Advisors Limited ***(Formerly IDFC Securities Limited)***	Gunjan Jain	Tel: +91 22 4202 2500 E-mail: firstmeridian.ipo@damcapital.in
Edelweiss Financial Services Limited	Lokesh Shah	Tel: +91 22 4009 4400 E-mail: FirstMeridian@edelweissfin.com
IIFL Securities Limited	Harshvardhan Jain	Tel: +91 22 4646 4728 E-mail: firstmeridian.ipo@iiflcap.com

REGISTRAR TO THE OFFER

Name of Registrar	Contact Person	Telephone and E-mail
Link Intime India Private Limited	Shanti Gopalkrishnan	Tel: +91 22 4918 6200 E-mail: firstmeridian.ipo@linkintime.co.in

BID/ OFFER PERIOD

ANCHOR INVESTOR BID/OFFER PERIOD	[●]*	BID/OFFER OPENS ON	[●]*	BID/OFFER CLOSES ON	[●]**

** Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

***Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

(1) As certified by Ramanand & Associates, Chartered Accountants, by way of their certificate dated May 11, 2022.

DRAFT RED HERRING PROSPECTUS
Dated May 11, 2022
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC**)**
100% Book Built Offer

FIRSTMERIDIAN BUSINESS SERVICES LIMITED

Our Company was incorporated as "FirstMeridian Business Services Private Limited" in Bengaluru as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 20, 2018 issued by the Registrar of Companies, Karnataka at Bengaluru. Thereafter, the registered office of our Company (and the relevant registrar of companies) shifted from Bengaluru, Karnataka to Mumbai, Maharashtra, and a fresh certificate of incorporation, dated November 23, 2021, was issued to our Company by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on January 19, 2022 and consequently, the name of our Company was changed to its present name, 'FirstMeridian Business Services Limited', and a fresh certificate of incorporation dated February 1, 2022 was issued by the RoC to our Company. For details of changes in the name and the registered office address of our Company, see '*History and Certain Corporate Matters*' on page 197.

Corporate Identity Number: U74999MH2018PLC371978
Registered Office: 501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Mumbai City, Maharashtra, India
Corporate Office: Unit no.5, 3rd Floor, RBD Icon Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India
Tel: +91 22 4218 0000
Contact Person: Monali Joshi, Company Secretary and Compliance Officer
Website: www.firstmeridian.com; **E-mail**: investors@firstmeridian.com

PROMOTER OF OUR COMPANY: MANPOWER SOLUTIONS LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY") OF FIRSTMERIDIAN BUSINESS SERVICES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 8,000.00 MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 500.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ 7,500.00 MILLION (THE "OFFER FOR SALE"), COMPRISING OFFERS FOR SALE OF (A) UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 6,650.00 MILLION BY MANPOWER SOLUTIONS LIMITED (THE "PROMOTER SELLING SHAREHOLDER"), (B) UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 450.00 MILLION BY NEW LANE TRADING LLP, AND (C) UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 400.00 MILLION BY SEEDTHREE TRADING LLP (THE "OTHER SELLING SHAREHOLDERS" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS") (THE "OFFER FOR SALE, AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [●], AND THE [●] EDITION OF THE MARATHI DAILY NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHEREIN THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS").

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

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be allocated on a proportionate basis to the Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company and the Promoter Selling Shareholder may in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be allocated to QIBs, then the entire application money shall be refunded forthwith. Further, (a) not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which, (i) one third of such portion shall be reserved for Non-Institutional Bidders with application size of more than ₹ 0.20 million and up to ₹ 1.00 million and (ii) two-third of such portion shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and (b) not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than the Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidder (defined hereinafter) if applicable, which will be blocked by the SCSBs or the Sponsor Bank under the UPI Mechanism, as applicable, to the extent of the corresponding Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 386.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price/ Price Band as determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 115 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 423.

BOOK RUNNING LEAD MANAGERS				**REGISTRAR TO THE OFFER**
JM FINANCIAL LIMITED 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai – 400 025 Maharashtra, India **Tel:** +91 22 6630 3030/ 3262 **E-mail:** firstmeridian.ipo@jmfl.com **Investor Grievance E-Mail:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**DAM CAPITAL ADVISORS LIMITED** (***Formerly IDFC Securities Limited***) One BKC, Tower C, 15th Floor, Unit No. 1511 Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Maharashtra, India **Tel.:** +91 22 4202 2500 **E-mail**: firstmeridian.ipo@damcapital.in **Investor grievance e-mail:** complaint@damcapital.in **Website:** www.damcapital.in **Contact Person:** Gunjan Jain **SEBI Registration:** MB/INM000011336	**EDELWEISS FINANCIAL SERVICES LIMITED** 6th Floor, Edelweiss House Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India **Tel:** +91 22 4009 4400 **E-mail:** FirstMeridian@edelweissfin.com **Investor Grievance ID:** customerservice.mb@edelweiss.in **Website:** www.edelweissfin.com **Contact Person:** Lokesh Shah **SEBI Registration Number:** INM0000010650	**IIFL SECURITIES LIMITED** 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai – 400013 Maharashtra, India **Tel**: +91 22 4646 4728 **E-mail**: firstmeridian.ipo@iiflcap.com **Investor Grievance ID**: ig.ib@iiflcap.com Website: www.iiflcap.com **Contact Person**: Harshvardhan Jain **SEBI Registration Number:** INM000010940	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai 400 083 Maharashtra, India **Tel:** + 91 22 4918 6200 **E-mail:** firstmeridian.ipo@linkintime.co.in **Investor Grievance e-mail:** firstmeridian.ipo@linkintime.co.in **Website: www.linkintime.co.in** **Contact Person:** Ms. Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PROGRAMME

BID/ OFFER OPENS ON: *	**[●]**
BID/ OFFER CLOSES ON: **	**[●]**

* *Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

** *Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations*

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TABLE OF CONTENTS

SECTION I – GENERAL 5

DEFINITIONS AND ABBREVIATIONS 5
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION 17
FORWARD-LOOKING STATEMENTS 21
SUMMARY OF THE OFFER DOCUMENT 23

SECTION II – RISK FACTORS 29

SECTION III – INTRODUCTION 67

THE OFFER 67
SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION 69
SUMMARY OF PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION 75
GENERAL INFORMATION 79
CAPITAL STRUCTURE 89
OBJECTS OF THE OFFER 108
BASIS FOR OFFER PRICE 115
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS 119

SECTION IV – ABOUT OUR COMPANY 141

INDUSTRY OVERVIEW 141
OUR BUSINESS 172
KEY REGULATIONS AND POLICIES 190
HISTORY AND CERTAIN CORPORATE MATTERS 197
OUR SUBSIDIARIES 204
OUR MANAGEMENT 208
OUR PROMOTER AND PROMOTER GROUP 229
OUR GROUP COMPANIES 233
DIVIDEND POLICY 234

SECTION V – FINANCIAL INFORMATION 235

RESTATED CONSOLIDATED FINANCIAL INFORMATION 235
PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION 312
OTHER FINANCIAL INFORMATION 322
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 325
CAPITALISATION STATEMENT 348
FINANCIAL INDEBTEDNESS 349

SECTION VI – LEGAL AND OTHER INFORMATION 352

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 352
GOVERNMENT AND OTHER APPROVALS 357
OTHER REGULATORY AND STATUTORY DISCLOSURES 360

SECTION VII – OFFER INFORMATION 377

TERMS OF THE OFFER 377
OFFER STRUCTURE 383
OFFER PROCEDURE 386
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 405

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION 406

SECTION IX – OTHER INFORMATION 423

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 423

DECLARATION 426

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications, directions or clarifications shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms in the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Notwithstanding the foregoing, the terms used in the sections titled "Industry Overview", "Statement of Possible Special Tax Benefits", "Restated Consolidated Financial Information", "Proforma Condensed Combined Financial Information", "Basis for Offer Price", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provision of the Articles of Association" on pages 141, 119, 235, 312, 115, 352, 386 and 406 respectively, shall have the meaning ascribed to such terms in the relevant sections.

General Terms

Term	Description
"the Company", "Our Company", or "the Issuer"	FirstMeridian Business Services Limited, a public limited company incorporated under the Companies Act, 2013, and having its registered office at 501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Mumbai City, Maharashtra, India and corporate office at Unit no.5, 3rd Floor, RBD Icon Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India.
"We", "Our" or "Us"	Unless the context otherwise indicates or implies, our Company together with its Subsidiaries as applicable, as at and during the relevant period / Fiscal/ Financial Year.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 208.
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, namely, Deloitte Haskins & Sells LLP, Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company.
Chairperson	Chairperson of the Board, as described in "*Our Management*" on page 208.
Chief Financial Officer/CFO	Chief financial officer of our Company, as described in "*Our Management*" on page 208.
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, as described in "*Our Management*" on page 208.
"Corporate Social Responsibility & Environment, Social and Governance Committee" or "CSR & ESG Committee"	The corporate social responsibility & environment, social and governance committee of our Board, as described in "*Our Management*" on page 208.
Corporate office	The corporate office of our Company is located at Unit no.5, 3rd Floor, RBD Icon Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India.
Director(s)	The director(s) on our Board.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
ESOP Scheme	The employee stock option scheme of our Company

Term	Description
F&S or Frost & Sullivan	Frost and Sullivan (India) Private Limited.
F&S Report	Industry report prepared by F&S titled "*Assessment of Staffing Solutions Market in India*" dated May 2022, which is exclusively prepared for the purpose of understanding the industry in connection with the Offer and issued by F&S and is commissioned and paid for by our Company. F&S was appointed on November 15, 2021 pursuant to an engagement letter entered into with our Company. F&S Report is available on the website of our Company at https://firstmeridian.com/investors, in accordance with applicable law
FMB Proforma Group	Our Company, together with its Subsidiaries, as described in *"Financial Information – Proforma Condensed Combined Financial Information*" on page 312.
Independent Director(s)	Independent director(s) on our Board.
IPO Committee	The committee constituted by our Board for the Offer, as described in "*Our Management*" on page 208.
Key Managerial Personnel/KMP	Key management/ managerial personnel of our Company in terms of the SEBI ICDR Regulations and as disclosed in "*Our Management – Key Managerial Personnel*" on page 208.
Managing Director	Managing Director of our Company, as described in "*Our Management*" on page 208.
Materiality Policy	Policy for identification of Group Companies, material outstanding civil litigations proceedings of our Company, our Subsidiaries, our Promoter and our Directors and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated April 12, 2022.
Material Subsidiaries	The material subsidiaries of our Company in accordance with the Regulation 16(1)I of the SEBI Listing Regulations, namely as follows: (i) Innovsource Services Private Limited (ii) V5 Global Services Private Limited (iii) Affluent Global Services Private Limited (iv) RLabs Enterprise Services Limited
"Memorandum" or Memorandum of Association or "MoA"	The memorandum of association of our Company, as amended from time to time.
Nomination, Remuneration and Compensation Committee	The Nomination, Remuneration and Compensation Committee of our Board, as described in "*Our Management*" on page 208.
Non-executive Director(s)	Non-executive director(s) of our Company, as described in "*Our Management*" on page 208.
Other Selling Shareholders	Collectively, New Lane Trading LLP and Seedthree Trading LLP.
Proforma Condensed Combined Financial Information	The proforma condensed combined financial information of the Company comprising the proforma condensed combined statement of assets and liabilities as at December 31, 2021, and March 31, 2021, proforma condensed combined statement of profit and loss (including other comprehensive income) for the nine-months period ended December 31, 2021 and for the year ended 31 March 2021, read with selected explanatory notes to the proforma condensed combined financial information, which has been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ("**ICAI Guidance Note**") to illustrate what the statement of assets and liabilities as at December 31, 2021, and March 31, 2021 and statement of profit and loss (including other comprehensive income) for the nine-months period ended December 31, 2021 and for the year ended March 31, 2021 for the FMB Proforma Group might have been, had CBSI and Rlabs had been controlled by the Company and accounted for as subsidiaries from April 1, 2020.
"Promoter" or the "Promoter Selling Shareholder" or "Manpower"	Manpower Solutions Limited, the promoter of our Company.
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see "*Our Promoter and Promoter Group*" on page 229.
Registered Office	The registered office of our Company is located at 501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Mumbai City, Maharashtra, India.
"Registrar of Companies" or "RoC"	The Registrar of Companies, Maharashtra, located at Mumbai.

Term	Description
"Restated Financial Statements" or "Restated Consolidated Financial Information"	The restated consolidated financial information of our Company, along with our Subsidiaries (excluding RLabs), comprising of the restated consolidated statement of assets and liabilities as at December 31, 2021,the year ended March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profits and loss (including other comprehensive income), and restated consolidated statement of cash flows and restated consolidated statement of changes in equity for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019 and the summary of Significant Accounting Policies and explanatory notes (collectively, the "**Restated Consolidated Financial Information**"). The Restated Consolidated Financial Information are compiled from our audited special purpose consolidated interim financial statements as at and for the nine months period ended December 31, 2021 and audited consolidated financial statements as at and for the year ended March 31, 2021, as at and for the year ended March 31, 2020 and as at March 31, 2019 and for the period February 20, 2018 to March 31, 2019 and prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the Institute of Chartered Accountants of India, as amended.
Risk Management Committee	The risk management committee of our Company, described in "*Our Management*" on page 208.
RLabs	RLabs Enterprise Services Limited, a subsidiary of our Company.
Selling Shareholders	Collectively, the Promoter Selling Shareholder and the Other Selling Shareholders.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 208.
Subsidiaries	The subsidiaries of our Company, namely: (i) Innovsource Services Private Limited (ii) Innovsource Facilities Private Limited (iii) V5 Global Services Private Limited (iv) Affluent Global Services Private Limited (v) CBSI India Private Limited (vi) RLabs Enterprise Services Limited
Whole-time Director(s)	Whole-time director(s) of our Company, as described in "*Our Management*" on page 208.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
'Allot' or 'Allotment' or 'Allotted'	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher

Term	Description
	than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
'ASBA' or 'Application Supported by Blocked Amount'	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 386.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
'Bidder' or 'Applicant'	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●], and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations. Our Company in consultation with the BRLMs, may consider closing the Bid/Offer

Term	Description
	Period for QIBs one Working Day prior to the Bid/Offer Closing Date.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●], and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereto in accordance with the SEBI(ICDR) Regulations and in accordance with the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three working days for all categories of Bidders, other than Anchor Investors. Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for the QIB Category, one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only.
Book Building Process	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
'Book Running Lead Managers' or 'BRLMs'	The book running lead managers to the Offer, being JM Financial, DAM Capital, Edelweiss and IIFL Securities.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
'CAN' or 'Confirmation of Allocation Note'	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Bank, and the Refund Bank(s) for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
'CDP' or 'Collecting Depository Participant'	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer for the Offer	Compliance officer for the Offer in terms of the SEBI ICDR Regulations.
Cut-Off Price	The Offer Price, which shall be any price within the Price Band, finalised by our Company and the Promoter Selling Shareholder in consultation with the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
DAM Capital	DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*).
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms.

Term	Description
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Account, and funds blocked by the SCSBs and Sponsor Bank are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Red Herring Prospectus following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated May 11, 2022 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
Edelweiss	Edelweiss Financial Services Limited.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to, or purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 500.00 million by our Company.
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI. The General Information Document shall be made available on the websites of the Stock Exchanges and the BRLMs
IIFL Securities	IIFL Securities Limited.
JM Financial	JM Financial Limited.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.

Term	Description
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of this Offer being not more than 15% of the Offer, being [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price, subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
'Non-Resident' or 'NR'	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer	The initial public offering of the Equity Shares of our Company by way of the Fresh Issue and the Offer for Sale.
Offer Agreement	The agreement dated May 11, 2022 among our Company, the Selling Shareholders, the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 7,500.00 million by the Selling Shareholders.
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus and the Prospectus.
Offered Shares	Up to [●] Equity Shares aggregating up to ₹ 7,500.00 million being offered for sale by the Selling Shareholders in the Offer for Sale.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs will be advertised in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●],and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, the Selling Shareholders in consultation with the BRLMs, finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information,

Term	Description
	including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened, in this case being [●].
'QIBs' or 'Qualified Institutional Buyers'	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of the Offer (including Anchor Investor Portion) being not less than 75% of the Offer, being not less than [●] Equity Shares, which shall be available for allocation to QIBs (including Anchor Investors) on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
QIB Bid/ Offer Closing Date	In the event our Company in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
'Red Herring Prospectus' or 'RHP'	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated May 6, 2022, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
'Registrar to the Offer' or 'Registrar'	Link Intime India Private Limited.
'RTAs' or 'Registrar and Share Transfer Agents'	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Resident Indian	A person resident in India, as defined under FEMA.
'Retail Individual Bidder(s)' or 'Retail Individual Investor(s)' or 'RII(s)' or 'RIB(s)'	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion	The portion of the Offer, being not more than 10% of the Offer being not more than [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
'Self-certified Syndicate Bank(s)' or 'SCSB(s)'	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, 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 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism,

Term	Description
	a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Sponsor Bank(s)	Bank(s) registered with SEBI which are appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI, the Sponsor Bank(s) in this case being [●] and [●].
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] between our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●].
'Syndicate' or 'Members of the Syndicate'	The BRLMs and the Syndicate Members.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] between the Underwriters, our Company and the Selling Shareholders, entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI Bidders	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	Collectively, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment

Term	Description
	system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or a Fraudulent Borrower	Wilful defaulter or a Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI, including the SEBI UPI Circulars.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
Associates	Our employees that are deployed at client locations
BFSI	Banking, financial services and insurance
CAGR	Compound annual growth rate, which is the average growth rate over the specified period of time
Core employees	Our employees other than the Associates.
EBITDA	Earnings before interest, taxes, depreciation and amortisation
ECL	Expected credit loss
EIR	Effective interest rate
Finance Act	Finance Act, 2022
Finance Bill	Finance Bill, 2022
FTVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
HR	Human resource
IT	Information technology
ITES	Information technology enabled services
OCI	Other comprehensive income
RPO	Recruitment process outsourcing
SAP	Systems applications and products in data processing
SLA	Service legal agreement
SPDI	Sensitive personal data or information
SPPI	Sole payments of principal and interest

Conventional and General Terms or Abbreviations

Term	Description
'Mn' or 'mn'	Million.
AGM	Annual General Meeting.
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	BSE Limited.
Category I FPI	FPIs registered as "Category I foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CDSL	Central Depository Services (India) Limited.

Term	Description
CEO	Chief executive officer
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
Contract Labour Act	The Contract Labour (Regulation and Abolition) Act, 1970.
Control	Control as defined under the Takeover Regulations, and the term "**Controlled**" shall be construed accordingly
CPC	Civil Procedure Code, 1908
CSR	Corporate Social Responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DIN	Director Identification Number.
DP ID	Depository Participant's Identity Number.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
EGM	Extraordinary General Meeting.
Employees Provident Fund Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
EPS	Earnings Per Share.
FAQs	Frequently asked questions.
FCNR	Foreign currency non-resident account.
FDI	Foreign Direct Investment.
FDI Circular	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instrument) Rules, 2019.
'Financial Year' or 'Fiscal' or 'Fiscal Year' or 'FY'	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
GDP	Gross domestic product.
GoI or Government or Central Government	The Government of India.
GST	Goods and services tax.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Income Tax Act	Income- Tax Act, 1961, read with the rules framed thereunder.
Income Tax Rules	Income- Tax Rules, 1962.
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
IPO	Initial public offering.
IST	Indian Standard Time.
JPC	Joint parliamentary committee
MBA	Master's degree in business administration.
MCA	Ministry of Corporate Affairs, Government of India.
N.A.	Not applicable.
NAV	Net asset value.

Term	Description
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number.
PAT	Profit after tax.
PDP	Personal data protection
PDP Bill	Personal Data Protection Bill, 2019
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RTGS	Real time gross settlement.
Rule 144A	Rule 144A under the U.S. Securities Act.
R&D	Research and development
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
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, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI SBEB and Sweat Equity Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
State Government	The government of a state in India.
Stock Exchanges	Collectively, the BSE and NSE.
STT	Securities transaction tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
U.S./United States	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
U.S. GAAP	Generally accepted accounting principles of the United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
Year/ Calendar Year	The 12 months period ending December 31.

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

Certain Conventions

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

All references herein to the "US", the "U.S." or the "United States" are to the United States of America and its territories and possessions, All references to "Mauritius" herein are to the Mauritius and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal or a Fiscal Year are to the year ended on March 31, of that calendar year.

Page Numbers

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

Currency and Units of Presentation

All references to *"Rupee(s)," "Rs."* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to *"US$"* or *"USD"* or *"U.S. Dollars"* are to United States Dollar, the official currency of the United States of America.

All the figures in this Draft Red Herring Prospectus, except for figures derived from the F&S Report (which are in million or billion), have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(*in ₹*)

Currency	Exchange rate as on[#]			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019[*]
1 US$	74.30	73.50	75.39	69.17

Source: Foreign exchange reference rates as available on www.fbil.org.in
Note: Exchange rate is rounded off to two decimal point
[*]Exchange rates as on March 29, 2019 as March 31, 2019 was a Sunday and March 30, 2019 was a Saturday
[#]On instances where the given day is a holiday, the exchange rate from the previous working day has been considered.

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Time

Unless otherwise specified, all references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Financial and Other Data

Unless stated or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Information. For further information, see *"Financial Information"* on *page* 235.

The Restated Consolidated Financial Information of our Company and its Subsidiaries (excluding RLabs) (collectively referred to as Group) comprises of the restated consolidated statement of assets and liabilities as at December 31, 2021, the year ended March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statements of profits and loss (including other comprehensive income), and restated consolidated statement of cash flows and restated consolidated statement of changes in equity for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019 and the summary of Significant Accounting Policies and explanatory notes (collectively, the "**Restated Consolidated Financial Information**"). The Restated Consolidated Financial Information are compiled from our audited special purpose consolidated interim financial statements as at and for the nine months period ended December 31, 2021 and audited consolidated financial statements as at and for the year ended March 31, 2021, as at and for the year ended March 31, 2020 and as at March 31, 2019 and for the period February 20, 2018 to March 31, 2019 and prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the Institute of Chartered Accountants of India, as amended.

We have also included the Proforma Condensed Combined Financial Information in this Draft Red Herring Prospectus.

The proforma condensed combined financial information of the Company comprising the proforma condensed combined statement of assets and liabilities as at December 31, 2021, and March 31, 2021, proforma condensed combined statement of profit and loss (including other comprehensive income) for the nine-months period ended December 31, 2021 and for the year ended 31 March 2021, read with selected explanatory notes to the proforma condensed combined financial information, which has been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ("**ICAI Guidance Note"**) to illustrate what the balance sheet as at December 31, 2021, and March 31, 2021 and statement of profit and loss (including other comprehensive income) for the nine-months period ended December 31, 2021 and for the year ended March 31, 2021 for the FMB Proforma Group might have been, had CBSI and RLabs had been controlled by the Company and accounted for as subsidiaries from April 1, 2020.

Further see, "*Risk Factors – Internal Risk Factors – Our Restated Consolidated Financial Information includes impact of acquisitions made by our Company over different financial reporting periods. However, the effects of our recent acquisitions are not fully reflected in our Restated Consolidated Financial Information, and our Restated Consolidated Financial Information may not accurately represent our future financial performance. Further the Proforma Condensed Combined Financial Information may not be indicative of our future performance*" on page 44.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**," "**Fiscal Year**" or "**FY**") are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*," "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 172 and 325, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

Non-Generally Accepted Accounting Principles Financial Measures ("Non- GAAP Measures")

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBIT, adjusted PAT, adjusted capital employed, adjusted return on capital employed and free cashflow, among others, relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS (together, "**Non-GAAP Measures**"). These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS, Indian GAAP, IFRS or US GAAP and may not be comparable to similarly titled measures presented by other companies. See also "*Risk Factors – We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not required by Ind AS*" on page 53.

Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from a report titled "Assessment of Staffing Solutions Market in India" dated May 2022 ("**F&S Report**") prepared by Frost & Sullivan ("**F&S**") and is exclusively prepared for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company. The F&S Report is available on the website of our Company at https://firstmeridian.com/investors, until the Bid / Offer Closing Date. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 29.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Offer Price*" on page 115 includes information relating to our peer group. Such information has been derived from publicly available sources.

This Draft Red Herring Prospectus contains certain industry and market data and statements obtained from the F&S Report. The F&S Report has been commissioned by and paid for by our Company, exclusively in connection

with the Offer. The F&S Report is subject to the disclaimer mentioned below. F&S has, through its letter dated May 9, 2022 ("**Letter**") accorded its consent to use the F&S Report in this Draft Red Herring Prospectus. F&S has also confirmed in the Letter that it is an independent agency, and that it is not related to our Company, our Directors, or our Promoter.

Disclaimer

*"Assessment of Staffing Solutions Market in India" has been prepared for the proposed initial public offering of equity shares by FirstMeridian Business Services Limited (the "**Company**") with due care and caution by Frost & Sullivan.*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant Section 4(a) of the U.S. Securities Act.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements" which are not statements of historical fact and may be described as "forward-looking statements." These forward-looking statements include statements which can generally be identified by words or phrases such as "aim," "anticipate", "believe", "can", "could" "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "shall" "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

These forward-looking statements are based on our present plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company and Subsidiaries have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- impact of coronavirus disease (COVID-19) to our business, results of operations and financial condition;
- ours is a highly competitive and fragmented industry with low barriers to entry;
- our business is subject to extensive government regulation, which may restrict the types of services we are permitted to offer or result in additional costs on us;
- any inability to fully realize the anticipated benefits of recent acquisitions or any future acquisitions successfully or within our intended timeframe;
- any inability to collect our receivables from our clients;
- any inability to attract and retain qualified Associates;
- any inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business;
- employment-related claims and losses;
- any adverse incident or accident involving Associates; and
- increase in employee costs in India

For a discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*," "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 172 and 325, respectively. By their nature, certain market risk disclosures are 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 and are not a guarantee of future performance.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe that the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Selling Shareholders, and the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence

of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the Selling Shareholders, severally and not jointly, will ensure that investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until the date of Allotment. The Selling Shareholders (through our Company and the BRLMs) will ensure that investors are informed of material developments in relation to the statements and undertakings expressly made, to the extent of information specifically pertaining to itself and the Offered Shares in the Offer for Sale, by the Selling Shareholders in the Red Herring Prospectus until the date of Allotment.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Proforma Condensed Combined Financial Information" "Restated Consolidated Financial Information", "Outstanding Litigation and Material Developments", and "Offer Procedure" on pages 29,67,89,108,141,172, 312, 235,352 and 386, respectively.

<table>
<tr><td>Summary of our primary business</td><td>We are India's third largest staffing company, in terms of revenues for the financial year ended March 31, 2021 (Source: F&S Report). The services we provide include (1) general staffing and allied services, (2) global technology solutions and (3) other HR services, including permanent recruitment, recruitment process outsourcing, pharmaceutical and healthcare staffing and facility management. The number of our Associates increased to 118,082 as at March 31, 2022, as compared to 108,832 as at December 31, 2021. Our Associates operate in various functional roles, such as sales and marketing, customer services, warehouse management, delivery and factory staff.</td></tr>
<tr><td>Summary of the Industry in which we operate</td><td>The total human resource solutions market size is estimated to be ₹1,450.00 billion in the financial year 2021, with a CAGR of 13.1% from the financial year 2016 to the financial year 2020. India has the second largest working age population in the world, which is a critical element that will drive the growth of the staffing solutions market in India. India's working age population is expected to increase by over 113 million from 2021 to 2036. (Source: F&S Report).</td></tr>
<tr><td>Our Promoter</td><td>Manpower Solutions Limited</td></tr>
<tr><td>Offer size</td><td>
<table>
<tr><td>Offer</td><td>Up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ 8,000.00 million</td></tr>
<tr><td>of which</td><td></td></tr>
<tr><td>Fresh Issue[1]</td><td>Up to [●] Equity Shares, aggregating up to ₹ 500.00 million</td></tr>
<tr><td>Offer for Sale[1][2][3]</td><td>Up to [●] Equity Shares aggregating up to ₹ 7,500.00 million comprising of up to [●] Equity Shares aggregating up to ₹ 6,650.00 million by Manpower Solutions Limited, up to [●] Equity Shares aggregating up to ₹ 450.00 million by New Lane Trading LLP, and up to [●] Equity Shares aggregating up to ₹ 400.00 million by Seedthree Trading LLP</td></tr>
</table>
Note:
(1) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on April 12, 2022 and the Fresh Issue has been authorised by our Shareholders pursuant to their resolution dated May 6, 2022.
(2) For details on authorisation of the Selling Shareholders in relation to their respective portion of their Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 67 and 360.
(3) Each Selling Shareholder (severally and not jointly) has specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Further, each of the Selling Shareholder, severally and not jointly, confirms that its portion of the Offered Shares is within the thresholds prescribed under Regulation 8A of the SEBI ICDR Regulations. For details, see "Offer Procedure - Undertakings by the Selling Shareholders" on page 403.

The Offer shall constitute [●] % of the post-Offer paid-up equity share capital of our Company. For further details, see "The Offer" on page 67.</td></tr>
<tr><td>Objects of the Offer</td><td>The objects for which the Net Proceeds from the Offer shall be utilized are as follows:

<table>
<tr><th>Particulars</th><th>Amount (₹ in million)</th></tr>
<tr><td>Repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited</td><td>365.00</td></tr>
<tr><td>General corporate purposes [1]</td><td>[●]</td></tr>
<tr><td>Total [2]</td><td>[●]</td></tr>
</table>
[1] The amount utilized for general corporate purposes shall not exceed 25% of the Net Proceeds.
[2] To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

For further details, see "Objects of the Offer" on page 108.</td></tr>
</table>

Aggregate pre-Offer shareholding of our Promoter, the Promoter Group and the Selling Shareholders

(a) The aggregate pre-Offer shareholding of our Promoter as a percentage of the pre-Offer paid-up share capital of the Company is set out below:

Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
Promoter		
Manpower Solutions Limited	67,329,517	87.38
Total (A)	**67,329,517**	**87.38**

[*]Also the Promoter Selling Shareholder.

(b) The aggregate pre-Offer shareholding of the Selling Shareholders (other than our Promoter) as a percentage of the pre-Offer paid-up share capital of the Company is set out below:

Name of the Shareholder (other than the Promoter Selling Shareholder)	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
Selling Shareholders		
New Lane Trading LLP	4,764,589	6.18
Seedthree Trading LLP	4,050,977	5.26
Total	**8,815,566**	**11.44**

As on date of this DRHP, none of the members of our promoter group (other than our Promoter) hold any Equity Shares.

Summary of selected financial information

The details of certain financial information as set out under the SEBI ICDR Regulations as at and for the nine months period ended on December 31, 2021, as at and for the year ended March 31, 2021, as at and for the year ended March 31, 2020 and as at and for the period February 20, 2018 to March 31,2019 derived from the Restated Consolidated Financial Information are as follows:

(₹ in million, except per share data)

Particulars	As at and for nine months period ended December 31, 2021	As at and for the Year ended March 31, 2021	As at and for the Year ended March 31, 2020	As at and for the period February 20, 2018 to March 31, 2019
(A) Equity share capital	722.19	722.19	722.19	722.19
(B) Total equity	2,569.87	2,285.97	2,606.77	2,802.56
(C) Revenue from operations	20,694.07	21,102.86	20,584.37	13,984.41
(D) Restated profit/(loss) for the period/ year	214.00	(336.56)	(196.11)	(385.32)
(E) Restated earnings per equity share (Basic, in ₹)	2.96	(4.66)	(2.72)	(5.34)
(F) Restated earnings per equity share (Diluted, in ₹)	2.83	(4.66)	(2.72)	(5.34)
(G) Restated Net Asset Value per Equity Share (₹))[*]	35.58	31.65	36.09	38.81
(H) Total borrowings[**]	35.43	77.20	225.41	10.93

Notes:

[*]Restated Net Asset Value per Equity Share = Total equity/Weighted average number of equity shares at the end of the period/ year.
[**]Total Borrowings = Non – current borrowings + Current Borrowing + Current maturities of long term loan.

For further details, see "*Restated Consolidated Financial Information"* on page 235.

Summary of proforma condensed combined financial information

The details of certain financial information as at and for the nine months period ended December 31, 2021, and as at and for the year ended March 31, 2021, derived from the Proforma Condensed Combined Financial Information are as follows:

(₹ in million, except per share data)

Particulars	As at and for nine months period ended on December 31, 2021	As at and for the year ended March 31, 2021
(A) Equity share capital	722.19	722.19
(B) Total equity	2,833.83	2,470.40
(C) Revenue from operations	21,590.03	22,391.08
(D) Profit/(loss) for the period/ year	288.88	(284.65)

For further details, see "*Proforma Condensed Combined Financial Information"* on page 312.

Further see, "*Risk Factors – Internal Risk Factors – Our Restated Consolidated Financial Information includes impact of acquisitions made by our Company over different financial reporting periods. However, the effects of our recent acquisitions are not fully reflected in our Restated Consolidated Financial Information, and our Restated Consolidated Financial Information may not accurately represent our future financial performance. Further the Proforma Condensed Combined Financial Information may not be indicative of our future performance*" on page 44.

Auditor qualifications which have not been given effect to in the Restated Consolidated Financial Information

There are no auditor qualifications which have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoter, as of the date of this Draft Red Herring Prospectus, as also disclosed in "*Outstanding Litigation and Material Developments*" on page 352, in terms of the SEBI ICDR Regulations and the materiality policy adopted by our Board pursuant to a resolution dated April 12, 2022, is provided below:

Name of the entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved (₹ in million)*
Company						
By our Company	-	-	-	-	-	-
Against our Company	-	-	-	-	-	-
Directors						
By our Directors	-	-	-	-	-	-
Against our Directors	-	-	-	-	-	-
Promoter						
By our Promoter	-	-	-	-	-	-
Against our Promoter	-	-	-	-	-	-
Subsidiaries						
By our Subsidiaries^*	-	-	-	-	1	-
Against our Subsidiaries^*	-	10	-	-	3	31.42
For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on page 352.						

^ *According to the materiality policy and to the extent quantifiable.*

* *There are additional 34 tax cases / notices wherein amount is not ascertainable.*

Risk Factors

Specific attention of Investors is invited to the section titled "*Risk Factors*" on page 29. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities and commitments as at December 31, 2021, as at March 31, 2021, as at March 31, 2020 and as at March 31, 2019, as indicated in our Restated Consolidated Financial Information:

(₹ in million)

Contingent liabilities (to the extent not provided for)				
Particulars	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Claims not acknowledged as debts	25.52	17.16	13.78	10.58

Claims not acknowledged as debts principally relates to cases lodged by employees against the Group. It also includes cases lodged by employees against the erstwhile Holding Company relating to staffing business, which are now a contingent liability for the Group in lieu of the purchase of staffing business from the erstwhile Holding Company. The management believes, based on issues involved, that no material liabilities will accrue in respect of these cases and accordingly no cash

	outflow is expected and the management believes that based on the nature of cases, the claims are not expected to be material.
Summary of related party transactions	Details of related party transactions entered into by our Company for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, and derived from the Restated Consolidated Financial Information are as set out in the table below: **Details of related party transactions** *(₹ in million)*

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Manpower Solutions Limited (Mauritius)				
Issuance of shares during the period/ year (including securities premium)	-	-	-	2,847.00
Remuneration to Key Managerial Personnel (including subsidiaries) *	103.49	57.84	104.84	76.18
Remuneration to relative of Key Managerial Personnel	-	7.86	18.57	-
Reimbursement of expenses to Key Managerial Personnel	-	0.86	2.74	1.79
Professional and consultancy fees paid to Key Managerial Personnel	5.90	6.25	-	-
Professional and consultancy fees paid to relative of Key Managerial Personnel	-	1.36	-	-
Sale of building				
Profitum Management Consulting LLP (Partner-Ira Rajguru, wife of Satya Prasan Rajguru)	-	11.00	-	-

Compensation of Key Managerial Personnel

The remuneration of directors and other members of Key Managerial Personnel during the period/ year was as follows:

(₹ in million)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Short-term employee benefits	51.72	50.37	100.27	76.18
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	51.78	7.47	4.57	-
Total	**103.49**	**57.84**	**104.84**	**76.18**
Sitting fee paid to directors	**-**	**-**	**-**	**-**

Notes:

(i) The above Managerial remuneration excludes value of gratuity and compensated absences since the same is ascertained on aggregated basis for the Group as a whole by the way of actuarial valuation and separate values attributable to Key Managerial Person are not ascertained.

(ii) Total employee stock compensation expense for the nine months period ended December 31, 2021, year ended March 31, 2021 and March 31, 2020 includes a charge of ₹ 51.78 million, ₹ 7.47 million and ₹ 4.57 million respectively, towards key managerial personnel.

For details of the related party transactions eliminated during the period/year, **s**ee "*Restated Consolidated Financial Information – Related Party Transactions*" on Note No 31.5 on page 279**.**

Details of financing arrangements	Our Promoter, members of the Promoter Group, Directors of our Promoter, our Directors and their relatives (as defined in Companies Act, 2013) have not financed the purchase by any person of securities of our Company other than in the normal course of business of such financing entity

	during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.
Weighted average price at which the specified securities were acquired by our Promoter and the Other Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus	The weighted average price at which the specified securities were acquired by our Promoter in the last one year preceding the date of this Draft Red Herring Prospectus is as follows: **Name of our Promoter** | **Number of Equity Shares acquired** | **Weighted average price of acquisition per Equity Share (in ₹)[+]** Manpower Solutions Limited[**] | 3,053,158 | 275.13 *[*]As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.* *[**]Also, the Promoter Selling Shareholder.* The weighted average price at which the specified securities were acquired by the Other Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus is as follows: **Name of the Other Selling Shareholders** | **Number of Equity Shares acquired** | **Weighted average price of acquisition per Equity Share (in ₹)[+]** New Lane Trading LLP | 216,057 | 275.13 Seedthree Trading LLP | 656,734 | 161.51 *[*]As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.*
Average cost of acquisition of Equity Shares of our Promoter and the Other Selling Shareholders	The average cost of acquisition of Equity Shares for our Promoter as on the date of the Draft Red Herring Prospectus is as set out below: **Name of our Promoter** | **Number of Equity Shares held** | **Average cost of acquisition per Equity Share (₹)** Manpower Solutions Limited[**] | 67,329,517 | 54.76 *[*]As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.* *[**] Also, the Promoter Selling Shareholder.* The average cost of acquisition of Equity Shares for the Other Selling Shareholders as on the date of the Draft Red Herring Prospectus is as set out below: **Name of the Other Selling Shareholders** | **Number of Equity Shares held** | **Average cost of acquisition per Equity Share (in ₹)[+]** New Lane Trading LLP | 4,764,589 | 54.77 Seedthree Trading LLP | 4,050,977 | 63.30 *[*]As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.*
Details of price at which specified securities were acquired by our Promoter, the members of the Promoter Group, the Selling Shareholders, and Shareholders with rights to nominate directors or have other rights, in the last three years preceding the date of this Draft Red Herring Prospectus	Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoter, Promoter Group, Selling Shareholders and the other Shareholders having the right to nominate directors or other rights in our Company. The details of the prices at which these acquisitions were undertaken are stated below: **Name of the Shareholders** | **Date of acquisition** | **Number of Equity Shares acquired** | **Acquisition price per Equity Share (in ₹)[+]** **Promoter[*]** Manpower Solutions Limited | April 5, 2022 | 3,053,158 | 275.13 **Other Selling Shareholders** Seedthree Trading LLP | February 16, 2022 | 473,036 | 117.38 New Lane Trading LLP | April 5, 2022 | 216,057 | 275.13 Seedthree Trading LLP | April 5, 2022 | 183,698 | 275.13 *[+]As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.* *[*] Also, the Promoter Selling Shareholder.* *[**] Shareholders with nominee director or other rights.* No Equity Shares have been allotted to any member forming part of the Promoter Group (other than the Promoter Selling Shareholder) in last three years preceding the date of this Draft Red Herring Prospectus.

<table>
<tr><td>Details of weighted average cost of acquisition of all shares transacted over the trailing 18 months preceding the date of this Draft Red Herring Prospectus</td><td>
<table>
<tr><th>Period</th><th>Weighted average cost of acquisition (WACA) (in ₹)+</th><th>Upper End of the Price Band is ‘X’ times the WACA (in ₹)^</th><th>Range of acquisition price Lowest Price- Highest Price (in ₹)+</th></tr>
<tr><td>Last 18 months</td><td>259.70</td><td>[●]</td><td>117.38 - 275.13</td></tr>
</table>
As certified by Ramanand & Associates, Charted Accountants, by way of their certificate dated May 11, 2022.
^ *To be updated at the Prospectus stage.*
</td></tr>
<tr><td>Size of the pre-IPO placement and allottees, upon completion of the placement</td><td>Our Company does not contemplate any fresh issuance of Equity Shares as a private placement from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.</td></tr>
<tr><td>Any issuance of Equity Shares in the last one year for consideration other than cash</td><td>Other than for an allotment dated February 16, 2022 on a private placement basis to Seedthree Trading LLP as a consideration for acquisition of 690 equity shares of Affluent Global Services Private Limited by our Company, and which has been disclosed in the “Capital Structure - History of equity share capital of our Company” and “History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years” on pages 89 and 199, respectively, our Company has not issued any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus for consideration other than cash.</td></tr>
<tr><td>Any split or consolidation of Equity Shares in the last one year</td><td>Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.</td></tr>
<tr><td>Exemption from complying with any provisions of securities laws, if any, granted by SEBI</td><td>Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.</td></tr>
</table>

SECTION II – RISK FACTORS

Any investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with section titled "Our Business," "Industry Overview", "Restated Consolidated Financial Information", "Proforma Condensed Combined Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 172, 141, 235, 312 and 325 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. In making an investment decision with respect to this Offer, you must rely on your own examination of our Company and our Subsidiaries, our business, and the terms of this Offer, including the merits and risks involved and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. The risks and uncertainties described in this section are not the only risks that we may face or our Equity Shares or the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects. 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 mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "Our Business," "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 172, 141, and 325, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements" on page 21.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Staffing Solutions Market in India" dated May 2022 ("**F&S Report**") prepared by Frost & Sullivan ("**F&S**"). We commissioned the F&S Report on November 15, 2021 and paid an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year, refers to such information for the relevant financial year.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this offering unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The risk factors have been determined on the basis of their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Information. For further details, please see "Restated Consolidated Financial Information" on page 235.

INTERNAL RISKS

Risks relating to our business

1. The extent to which the coronavirus disease (COVID-19) affects our business, results of operations and financial condition will depend on future developments, which are uncertain and cannot be predicted.

The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2022 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession.

On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown announced on March 24, 2020. The lockdown was periodically extended to varying degrees by state governments and local administrations. A second wave of COVID-19 beginning in March 2021 became more severe and widespread than the first wave during 2020, with almost all parts of India experiencing shortages of vaccines, hospital beds and oxygen. This second wave has also resulted in additional lockdowns throughout India. It has impacted macro-economic growth in India, with the staffing solutions market in India experiencing similar implications. Major staffing companies experienced a declining trend in revenue arising from COVID-19 from the fourth quarter of the year ended March 31, 2020 and the first quarter of the year ended March 31, 2021 (*Source: F&S Report*). COVID-19 had a major impact on our entire general staffing and allied services business in the first quarter of the year ended March 31, 2021. The number of Associates for our general staffing and allied services business fell from 84,276 as at March 31, 2020 to 75,252 as at July 31, 2020, primarily as a result of a decrease in job openings across various industries in India, in particular (i) the media and entertainment industry, due to theatres shutting down; and (ii) the retail industry, due to shopping malls and retail stores shutting down. The decrease in the number of our Associates, as well as reduced working days, resulted in a significant decrease in our revenue from operations. Additionally, as the retail industry suffered a downturn, lower incentives were paid to our Associates who were deployed as sales staff on field. Further, as some retail companies shifted to remote selling during the COVID-19 pandemic, the conveyance and other related allowances received by our Associates were also reduced, which also contributed to the decrease in our revenue from operations. In addition, the COVID-19 pandemic has affected, and may continue to affect (i) our ability to travel, pursue partnerships and other business transactions; (ii) our ability to access debt and equity capital on acceptable terms, or at all; and (iii) the potential negative impact on the health of our employees. If a significant number of them are afflicted by COVID-19, our ability to ensure business continuity may be adversely affected.

In late 2021, the Omicron variant of COVID-19 led to another surge in infections. In response, local governments started enforcing various restrictions, such as curfew and closure of establishments to prevent crowding. The impact of the surge in infections brought by the Omicron variant of COVID-19 was less significant than the second wave of COVID-19 in 2021. However, we cannot predict the evolution of the COVID-19 pandemic, nor any additional restrictions that may need to be imposed in the future. While the Government of India, in coordination with the state governments, has conducted the bulk immunization process or vaccination drive, achieving complete vaccination may take a significant amount of time. Further, we cannot assure you that the vaccines that are developed or rolled out will be fully effective. The COVID-19 pandemic has not yet subsided, and it is not possible to predict its full impacts on our business. Events beyond our control may unfold in the future, which makes it difficult for us to predict the impact that COVID-19 will have on us, our clients or suppliers in the future. The short-term and long-term impact of pandemics and other public health crises, such as the ongoing COVID-19 pandemic, on the Indian economy and our business, financial condition, and results of operations will depend on uncertain future developments, including the duration, spread and intensity of such outbreaks and government responses to control their spread, all of which are uncertain and difficult

to predict. We will continue to closely monitor any material changes arising from future economic conditions and their impact on our business, if any. Should additional government restrictions affect our counterparties adversely and prevent them from complying with the terms of our agreements, or should the Government endorse an interpretation of force majeure clauses that excuses our counterparties from discharging their obligations under our contracts, then our business may be adversely affected. Any adverse effect on, or further interruption of, our operations as a result of these or other developments in relation to COVID-19 pandemic could have a negative effect on our business, results of operations and financial condition. To the extent the COVID-19 pandemic adversely affects our business and financial condition, it may also have the effect of increasing many of the other risks described in this section.

2. We operate in a highly competitive and fragmented industry and may be unable to compete successfully against existing or new competitors, particularly in the unorganized segment.

The staffing solutions industry in India is highly fragmented and competitive (*Source: F&S Report*). We compete in national and regional markets with both full-service and specialized staffing companies. While a majorityof our competitors are smaller than us in terms of revenue and number of Associates, several competitors, including the Indian affiliates or India-based operations of global players such as Adecco S.A., Manpower Inc., Randstad Holding N.V. and Kelly Services, Inc. and Indian companies such as Quess Corp Limited and TeamLease Services Limited, have substantial marketing and financial resources at their disposal. Further, our global competitors might be able to realign themselves with change in global macro-economic environment more effectively than us. Industry consolidation may also affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we compete. Our competitors may also affect our business by entering into exclusive arrangements with existing or potential clients. We also face competition from various regional players, including organized and unorganized competitors, depending on the nature and location of services provided. There can be no assurance that we will be able to compete successfully against such competitors or that we will not lose our key employees or clients to such competitors. Further, our clients and potential clients may use hiring portals, such as Naukri and Monster, and social media and professional networking platforms, such as Facebook and LinkedIn, to directly source talent to meet their hiring needs, which also poses challenges for staffing companies, including us. Additionally, we believe that our ability to compete also depends in part on factors outside our control, such as the availability of skilled resource. The price competition in the staffing industry is intense. We expect that the level of competition will remain high, which could directly impact the size of our workforce and therefore potentially limit our ability to maintain or increase our market share or profitability. We also face the risk of our current or prospective clients deciding to utilize their internal workforce or use independent contractors or service providers in the unorganized segment. Our continued success depends on our ability to compete effectively against our existing and future competitors, and there can be no assurance that we will be able to effectively compete in the various business segments we operate in, whether on the basis of pricing, quality or range of services or otherwise. With the potential influx of new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success. There can be no assurance that we will not encounter increased competition in the future. Nor can there be any assurance that our Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins.

3. We have a history of losses and have experienced negative cash flows from operating, investing and financing activities in the past.

We have experienced losses in the previous year/period, primarily due to amortisation of intangible assets. The following table sets forth our losses for the years indicated:

	For the year ended March 31, 2021	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
	(₹ in millions)		
Restated loss for the year/period	336.56	196.11	385.32

Our operating expenses may increase as we hire additional Associates and employees, expand our network and services, invest in the growth of new businesses and incur other miscellaneous operational expenses such as entering into new lease agreements for our business operations. In addition, when we

become a listed company, we will incur additional significant legal, accounting and other expenses that we did not incur as an unlisted company. Any failure to increase our revenue sufficiently to keep pace with our increased operating expenses could prevent us from achieving or maintaining profitability or positive cash flow on a consistent basis in future periods. Any failure by us to achieve or sustain profitability on a consistent basis could cause the value of our Equity Shares to decline, restrict our ability to pay dividends and impair our ability to raise capital and expand our business. In addition, net losses may result in the erosion of our net worth.

We have in the past, and may in the future, experience negative cash flows from operating, investing and financing activities. The following table sets forth our net cash inflow/(outflow) from operating, investing and financing activities for the periods indicated:

	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
	(₹ in millions)			
Net cash generated from/(used in) operating activities	888.64	467.99	(238.52)	231.88
Net cash (used in)/generated from investing activities	(252.77)	(505.80)	5.83	(2,292.26)
Net cash (used in)/generated from financing activities	(132.35)	(249.84)	117.84	2,954.11

We had net cash outflow from operating activities of ₹238.52 million for the year ended March 31, 2020, primarily due to movement in our working capital amounting to ₹178.36 million and payment of income taxes amounting to ₹409.85 million. Any negative cash outflows from operating activities over extended periods, or significant cash outflows in the short term from investing and financing activities, could have an adverse impact on our cash flow requirements, business operations and growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources*" on page 337.

4. Our business is subject to extensive government regulation, which may restrict the types of services we are permitted to offer or result in additional tax or other costs that reduce our revenue and earnings. Further, non-compliance with existing regulatory requirements may adversely affect us.

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. We cannot assure you that a regulatory agency or court of law would determine that we are fully compliant with such laws and regulations. For instance, in the case of RLabs Enterprise Services Limited which became our subsidiary in February, 2022, there was a failure to maintain at least seven members or shareholders as a public company for a period of 406 days (i.e. from December 29, 2020 to February 7, 2022), in contravention of Section 3 of the Companies Act. Any such non-compliance, or untimely compliance, with applicable laws and regulations in the future could result in the imposition of civil, regulatory and criminal penalties, cancellation of licenses and revocation of permits or authorizations, among other sanctions.

In particular, labour and employment laws in India are enacted both by the Centre and the State. India thus has a very comprehensive set of legislations with reference to labour and employment. These laws and regulations include the CLRA Act, the ESI Act, the Payment of Wages Act, the Minimum Wages Act, the Payment of Bonus Act, the Employees' Provident Fund and Miscellaneous Provisions Act, the Payment of Gratuity Act, the Equal Remuneration Act, the Employees Compensation Act, the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, the Maternity Benefit Act, the Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, the Industrial Disputes Act, Industrial Employment (Standing Orders) Act, the Child and Adolescent Labour (Prohibition and Regulation) Act, the Apprentices Act, the relevant labour welfare fund legislations and

the shops and commercial establishments legislations, which vary from state to state in India and are subject to change. These laws and regulations sometimes limit the size and growth of staffing services markets. Changes in laws or government regulations may result in prohibition or restriction of certain types of employment services we are permitted to offer, or the imposition of new or additional licensing or tax requirements that could reduce our revenue and earnings. For example, if there are changes in laws or government regulations that would result in higher corporate tax and/or tax deducted at source in India, our financial condition may be adversely affected. There can be no assurance that we will be able to increase the fees charged to our clients in a timely manner and by a sufficient amount to cover increased costs as a result of any changes in laws or government regulations. Any future changes in laws or government regulations, including changes in tax laws, rates of taxation and interpretation of the regulators and authorities which varies from our interpretation, may make it more onerous for us to provide staffing services and could have an adverse effect on our business, financial condition and results of operations. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to state and local laws and regulations, governing our relationships with our employees, including those relating to minimum wage, bonus, gratuity, overtime, working conditions, recruitment and termination of employment and employee benefits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and our business may be adversely affected. Further, labour laws in India are complex and subject to change, and non-compliance with any requirements thereunder may result in penalties, loss of business and damage to our reputation. In the event that regional minimum wage levels are increased by relevant Governmental authorities and we are not immediately made aware of these changes, there could be short periods of time when we could be technically non-compliant with minimum wage rules and regulations, until our clients absorb the increase in wages.

Additionally, the GoI has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements such as "gig workers" and "platform workers" and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits, old age protection, under schemes framed under the Social Security Code from time to time. Further, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws may affect our employee and labour costs, thereby impacting our results of operations, cash flows, business and financial performance. In the event the welfare requirements under labour laws, and introduction of the proposed labour codes and regulations applicable to us change in a manner that requires us to increase payment of employee benefits, we cannot assure you that we will be able to recover such increased labour and compliance costs from our clients, which may adversely affect our business, operations, cash flows and results of operations.

In the provision of staffing services, our Company and some of our Subsidiaries engage contract labour. Engagement of such labour is regulated by applicable labour laws and we could be held responsible for payments to such contract labour as principal employers in the event of any default by any client engaged by us in making payment of wages or providing benefits such as payment of, or contribution to, provident fund and any other social security related payments. Any adverse decision by a regulatory body or court requiring us to employ such contract labour may adversely affect our business and operating margins.

Further, work stoppages due to strikes or other events could result in slowdowns or closures of our operations which may adversely affect our ability to perform our business operations. For example, due

to a strike started by employees of Wistron Infocomm Manufacturing (India) Private Limited at Narsapura in December 2020, our business operations in Narsapura had to be closed for a few hours. We cannot assure you that we will not experience work disruptions in the future due to industrial unrest, disputes or other problems with our workforce.

Further, most of our clients operate in a labour-intensive industry. If we are unable to negotiate with the Associates, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, we may not be able to procure required independent contractors for our existing or future clients. Additionally, a large number of workers we employ come from different parts of India. If we are unable to substitute these workers when required, our business, financial conditions, results of operations and cash flow could be adversely affected.

For further details on the laws and regulations applicable to us, please see the section "*Key Regulations and Policies*" on page 190. These effects may occur notwithstanding the assurance over key risks that our internal processes to identify risks, allocate risk owners and monitor actions provide.

5. We may be unable to fully realize the anticipated benefits of recent acquisitions or any future acquisitions successfully or within our intended timeframe. If we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of expanding our scale through acquisitions, our growth, business, financial condition, results of operations and prospects may be adversely affected.

We have in recent periods completed a number of acquisitions in India to grow our business, expand our business segments and service offerings, and diversify our revenue streams. As a result, our business and operations are subject to various risks arising out of these acquisitions. For example, we experienced longer sales lead times in the first year after we acquired the business of talent acquisition in the pharmaceutical and healthcare verticals under the name "Cornucopia V5", as pharmaceutical and healthcare staffing was a new business for us, and it took time for the market to understand and appreciate our synergies with Cornucopia V5. Further, we incurred expenses upfront to hire new leaders into CBSI India Private Limited which we acquired in September 2020 with an expectation to grow its business after the acquisition.

Our Company may in the future undertake acquisitions consistent with our future growth strategy. We are constantly in the process of evaluating such opportunities, some of which we may realize in the imminent future and which may be material to our business, financial condition or results of operations. The successful implementation of acquisitions depends on a range of factors, including funding arrangements, cultural compatibility and integration. There can be no assurance that such investments and acquisitions will achieve their anticipated benefits. To the extent that we fail to identify, complete and successfully integrate acquisitions with our existing business or should the acquisitions not deliver the intended results, our financial performance could be negatively affected.

Potential difficulties that we may encounter as part of the integration process could *inter-alia* include the following:

- underestimated costs associated with the acquisition;
- increased costs of integration;
- the possibility that the full benefits anticipated to result from the acquisition will not be realized;
- acquisition of companies in new business in which we have limited experience;
- over-valuation by us of acquired companies;
- delays in the integration of strategies, operations and services;
- difficulties in determining the appropriate purchase price of acquired businesses, which may result in potential impairment of goodwill;
- diversion of the attention of our management as a result of the acquisition;
- attrition, differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- retaining key executives and other employees;

- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition;
- potential ongoing financial obligations, unknown liabilities and unforeseen delays associated with the acquisition;
- possible cash flow interruptions or loss of revenue as a result of transitional matters;
- the disruption of, or the loss of momentum in, our ongoing businesses;
- changes in regulatory environment;
- difficulties in entering markets or lines of business in which we have no or limited direct prior experience; and
- potential loss of, or harm to, relationships with employees or clients.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of any future acquisitions may not be realized fully, or at all, or may take longer to realize than expected. Any failure to timely realize these anticipated benefits could have an adverse effect on our business, financial condition, results of operations or cash flows. Further, following an acquisition, in the event the recoverable amount of a cash-generating unit to which the goodwill, arising from such acquisition, has been allocated is less than its carrying amount, we will need to recognize impairment loss for goodwill in our restated consolidated statement of profit and loss. For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, we did not recognize impairment loss for goodwill in connection with acquisitions. However, we cannot assure you there will not be such impairment loss in the future, as a result of which our acquisitions may not be accretive to our profitability. See " *— Internal Risks — Risks relating to our business — If we are required to write down goodwill and other intangible assets, our financial condition and results would be negatively affected*" on page 44 for details.

Further, customer relationship is recognized as an intangible asset in our books pursuant to any business combinations, i.e. our acquisitions. In the event of an acquisition, as per the provisions of Ind AS 103, we are expected to identify an identifiable asset for which we have paid the purchase consideration and the resultant goodwill created on acquisition. The customer relationships of the acquiree become our intangible assets and take the form of identifiable assets which need to be recognized and measured separately in the books of accounts. We amortise the customer relationship using the straight-line method over a period of three to seven years which impacts our profitability. The table below sets forth the amortisation of customer relationship we recognized in the restated consolidated statement of profit and loss for the period/year indicated:

(₹ in million)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Amortisation of customer relationship	204.90	634.68	626.97	409.36

In addition, any acquisition or investment may require a significant amount of capital investment, or we may incur costs in respect of any future liabilities, including in respect of any indemnity claims for such acquired or investee entities, which would decrease the amount of cash available for working capital or capital expenditures. On January 11, 2022, we entered into a share purchase agreement to acquire the 100% of the issued and paid-up equity share capital of RLabs Enterprise Services Limited in two tranches. We completed the acquisition of 75% of its issued and paid-up equity share capital on February 2, 2022, which resulted in a significant cash outflow of ₹452.23 million during the year ended March 31, 2022. Further, we are obligated to acquire its remaining equity interests on or prior to June 30, 2022, which will result in a cash outflow during the year ending March 31, 2023, the amount of which will be determined on the basis of its financial performance for the year ended March 31, 2022. For details, see "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years*" on

page 199. In the future, if we borrow funds to finance acquisitions, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. In addition, our acquisition led strategy may adversely impact our return on capital employed in future.

We may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms for such projects, or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing.

6. Any failure to attract and retain qualified Associates who meet the staffing requirements of our clients may adversely affect our business prospect, reputation and future financial performance.

We depend on our ability to attract and retain qualified Associates who possess the skills and experience necessary to meet the staffing requirements of our clients. The monthly attrition rate of our Associates, which does not include people hired on a fixed-term contract basis and who left our company when their contracts ended, was 8.36% and 8.06% for the nine months period ended December 31, 2021 and the year ended March 31, 2021, respectively. Our business operations and financial performance may be adversely affected if we are unable to find sufficient number of Associates meeting the requirements of our clients. In addition, we must continually evaluate and upgrade our database of available qualified personnel to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills and experience is intense, and we expect demand for such individuals to remain strong in the foreseeable future. In particular, our global technology solutions business and other HR services business requires skilled IT personnel, and our success depends upon our ability to attract, develop, motivate and retain such personnel. Competition may limit our ability to attract and retain the qualified Associates necessary for us to meet our clients' staffing needs, as qualified Associates may not be available to us in sufficient numbers and on terms of employment acceptable to us. We may not be able to effectively meet the expectations of our clients due to our failure to identify personnel with the requisite skills, experience or other attributes. In addition, we place individuals seeking employment. There can be no assurance that candidates for employment will continue to seek employment through us.

7. Our inability to obtain, renew or maintain our statutory and regulatory permits, certificates and approvals required to operate our business may have an adverse effect on our business, financial condition and results of operations.

Our operations are subject to many regulations and we are required to obtain, maintain and renew several statutory and regulatory permits, certificates and approvals in connection with our business and operations. We will be required to periodically renew permits, certificates and approvals in relation to our existing operations and obtain new permits, certificates and approvals for any proposed operations as may be required under the applicable laws. The costs of such renewals are insignificant, and there have not been any rejections for such renewals in the past. However, in the future, there can be no assurance that the relevant authorities will renew or issue any of such permits, certificates or approvals in the time-frame anticipated by us or at all. Any failure to renew, maintain or obtain the required permits, certificates or approvals in a timely manner, or at all, may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations.

In addition, some of our clients may not apply for, obtain, or renew approvals and licenses in respect of locations or offices serviced by us, and we may not be able to procure such approvals on their behalf in a timely manner. For instance, applications for licenses under the CLRA Act with respect to the offices of four clients of our Subsidiary, RLabs Enterprise Services Limited are pending before the relevant licensing authorities. Further, the license under the CLRA Act for the office of a client of another Subsidiary, Innovsource Facilities Private Limited has expired, and Innovsource Facilities Private Limited is in the process of renewing the same.

Further, if we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions stipulated under any of our permits, certificates or approvals, one or several of our permits, certificates or approvals may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder. In addition, regulatory authorities could also impose notices and other orders on

us in case of non-possession of any permits, certificates or approvals. For further details, see "*Government and Other Approvals*" on page 357.

8. EBITDA margins of our general staffing and allied services segment, being the business segment which contributes to the majority of our revenue, are relatively low.

Price competition arising from unorganized players and industry consolidation may hinder our ability to maintain or improve our EBITDA margins in the general staffing and allied service segment. Additionally, a portion of our operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, we may not be able to reduce our operating expenses. As a result, EBITDA margins of our general staffing and allied services are relatively low, and we expect them to continue to be low in the future. For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, EBITDA margins of our general staffing and allied services business were 1.62%, 1.42%, 1.73% and 1.52%, respectively, as compared to EBITDA margins of our global technology solutions business of 16.47%, 18.24%, 15.82% and 7.46%, respectively, for the same periods.

For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, our EBITDA from the general staffing and allied services business was ₹304.22 million, ₹278.66 million, ₹334.84 million and ₹200.43 million, respectively, while our EBITDA from the global technology solutions business was ₹254.41 million, ₹189.99 million, ₹127.06 million and ₹30.22 million, respectively. Any change to the mix of general staffing and allied service, global technology solutions and other HR services may have an impact on our overall EBITDA margins.

9. Due to the nature of the staffing services business, we may be exposed to Associate related claims and losses that could have an adverse effect on our business and reputation.

We employ and assign our Associates in the workplaces of our clients. Our business is dependent upon the performance of our Associates. If any of our Associates do not perform in accordance with the instructions or standards established by the clients or agreed by us, and our clients become dissatisfied with the performance of our Associates, our reputation and ability to maintain or expand our client base may be adversely affected. Our ability to control the performance of our Associates may be limited. The risks associated with the deployment of our Associates, *inter-alia*, include possible claims relating to:

- actions or inactions of our Associates, including matters for which we may have to indemnify our clients;
- failure of our employees to adequately perform their duties including rendering deficient services, shortage in shift, absenteeism or lateness;
- criminal acts, torts or other negligent acts by our Associates;
- discrimination and harassment claims for physical or sexual abuse (including claims relating to actions of our clients);
- wrongful termination or retaliation;
- determination of money or benefits due to Associates with reference to their termination;
- violations of employment rights related to employment screening, privacy issues or minimum wage requirements;
- failure to verify candidates' and temporary employees' backgrounds and qualifications;
- apportionment between us and our clients of legal obligations as an employer of temporary employees;
- violation of health and safety regulations;
- retroactive entitlement to employee benefits and other similar employment claims;
- failure to comply with leave policy requirements;
- misuse of client proprietary information;
- misappropriation of funds;
- death or injury to our Associates; and
- damage to facilities of our clients due to negligence of our Associates.

Any of these claims could lead to additional regulatory scrutiny and potential liability to third parties. We may incur fines and other losses or negative publicity with respect to these claims. In addition, these claims may give rise to litigation, which could be time-consuming and may incur significant costs. For instance, several of our former Associates had initiated individual and group claims against one of our Subsidiaries, namely Innovsource Services Private Limited, praying for, *inter alia*, reinstatement in relation to wrongful termination, and computation/determination of benefits due to them with regards their termination, before the Labour Court, Aurangabad and the Labour Court, Bhubaneshwar, respectively. For further details, see "*Outstanding Litigation and Material Developments — Outstanding Material Civil Proceedings Involving our Subsidiaries*" on page 354.

While such claims have not historically had a material adverse effect upon our Company, there can be no assurance that we will not experience losses as a result of such claims in the future. Further, there can also be no assurance that the insurance policies we have purchased to insure against certain risks will be adequate or that insurance coverage will remain available on reasonable terms or be sufficient in amount or scope of coverage.

10. Our insurance coverage may be inadequate, which could have an adverse effect on our financial condition and results of operations.

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including insurance against damage, loss of profit and third party liability, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. As at December 31, 2021 and March 31, 2021, our insurance coverage amounted to ₹69.66 million and ₹73.84 million, which covered 140.58% and 139.40% of our fixed insured assets of ₹49.55 million and ₹52.96 million, respectively, as at the same date. We determine the amounts, coverage limits and deductibility provisions of insurance, with a view to maintaining appropriate insurance coverage on our assets at a commercially reasonable cost and on suitable terms. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or current replacement cost of the assets. While we have not experienced any material impact on our financial condition due to past claims exceeding insurance coverage, any future large uninsured loss or insured loss which significantly exceeds the insurance coverage could adversely affect our business, financial condition, results of operations and prospects.

Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. We currently do not have insurance coverage for business interruption, and thus if our business is interrupted for a sustained period, we cannot assure you that this would not have a material adverse impact on our financial condition.

The occurrence of an event for which we are not adequately or sufficiently insured, the successful assertion of one or more claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of deductible or co-insurance requirements), could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

11. If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.

Cash collection trends measured by days outstanding have a material impact on the cash receipts and, consequently, on our cash flows. In general, an increase in bad debts or aged debtors leads to greater usage of operating working capital and increased interest costs. The table below sets forth our trade receivables and allowance for doubtful debts as at the dates indicated:

	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	(₹ in million)			
Trade receivables	1,808.42	1,330.90	1,519.29	1,076.87
Allowance for doubtful debts (expected credit loss allowances)	74.29	67.18	52.22	57.48

The table below sets forth our trade receivables turnover ratios for the periods/years indicated:

	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
	(₹ in million)			
Trade receivables turnover ratio [(1)]	13.18 [(2)]	14.81	15.86	12.99

Notes:

(1) Trade receivables turnover ratio is calculated as revenue from operations divided by average trade receivables. Average trade receivables is calculated as the average of opening trade receivables and closing trade receivables.

(2) The trade receivables turnover ratio for the nine months period ended December 31, 2021 is not annualized.

We typically bill and collect on relatively short cycles. If we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected. Actual losses on client balances could differ from those that we anticipate and as a result we might need to adjust our provisions. Macroeconomic conditions could result in financial difficulties, including insolvency or bankruptcy, for our clients, and as a result could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. While we have experienced slight delays in collecting our receivables from counterparties under client contracts in the past due to COVID-19, these delays have not had a material adverse impact on our overall cash flows. We did not make any provision in connection with such delays. However, we cannot assure you that any delay or default in payments by our clients in the future will not affect our cash flows which in turn may adversely affect our results of operations and financial condition.

Recovery of our receivables and timely collection of client balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenue. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected.

12. We incur significant employee benefits expense. An increase in employee costs in India may prevent us from maintaining our competitive advantage and may reduce our profitability.

We incur various employee benefits expense, including salaries and wages, contribution to provident and other funds and staff welfare expenses. For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, our employee benefits expense amounted to ₹19,607.39 million, ₹20,112.88 million, ₹19,831.08 million and ₹13,370.84 million, respectively, representing 94.75%, 95.31%, 96.34% and 95.61% of our revenue from operations, respectively. Salaries and wages may increase in the future if states raise employee benefits payable, raise minimum wage levels, raise social security measures, liberalize allowable claims or or through a notification by the GoI for the implementation of its recently introduced labour codes, namely (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020. Our profit margins may get adversely impacted, if we are unable to pass on such increases in expenses to our clients on a timely basis.

Unless we are able to continue to increase the efficiency and productivity of our employees, or source talent from other low-cost sources, the increase in employee benefits expense in the long term may reduce our profit margins and affect our ability to compete in the staffing solutions industry, which in turn may have an adverse effect on our results of operations and financial condition.

13. A significant portion of our business is attributable to certain large clients. Any deterioration of their financial condition or prospects may have an adverse impact on our business. Further, if we fail to expand the size of our business with our existing clients or expand to new clients, or if we lose our large clients, our business, revenue, profitability and growth will be adversely affected.

We have in the past derived, and we believe that we will continue to derive, a significant portion of our revenue from certain large clients. For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, we derived revenue from operations of ₹9,365.68 million, ₹9,631.33 million, ₹9,405.54 million and ₹6,336.71 million, respectively, from our top ten clients, representing approximately 45.67%, 46.10%, 45.90% and 45.53%, respectively, of our total revenue from operations. For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, we derived revenue from operations of ₹2,077.31 million, ₹2,155.61 million, ₹2,604.93 million and nil, respectively, from our largest client, representing approximately 10.04%, 10.21%, 12.65% and nil, respectively, of our total revenue from operations. Any downsizing by these clients may reduce their spending on the services provided by us. Further, there are a number of factors outside our control that might result in the loss of a client, including financial difficulties for a client; change in strategic priorities, resulting in a reduced level of spending on staffing solutions; a reduction in staff wages; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. The loss of any one or more of large clients could have an adverse effect on our business, profits and results of operations.

14. We derive a significant portion of our revenue from clients in certain industries, and a loss of, or a significant decrease in business from clients in these industries could adversely affect our business, results of operations, financial condition and cash flows.

We have in the past derived, and we believe that we will continue to derive, a significant portion of our revenue from certain industries such as the telecommunications, retail and banking, financial services and insurance ("**BFSI**") industries. The following table sets forth a breakdown of our revenue from operations for telecommunications, retail and BFSI for the periods indicated:

	For the nine months period ended December 31, 2021		**For the year ended March 31, 2021**			**For the year ended March 31, 2020**		**For the period February 20, 2018 to March 31, 2019**
	Revenue from operations (₹ in million)	***(% of revenue from operations)***	***Revenue from operations (₹ in million)***	***(% of revenue from operations)***	***Revenue from operations (₹ in million)***	***(%of revenue from operations)***	***Revenue from operations (₹ in million)***	***(% of revenue from operations)***
Telecommunications	4,927.73	23.81	2,986.21	14.15	2,190.67	10.64	1,515.46	10.84
Retail	4,697.56	22.70	5,611.93	26.59	5,031.60	24.44	3,358.10	24.01
BFSI	2,903.50	14.03	3,837.85	18.19	4,386.17	21.31	2,744.71	19.63
Revenue from operations	**20,694.07**	**100.00**	**21,102.86**	**100.00**	**20,584.37**	**100.00**	**13,984.41**	**100.00**

The telecommunications, retail and BFSI industries have in the past experienced adverse business and financial conditions during economic downturns. The deterioration of the financial condition or business prospects of our clients in these industries could reduce their need for staffing services. For example, certain of our clients in the media and entertainment industry had to terminate our Associates during the COVID-19 pandemic as a result of the closure of theatres, shopping malls and retail stores. For details, see " *— Internal Risks — Risks relating to our business — The extent to which the coronavirus disease (COVID-19) affects our business, results of operations and financial condition will depend on future developments, which are uncertain and cannot be predicted*" on page 30. As a result, the revenue and earnings we derive from these clients may decrease, which could have an adverse impact on our business,

results of operations, financial condition and cash flows.

15. Our results of operations and ability to grow could be affected if we cannot successfully yield the intended results from our investment in software rights, or keep pace with technological changes in the development and implementation of our services and solutions.

Our success depends on our ability to keep pace with rapid technological changes in the development and implementation of our services and solutions. Our business is reliant on a variety of technologies, including those which support employee onboarding, offer management, invoicing and client data analytics. We have developed certain in-house software tools, such as DigiTrac, which is a one-stop, mobile-enabled employee self-service platform, Infield, which is a suite of sales force automation and trade marketing applications which automates retail sales and marketing workflow, and DigiOne, which is an enterprise resource planning solution that automates the end-to-end workflow of our general staffing and allied services. See "*Our Business – Description of our Business – Our Operations – General Staffing and Allied Services Business*" on page 182. We also use information technology systems to manage our business operations. In addition, we are investing in other technological upgrades to achieve our strategic objectives and to remain competitive. In this regard, we intend to continue to develop and enhance our localized information systems, which might require the acquisition of equipment and software and the development, either internally or through independent consultants, of new proprietary software. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively, and we may also fail to adapt our service platforms to reflect our increased size and scale, user requirements or emerging trends and industry standards. Further, despite our investments in various technological upgrades, we may face disruption from new age human resource technology startup companies, which could offer scalable solutions to our clients and compete with us in a manner which we may not be able to fully anticipate at this point, which could in turn adversely affect our business, financial condition and results of operations.

As at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our investments in software rights amounted to ₹56.25 million, ₹45.71 million, ₹28.63 million and ₹20.27 million, respectively. There is a risk that we may not sufficiently invest in technology or at sufficient speed and scale, to adapt to changes in our market. Our failure to successfully adopt new 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. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations, cash flows and financial condition.

16. Our past growth rates may not be indicative of our future growth, and if we are unable to manage our rapid growth, business diversification initiatives, adapt to evolving client demands and market trends, or execute our strategies effectively, our business, financial condition, cash flows and prospects may be adversely affected.

Our revenue from operations increased to ₹21,102.86 million for the year ended March 31, 2021 from ₹13,984.41 million for the period February 20, 2018 to March 31, 2019, representing a CAGR of approximately 22.84%. Our revenue from operations amounted to ₹20,694.07 million for the nine months period ended December 31, 2021. While our business has grown rapidly in recent years, our past growth rates may not be indicative of our future growth. This exposes us to a wide range of risks, including business risks, operational risks, fraud risks and regulatory and legal risks. Further, certain of our strategic initiatives may require significant capital and other resources, as well as management attention, which could place a burden on our resources and abilities. We are in the initial stages of our diversification strategy and may not be able to properly assess the risks, economic viability and prospects of such opportunities. We may not be successful in our diversification strategy and in developing new businesses. Further, there can be no assurance relating to any revenue from or profitability of such business opportunities we intend to pursue.

We expect that our rapid growth will require us to continuously improve our operational, financial and internal controls. In particular, we may face increased challenges in maintaining high levels of client satisfaction; recruiting, training and retaining sufficient skilled management and recruitment personnel; adhering to service execution standards and key performance indicators specified by our clients;

preserving a uniform culture, values and work environment across our operations; and developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems. Our ability to continue to grow consistently will depend on a number of factors beyond our control, including the level of competition for opportunities for inorganic growth and our ability to successfully manage our organic growth. An inability to manage our growth may have an adverse effect on our business prospects and future financial performance.

17. Our ability to operate our business, maintain our competitive position and implement our business strategy is dependent to a significant extent on our key managerial personnel.

We are highly dependent on the continued efforts of our key managerial personnel, including our Whole Time Director and Group Chief Executive Officer, Sudhakar Balakrishnan, and other members of our key managerial personnel. Competition for experienced managerial personnel in the business sectors we operate in, is intense, the pool of qualified candidates is limited, and we may not be able to retain our managerial personnel or attract and retain skilled managerial personnel in the future. If one or more members of our managerial personnel were unable or unwilling to continue in their present positions, such persons may be difficult to replace, and our business and results of operation could be adversely affected.

We are also highly dependent on the performance and productivity of other key personnel, such as our business development team and client managers. The loss of any of such key personnel may cause a significant disruption in our business. In addition, the loss of any of our local managers or field personnel may jeopardize existing client relationships with businesses that use our services based on relationships with these individuals.

In addition, if any member of our key managerial personnel team or any of our other key personnel joins a competitor or forms a competing company, we may consequently lose our proprietary know-how to the benefit of our competitors. Our key managerial personnel have entered into confidentiality, non-solicitation and/or non-competition agreements with us. However, if any disputes arise between any of our key managerial personnel and us, it may be difficult for us to enforce these agreements.

18. Client contracts are generally of a short duration and contain termination provisions. Certain of our client contracts can be terminated by our clients with limited or no notice or penalty, which could have an adverse impact on our business.

Our clients typically retain us on a non-exclusive basis and for a term usually ranging from six months to two years. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties.

Additionally, most of our contracts with clients particularly in the general staffing and allied services business are typically limited to discrete projects without any commitment to a specific volume of business or future work. Under contracts with our clients for the general staffing and allied services business, we typically earn a one-time fee for each candidate whom we place in addition to a fixed monthly fee. Thus, our revenue is conditional upon our identifying candidates to meet the specific staffing requirements of each of our clients, the candidates we identify subsequently clearing the recruitment processes of our clients and in some instances, finding a suitable replacement in case the candidates we place choose to no longer stay in the employment of our clients. If any contractual conditions and obligations are not met, our clients may claim refunds and at times, interest, against their payments to us, and under certain conditions terminate the contracts with us. While we have not had any material past instances where such conditions and obligations are not met, our inability to meet any such conditions and obligations in the future could adversely affect our revenue and cash flow. While we typically have carve-outs for force majeure events, many events, such as our inability to anticipate and address the requirements of our clients, the non-availability of suitable candidates for employment or inaccuracies in the resumes and profiles submitted to us by potential candidates, could impact our ability to meet our obligations under the client contracts.

19. Grant of stock options under our employee stock option plan may result in a charge to our statement of profit and loss account and, to that extent, reduce our profits.

As on the date of this Draft Red Herring Prospectus, 6,446,926 employee stock options are outstanding and will continue to be in effect but have not been exercised by eligible employees under our ESOP Scheme. Further, we have the authority to grant additional stock options under ESOP Scheme. See "*Capital Structure – Employee Stock Option Scheme 2019*" on page 102 for details.

Under Ind AS, the grant of employee stock options results in a charge to our Company's statement of profit and loss account equal to the intrinsic value (which will be amortised over the vesting period of these stock options) based on the difference between the intrinsic value of our Equity Shares determined as of the date of the grant of such stock options and the exercise price of such stock options. Our expenses on employee stock option amortisation (net of forfeiture), on a consolidated basis, amounted to ₹67.33 million, ₹10.19 million and ₹5.49 million for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020, respectively. For details of ESOPs outstanding as of the date of this Draft Red Herring Prospectus, see "*Capital Structure — Employee Stock Option Scheme 2019*" on page 102.

20. Our staffing business, which accounts for the significant majority of our consolidated revenue, is susceptible to unfavorable socioeconomic perception.

We generated a revenue from operations of ₹20,378.36 million, ₹20,733.44 million, ₹20,184.59 million and ₹13,618.86 million, respectively, from our general staffing and allied services and global technology solutions for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, representing 98.47%, 98.25%, 98.06%, 97.39%, respectively, of the total revenue from operations for the same periods. The staffing solutions industry has come under criticism from trade unions, regulatory agencies and other constituents that claim that labour and employment protection, such as wage and benefits regulations, are subverted when employers use staffing services. Our staffing business in particular is dependent on the continued acceptance of temporary staffing arrangements as a source of flexible labour for our clients. If public perception or business practices alter as a result of pressure from organized labour, political groups or regulatory agencies, it could have a material adverse effect on our business, results of operations and financial condition.

21. We have certain contingent liabilities and commitments that may adversely affect our financial condition.

The following is a summary table of our contingent liabilities as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, as indicated in our Restated Consolidated Financial Information:

(₹ in million)

Contingent liabilities (to the extent not provided for)				
Particulars	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Claims not acknowledged as debts	25.52	17.16	13.78	10.58

Claims not acknowledged as debts principally relates to cases lodged by employees against our Group. It also includes cases lodged by employees against the erstwhile holding company relating to staffing business, which are now a contingent liability for our Group in lieu of the purchase of staffing business from the erstwhile holding company. The management believes, based on issues involved, that no material liabilities will accrue in respect of these cases and accordingly no cash outflow is expected and the management believes that based on the nature of cases, the claims are not expected to be material.

Any or all of the above contingent liabilities may crystallize and become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition, cash flows and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future.

The following table sets forth our commitments as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, as disclosed in the notes to our Restated Consolidated Financial Information:

(₹ in million)

Commitments				
Particulars	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	10.53	1.08	-	-

22. If we are required to write down goodwill and other intangible assets, our financial condition and results would be negatively affected.

The excess of cost to the Company of its investment in Subsidiaries over its portion of equity in the Subsidiaries at the respective dates on which the relevant investment was made, has been recognized in our Restated Consolidated Financial Information as goodwill. As at December 31, 2021, we accounted ₹440.06 million for goodwill on consolidation which represented 5.88% of our total assets as at such date.

In accordance with our accounting policies, goodwill arising on consolidation of assets is not amortised but is accounted for impairment. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of our cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in restated consolidated statement of profit and loss. Under our accounting policies, if we determine goodwill is impaired, we will be required to write down these assets. Any such write-down, if significant, could have an adverse effect on our results of operations and financial condition.

Further, we amortise our customer relationships using the straight-line method over their estimated useful lives. With effect from April 1, 2021, we have changed our estimate with respect to the useful life of customer relationship pertaining to V5 Global Private Limited from three years to seven years prospectively, based on the expected benefits from existing customer relations. The table below sets forth the amortisation of customer relationships we recognized for the periods indicated:

	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
Amortisation of customer relationship	204.90	634.68	626.97	409.36

23. Our Restated Consolidated Financial Information includes impact of acquisitions made by our Company over different financial reporting periods. However, the effects of our recent acquisitions are not fully reflected in our Restated Consolidated Financial Information, and our Restated Consolidated Financial Information may not accurately represent our future financial performance. Further, the Proforma Condensed Combined Financial Information may not be indicative of our future performance.

We have completed a number of acquisitions during the period February 20, 2018 to March 31, 2019 and the year ended March 31, 2020 and the year ended March 31, 2021. With respect to such acquisitions, the results of operations of the acquired entities are reflected in our Restated Consolidated Financial Information only with effect from the date of such acquisitions and not for the entire relevant financial reporting periods during which we made such acquisitions, as indicated below:

Company/Business acquired	Date of acquisition	Period for which the impact of acquisition was considered in the Restated Consolidated Financial Information
Innovsource Services Private Limited	June 28, 2018	July 2018 to December 2021
Innovsource Facilities Private Limited	June 28, 2018	July 2018 to December 2021
V5 Global Services Private Limited	July 5, 2018	July 2018 to December 2021
Affluent Global Services Private Limited	September 17, 2018	September 2018 to December 2021
The business of talent acquisition in the pharmaceutical and healthcare verticals under the name "Cornucopia V5"	July 1, 2020	July 2020 to December 2021
CBSI India Private Limited	September 29, 2020	October 2020 to December 2021

We have included in this Draft Red Herring Prospectus the Proforma Condensed Combined Financial Information as at and for the nine months period ended December 31, 2021 and as at and for the year ended March 31, 2021 to illustrate the impact of the acquisitions of RLabs Enterprise Services Limited and CBSI India Private Limited as if the acquisitions had taken place at an earlier date, namely, April 1, 2020. As such, the Proforma Condensed Combined Financial Information is, by its nature, subject to change and may not necessarily be indicative of what our actual results of operations and financial position would have been for such periods or as at such dates, nor are they intended to be indicative of expected results of operations in the future periods or our future financial position. For example, in connection with the acquisitions, we may incur certain costs, which could cause such Proforma Condensed Combined Financial Information to not be reflective of our future performance. If the various assumptions underlying the preparation of the Proforma Condensed Combined Financial Information do not come to pass, our actual results could be materially different from those indicated in the Proforma Condensed Combined Financial Information. Accordingly, the degree of reliance placed by investors on our Proforma Condensed Combined Financial Information should be limited. For further details, see "*Proforma Condensed Combined Financial Information*" on page 312.

24. We are involved in certain legal proceedings, any adverse developments related to which could adversely affect our business, reputation and cash flows.

As on date of the Draft Red Herring Prospectus, there are outstanding legal proceedings against certain of our Subsidiaries, that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate tribunals. For instance, one of our Subsidiaries, Innovsource Services Private Limited, has been involved in proceedings initiated by its former Associates for, *inter alia*, reinstatement in relation to wrongful termination, and computation/determination of benefits due to them with regards their termination, which are pending before the Labour Court, Aurangabad and the Labour Court, Bhubaneshwar, respectively.

Additionally, an order for damages along with interest was passed against our Subsidiary, V5 Global Services Private Limited, for an alleged default in payment of monthly contributions, as required under the EPF Act, by the Regional Provident Fund Commissioner-II. Our Subsidiary has filed an appeal against this order, before the Central Government Industrial Tribunal, New Delhi and the matter is currently pending.

We cannot assure you that these proceedings will be decided in our favour. In addition, any litigation or pre-litigation claims against our Subsidiaries, whether or not meritorious, are time consuming, require substantial expense and may result in the diversion of significant operational resources.

Brief details of outstanding litigation involving our Company, Subsidiaries, Directors and Promoter, as of the date of this Draft Red Herring Prospectus are set forth below:

Name of the entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved (₹ in million)*
Company						
By our Company	-	-	-	-	-	-
Against our Company	-	-	-	-	-	-
Directors						
By our Directors	-	-	-	-	-	-
Against our Directors	-	-	-	-	-	-
Promoter						
By our Promoter	-	-	-	-	-	-
Against our Promoter	-	-	-	-	-	-
Subsidiaries						
By our Subsidiaries^*	-	-	-	-	1	-
Against our Subsidiaries^*	-	10	-	-	3	31.42
For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 352.						

^*According to the materiality policy and to the extent quantifiable.*

* *There are additional 34 tax cases / notices wherein amount is not ascertainable.*

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial information that could increase our expenses and current liabilities, which may become insufficient in case higher damages are provided. For further details of legal proceedings involving our Subsidiaries, please see "*Outstanding Litigation and Material Developments*" on page 352.

25. Some of the industries we serve in our general staffing and allied services and other HR services businesses are subject to seasonal variations, which may result in our operating results fluctuating.

Certain of the industries we serve in our general staffing and allied services and other HR services businesses, such as retail and e-commerce, have been, and will likely continue to be, affected by seasonal variations. Typically, these clients have the greater volume of business from September to December every year because of the festive period in India. As their demand for temporary staffing increases, our revenue during this period typically accounts for a larger share of our revenue in a year as compared to other periods. Accordingly, declines in demand during our peak seasonal periods could adversely affect our business, financial condition or results of operations.

26. Security breaches and any disruption to our information technology could result in improper disclosure of sensitive or private information which in turn could result in liabilities and damage to our reputation.

We seek to protect our computer systems and network infrastructure from security breaches and other

disruptive problems caused by our increased internet connectivity. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure, which may in turn lead to leakage of confidential and sensitive data. Breaches of our security measures could also cause us to incur substantial costs associated with the rectification of such breaches. While we have not experienced any significant IT disruptions in the past, any future IT disruptions and/or failure in security measures could have an adverse effect on our business and our future financial performance.

Our business relies on information technology to operate on a daily basis, which involves the processing, storage and transmission of large amounts of data including personnel and payment information, about our Associates, clients and candidates, a portion of which is confidential and/ or potentially sensitive. In doing so, we rely on our own technology and systems, and those of third party vendors for a variety of processes. Additionally, our Associates may have access or exposure to client data and systems, the misuse of which could result in data leakage and consequently legal liability. While we have not experienced any cyber-attacks in the past, any future cyber-attacks, including attacks against our industry, and against us in particular, may disable or damage our systems. We are dependent on, and are ultimately responsible for, the security provisions of vendors who have custodial control of our data. The success of our businesses depends in part upon the ability to store, retrieve, process and manage substantial amounts of information. We have established policies and procedures to help protect the security and privacy of this information. However, it is possible that our security controls over personal and other data and the other practices we follow may not prevent the improper access to, or disclosure of, personally identifiable or otherwise confidential information. Such disclosure or damage to our systems could harm our reputation and subject us to liability under our contracts and laws that protect personal data and confidential information, resulting in increased costs or loss of revenue. Any disruption in our information technology systems could render us unable to operate our business. This could adversely affect our business, reputation and revenue.

We may also be subjected to domestic and international laws relating to the collection, use, retention, security, disclosure and/or transfer of personally identifiable information ("**PI**") and sensitive personal data or information ("**SPDI**") with respect to our clients, employees and Associates. For example, as part of our operations, we are required to comply with the Information Technology Act, 2000, the Information Technology (Reasonable Security Practices & Procedure and Sensitive Personal Data or Information), Rules 2011 and other ancillary rules, which provide for civil and criminal liability including paying compensation by way of damages (which may not be subject to any specific limits) to the affected persons, penalties and imprisonment for various cyber related offenses, including fines and damages for unauthorized disclosure or transfer of confidential information and failure to protect sensitive personal data or information. In December 2019, the Government of India published the Personal Data Protection Bill, 2019 ("**PDP Bill**"), which provides a framework for protection of personal data and use of non-personal data and seeks to, among others, lay down norms for cross border transfer of personal data, define the scope of the definition of personal data and non-personal data, establish data protection authority and ensure the accountability of entities processing personal data. Adoption of the PDP Bill will lead to potential additional compliance requirements in relation to obtaining consents, putting in place privacy policies and aligning data collection practices which comply with the "privacy by design" principle, data protection impact assessments, registration requirements for a significant data fiduciary, reporting requirements for data breaches and data localization requirements. Further, in September 2019, the Ministry of Electronics & Information Technology constituted a committee of experts to deliberate on issues related to non-personal data and to suggest suitable recommendations for its regulation. Further, on December 16, 2021, the Joint Parliamentary Committee ("**JPC**") report on the PDP Bill was tabled in both Houses of Parliament. The report recommended modifications to the existing bill, together with corrections and improvements, and proposed nearly 90 drafting and 90 substantive changes in the PDP Bill along with the draft of the Data Protection Bill, 2021 ("**DP Bill**"). The JPC has further suggested removing the word 'personal' from the existing title of Personal Data Protection Bill. To ensure better privacy, the DP Bill will also be dealing with non-personal data. Complying with the PDP Bill, other laws, regulations, or other obligations relating to data privacy, data protection, data localization or security requirements may cause us to incur substantial operational costs or require us to modify our data handling practices. We do not maintain insurance policies to specifically cover liabilities

arising from violations of data privacy, data protection, data localization or security requirements. See "*Our Business — Insurance*" on page 189 for our insurance coverage. Any failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in proceedings against us by governmental entities or others, could result in substantial fines or other liability, and may otherwise adversely impact our business, financial condition, operating results and reputation.

27. We have entered into, and will continue to enter into, related party transactions which may potentially involve conflicts of interest.

We have entered into transactions with several related parties. For details regarding our related party transactions for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, see "*Other Financial Information — Related Party Transactions*" on page 323. While we believe that all such related party transactions that we have entered into have been conducted in accordance with applicable laws and going forward, all related party transactions that we may enter into will need to be in accordance with the applicable laws, we cannot assure you these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. The transactions we have entered into and any future transactions with our related parties may have involved or could potentially involve conflicts of interest which may be detrimental to our Company. We cannot assure you that such transactions could not have been made on more favorable terms with any unrelated parties. There can be no assurance that our Promoter and Directors will be able to address such conflicts of interests in the future.

28. We may not be able to qualify for, compete and win contracts, which could adversely affect our business and results of operations.

We obtain a small number of contracts through a competitive bidding process. In selection for major contracts, clients generally limit the bid to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. These requirements vary depending on our various business segments and the nature of the contract. If we are unable to pre-qualify for contracts that we intend to bid on, or successfully compete for and win such contracts, our business, results of operations and financial condition may be adversely affected.

29. We may need to change our pricing models to compete successfully.

The intense competition we face in our businesses, and general economic and business conditions can put pressure on us to reduce our prices. If our competitors offer deep discounts on certain services, we may need to lower prices or offer other favorable terms in order to compete successfully. While we have not significantly changed our pricing models in the past, any such changes in the future may reduce margins and could adversely affect our operating results.

Any broad-based change to our prices and pricing policies could cause our revenue to decline or be delayed as a result of our clients adjusting to the new pricing policies. Some of our competitors may bundle services for promotional purposes or as a long-term pricing strategy and provide best price guarantees. These practices could, over time, significantly constrain the prices that we can charge for certain of our services. If we do not adapt our pricing models to reflect changes in clients' use of our services or changes in client demand, our revenue could decrease.

30. Any failure to register our trademarks may have an adverse effect on our business and goodwill. Further, our intellectual property rights may be infringed upon or we may infringe the intellectual property rights of third parties.

We hold a broad collection of intellectual property rights related to our brands, domain names, technology applications and services offered. This includes registered and unregistered trademarks. We

own a number of trademarks and have filed applications to register such trademarks. We have been using our brand name and logo trademark "FirstMeridian" to conduct our business. As on the date of this Draft Red Herring Prospectus, we and our Subsidiaries have eight pending trademark applications in India, of which: (a) three applications have been objected to by the relevant Registrars of Trade Marks including an application for trademark registration for the word "FirstMeridian" under Class 35 of the Trade Marks Act, 1999, and (b) five applications have been accepted by the relevant Registrars of Trade Marks, but are open for any potential oppositions from third parties for the next three to four months. For details, see "*Our Business — Trademarks*" on page 186. Our pending and future trademark and other intellectual property right applications may not be approved. We may be unable to prevent third parties from seeking to register, acquire, or otherwise obtain trademarks or service marks that are similar to, infringe upon or diminish the value of our trademarks and our other intellectual property rights. In addition, our current or future trademarks or other intellectual property rights may be challenged by third parties or invalidated through administrative process or litigation. Failure to successfully obtain and maintain such registrations could impact our use of such trademarks, which in turn could adversely affect our business and operations.

Our intellectual property rights are essential to our business. If the protection of our proprietary rights is inadequate to prevent unauthorized use or misappropriation by third parties, the value of our brands and other intangible assets may be diminished and competitors may be able to more effectively mimic our technologies, offerings, features or methods of operations. Even if we do detect violations or misappropriations and decide to enforce our rights, litigation may be necessary to enforce our rights, and any enforcement efforts we undertake could be time-consuming and expensive, could divert our management's attention and may result in a court determining that certain of our intellectual property rights are unenforceable. For instance, we have issued legal notices to various entities and individuals for, *inter alia*, incorporating companies using the words "Innovsource" and "FirstMeridian" in the names of such companies, as well as an opposition application under Class 42 of the Trade Marks Act, 1999, in relation to an application for registration of the logo "Innov Your People Partner", which is currently pending before the relevant Registrar of Trademarks. Depending on whether we are able to discover any such infringement of our trademark or successfully enforce our legal rights in the jurisdictions where such infringements may occur, our business and branding may suffer as a result of any misuse of our trademark. In such circumstances, our reputation and business may be adversely affected. Further, if we decide to pursue actions against such infringements to protect our reputation, it could result in diversion of our resources and our financial results may be adversely affected.

Similarly, we may also infringe the intellectual property rights of third parties in the use of our various trademarks in our operations. Although we are not aware of any such infringement by us, there is no assurance that we will not infringe or have not infringed the intellectual property rights of any third party. In the event of any such infringement, we may be subject to claims or actions and our business, reputation, financial condition and results of operations may be adversely affected.

31. We do not own any immovable property and failure to renew, any revocation or adverse changes in the terms of our leases may have an adverse effect on our business, prospects, results of operations and financial condition.

We have entered into lease agreements in respect of all our immovable properties including our registered office, corporate office and regional branch offices. There is no assurance that we will be able to renew any or all of these leases. For details, see "*Our Business — Properties*" on page 189.

The table below provides the amounts recognized in restated consolidated statement of profit and loss with respect to lease for the periods indicated:

(₹ in million)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Depreciation of right-of-use assets	72.13	81.11	81.78	61.72
Interest on lease liability	15.94	15.27	14.05	11.33
Rent	26.25	37.73	47.30	44.21

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Gain on account of early termination of leases	1.01	2.20	-	0.17

The table below provides the total cash outflow for leases for the periods indicated:

(₹ in million)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Total cash outflow for leases	106.41	127.56	139.39	124.87

For further details of our leases, see "*Restated Consolidated Financial Information – Note 30*" on page 275.

Failure to renew any of our leases, or early termination may force us to relocate the affected operations. We cannot be certain that we will be able to renew our leases on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot be certain that the new arrangements would be on commercially acceptable terms. If any of the owners of these premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavourable to us, we may suffer a disruption in our operations or may have to pay increased rent, which could have an adverse effect on our business, prospects, results of operations and financial condition.

32. We will be controlled by our Promoter so long as they hold a majority of the Equity Shares, which will allow them to influence the outcome of certain matters submitted for approval of our Shareholders and their interests may differ from those of the other Shareholders.

Presently, our Promoter holds 87.38% of our issued and paid-up equity share capital, on a fully diluted basis (pre-Offer). After the completion of this Offer, our Promoter will hold approximately [●]% of our Company's outstanding Equity Shares issued and paid up equity share capital, on a fully diluted basis. For details of their shareholding pre- and post- Offer, see "*Capital Structure*" on page 89.

Consequently, our Promoter will, after completion of the Offer and upon listing of the Equity Shares on the Stock Exchanges, continue to exercise significant influence over us, nominate nominee Directors on the Board and influence decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting.

For instance, our Promoter shall have the right to nominate up to two nominee Directors on the Board (and one nominee Director on each committee and sub-committee of the Board) as long as it remains a "promoter" of our Company (or such other term that a "promoter" of the Company may be referred to) under applicable laws. These nomination rights are subject to the approval of the shareholders of our Company through a special resolution in the first general meeting convened after the Offer. For further details, see "*History and Certain Corporate Matters — Shareholders' Agreement and Other Agreements"* and "*Main Provisions of the Articles of Association*" on page 202 and 406, respectively.

Our Promoter may, in the future, take or block actions with respect to our business which may conflict with our best interests or the interests of other minority shareholders, such as actions with respect to future capital raising. They could delay, defer or cause a change of our control or a change in our capital structure, a merger, consolidation, takeover or other business combination involving us or discourage or encourage a potential acquirer from acquiring us. We cannot assure you that our Promoter will always act to resolve any future conflicts of interest in our favor, thereby adversely affecting our business, results of operations and prospects.

33. Our ability to raise capital for our future growth and expansion may be limited. We may be unable to obtain future financing on favorable terms, or at all, to fund expected capital expenditure and working capital requirements.

We may need to raise additional capital in the future, depending on business conditions, and our acquisition strategy. The factors that would require us to raise additional capital could include future acquisitions; business growth beyond what our current balance sheet can sustain; additional capital requirements imposed due to changes in the regulatory regime or new guidelines; significant depletion in our existing capital base due to unusual operating losses; and longer payment schedules from our clients. The actual amount and timing of future financing may depend on several factors, among others, new business opportunities, opportunities for inorganic growth, regulatory changes, economic conditions, technological changes and market developments. As at December 2021, as at March 31, 2021, as at March 31, 2020 and as at March 31, 2019, our capital employed, as calculated by the sum of tangible net worth (which equals the sum of total equity, minus goodwill, other intangible assets, intangible assets under development), total debt (which is the sum of non – current borrowings; current borrowings; non – current lease liabilities; current lease liabilities and interest accrued) and net deferred tax liability (which equals deferred tax liability minus deferred tax assets), was ₹2,284.44 million, ₹1,972.03 million, ₹1,801.35 million and ₹1,257.21 million, respectively.

Our sources of additional funding, if required, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

Further, our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including: future results of operations, financial condition and cash flows; economic, political conditions and market demand for our services; costs of financing, liquidity and overall condition of financial and capital markets in India and internationally; receipt of applicable business/government licenses and approvals; limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets; and other risks associated with our businesses. In particular, the cost and availability of capital, among other factors, depend on our credit rating. ICRA Limited has assigned a short-term rating of [ICRA] A1 and a long-term rating of [ICRA] A (Stable) to Innovsource Services Private Limited's debt instruments/facilities by way of letter dated April 8, 2021. We have not experienced any rating downgrade for our debt instruments/facilities in the past. Our credit rating reflects, amongst other things, the rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs and constrain our access to capital and lending markets. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we delay or are unable to implement our expansion strategy. In case there are insufficient cash flows to meet our working capital requirement, it may adversely affect our operations and profitability.

34. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution or any other independent agency, and may be subject to change based on various factors, some of which are beyond our control. Variations in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to utilize the Net Proceeds for the repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited, and for the general corporate purposes. For further details, see "*Objects of the Offer – Requirement of Funds and Utilisation of Net Proceeds*" on page 109.

The funding requirements and deployment of the Net Proceeds mentioned as a part of the objects of the Offer are based on internal management estimates and have not been appraised by any bank or financial institution or other independent agency. We operate in a competitive and dynamic industry and may need to revise our estimates from time to time based on changes in a number of factors, including timely completion of the Offer, general economic and business conditions, technological changes, increasing regulations or changes in government policies, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels, which are beyond our control. Furthermore, the deployment of the Net Proceeds is at the discretion of our management, in accordance with applicable laws. We are not required to appoint any monitoring agency to monitor the utilization of the Net Proceeds.

In accordance with Section 13(8) and Section 27 of the Companies Act, we cannot change the utilization of the Net Proceeds or the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. We may not be able to obtain the Shareholders' approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, as required under Section 27 of the Companies Act, our Promoter would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. The requirement to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to any changes made to the proposed utilization of the Net Proceeds, even if such change is in our interest. Further, we cannot assure you that our Promoter will have adequate resources to provide an exit opportunity at the price prescribed by SEBI. For further details on exit opportunity to dissenting shareholders, see "*Objects of the Offer — Variation in Objects*" on page 114. In light of these factors, we may not be able to undertake variation of object of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, results of operations and cash flows.

35. Any errors, defects or disruption in our service or inability to meet expected or agreed service standards may lead to claims, or adversely affect revenue or future business prospects.

While we have not experienced any errors, defects, or disruptions in service or other performance issues, or inability to meet expected or agreed service standards under our service level agreements ("**SLA**") linked contracts which have led to material claims, or adversely affected our financial performance or business prospects in the past, any such future errors, defects, disruptions or inability may adversely affect our revenue from such contracts, or result in affecting client relationships leading to non-renewal of contracts, or delay or withholding of payments due to us. While we typically have carve-outs for force majeure events, many events, such as equipment failure and third-party vendors being unable to meet their underlying commitments to us, could impact our ability to meet our service level agreements. Further, while we have not experienced any such material claims in the past, our clients may in the future bring claims against us, which could lead to provision for doubtful accounts, an increase in collection cycles for accounts receivable or litigation costs. All these factors could adversely affect our business and results of operations.

Although we attempt to contractually limit our liability for damages, including consequential damages, we cannot assure you that the limitations on liability will be enforceable in such cases. Although we maintain general liability insurance, including for errors and omissions relating to services provided, there can be no assurance that such insurance coverage will be adequate. Any such occurrence may also result in damage to our reputation and loss of existing and future clients, which could adversely affect our business prospects, results of operations and financial condition.

36. If we are unable to establish and maintain an effective system of internal controls and compliances, our businesses and reputation could be adversely affected.

We manage our internal compliance by monitoring and evaluating internal controls, and ensuring all relevant statutory and regulatory compliances. As at the date of this Draft Red Herring Prospectus, there are no material deficiencies in internal controls identified in our internal audit reports. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manneror at all, which may have an adverse effect on our business operations and financial condition.

37. An inability to accurately anticipate the cost and complexity of performing work on any fixed price or SLA linked contract undertaken by us may adversely affect our results of operations.

We negotiate pricing terms for a particular contract utilizing a range of pricing structures and conditions, including personnel and materials contracts, fixed-price contracts, and contracts with features of a mix of such pricing models. Our pricing is dependent on our internal forecasts, which may be based on limited data and could prove to be inaccurate. If we do not accurately estimate the costs and timing for completing fixed price or SLA linked contracts, such contracts could prove unprofitable for us or yield lower profit margins than anticipated. There is a risk that we will under-price our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of such contracts, including those caused by factors outside our control, or any failure to complete our contractual obligations at the committed service levels could adversely affect our revenue and profitability.

38. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

We have adopted a dividend distribution policy which lays down the principles for distribution of dividend by our Company to our shareholders and sets out inter alia the financial parameters and/or internal and external factors to be considered by our Company before declaring or recommending dividend to shareholders and the circumstances under which shareholders may or may not expect dividend. No dividends have been declared and paid by the Company on the Equity Shares for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, as per the Restated Consolidated Financial Information. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend upon various factors including our future earnings, financial condition, capital requirements and our overall financial condition. Additionally, our ability to pay dividends is and may be subject to restrictive covenants contained in the financing related agreements we have entered into and will enter into in the future. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For further details, see "*Dividend Policy*" on page 234.

39. We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not required by Ind AS.

We track certain performance indicators, including non-GAAP metrics such as EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBIT, adjusted PAT, adjusted capital employed, adjusted return on capital employed and free cashflow, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. For more information on the non-GAAP financial measures used in this Draft Red Herring Prospectus, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation—Non-GAAP Financial Measures*", "*Definitions and Abbreviations*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition*

and Results of Operations" on pages 19, 5, 172 and 325, respectively. Further, these Non-GAAP metrics are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these non-GAAP metrics are not standardized terms, hence a direct comparison of similarly titled non-GAAP metrics of other companies may not be possible. Other companies may calculate these non- GAAP metrics differently from us, limiting their utility as comparative measures. Although the non-GAAP metrics are not measures of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us because it is widely used measures to evaluate a company's operating performance. Further, the non-GAAP metrics may be different from financial measures and statistical information disclosed or followed by other companies in our industry. The non-GAAP metrics relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies in our industry. Accordingly, investors should not place undue reliance on the non-GAAP financial information included in this Draft Red Herring Prospectus.

Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring these metrics. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our business and reputation could be adversely affected.

40. We have issued Equity Shares during the preceding 12 months from the date of this Draft Red Herring Prospectus at a price which may not be indicative of the Offer Price.

Details of the Equity Shares issued in the last 12 months from the date of this Draft Red Herring Prospectus are set out in the table below.

Date of allotment of Equity Shares	Name(s) of allottee(s)	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Reason of allotment
February 16, 2022	Seedthree Trading LLP	473,036	10	117.38	Other than cash	Consideration for acquisition of 690 equity shares of Affluent Global Services Private Limited by our Company[#]
April 5, 2022	For names of allottees in relation to this allotment, please see "*Capital Structure - History of equity share capital of our Company*" on page 89	4,361,574	10	275.13	Cash	Rights issue of Equity Shares[*]

[#]*Please see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of*

business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years" *on page 199 for further details in relation this acquisition.*
** Please see "Capital Structure – History of equity share capital of our Company" on page 89 for further details.*

The Offer Price is not indicative of the price at which our Company has issued the Equity Shares in the preceding 12 months or that will prevail in the open market following listing of the Equity Shares. For details, see "*Capital Structure*" on page 89.

41. Our Promoter, Directors and key management personnel may have interests in our Company in addition to reimbursement of expenses incurred and receipt of remuneration from our Company.

Our Promoter, and some of our Directors and key managerial personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their respective shareholding in our Company and as well as to the extent of any employee stock options, or any dividends, bonuses or other distributions on the Equity Shares held by them respectively. For example, pursuant to the terms of the SHA, as amended by the Third Amendment Agreement, our Whole Time Director and Group Chief Executive Officer, Sudhakar Balakrishnan, and some of our senior employees are entitled to receive, from certain Shareholders of our Company, compensation and a share in the proceeds received from the sale of securities of our Company by such Shareholders, or from the sale of securities of our Promoter by its shareholders under circumstances specified therein. For further details, please see *"History and Certain Other Corporate Matters – Shareholders' agreement and other agreements*" on page 202. For details on the interests of our Directors and Key Managerial Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Other Financial Information—Related Party Transactions", "Capital Structure— Details of shareholding of our Promoter and Promoter Group in the Company*", "*Our Management—Interest of our Directors" and "Our Management — Interests of Key Managerial Personnel"* on pages 323, 98, 214 and 228, respectively.

42. We may be unable to perform verification procedures on our Associates prior to placing them with our clients.

A few of our clients require us to perform verification procedures on our Associates prior to placing these Associates with them. Due to sufficiently reliable information being unavailable in some cases, we may be unable to fully perform such verification procedures as requested by our clients. Failure to perform such verification procedures does not typically result in monetary penalties to our clients, but may lead to terminations of these Associates by our clients. We have not failed to perform such procedures upon request from our clients in the past. However, if we fail to perform such procedures in the future, the Associates we place with our clients may be terminated, which may in turn result in an adverse effect on our results of operations, reputation and business prospects. As part of our verification procedures, Associates are required to register know-your-client information for the purposes of certain statutory benefits, and failure to register such information could result in penalties and/or investigations by the relevant authorities, which could in turn affect our reputation and results of operations. While we have not experienced any such material penalties and/or investigations by the relevant authorities, we cannot assure you that we will not experience any material penalties and/or investigations by the relevant authorities in the future.

43. Our ability to invest in foreign subsidiaries or joint ventures is constrained by applicable restrictions under Indian foreign investment laws as well as laws of the relevant international jurisdictions, which could adversely affect our business prospects and international growth strategy.

Under Indian foreign investment laws, an Indian company is permitted to invest in overseas joint ventures or subsidiaries, up to 400% of the Indian company's net worth as at the date of its last audited balance sheet (subject to certain exceptions). This limitation also applies to any other form of financial commitment by the Indian company, including in terms of any loan, guarantee or counter guarantee issued by such Indian company. However, any financial commitment exceeding US$ 1 billion (or its equivalent) in a financial year would require prior approval of the Reserve Bank of India, even when the total financial commitment of the Indian company is within the eligible limit as mentioned above. Further, there may be limitations stipulated in the host country for foreign investment. Investment or financial commitment not complying with the stipulated requirements is permitted with prior approval

of the RBI. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. These limitations on overseas direct investment could constrain our ability to acquire our stake in overseas entities as well as to provide other forms of financial assistance or support to such entities, which may adversely affect our business and financial condition.

44. Certain sections of this Draft Red Herring Prospectus contain information from F&S Report which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the F&S Report or extracts of the F&S Report prepared by F&S, which is not related to our Company, Directors or Promoter. The F&S Report is commissioned by us on November 15, 2021, and paid for, for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the F&S Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the F&S Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the F&S Report is not a recommendation to invest / disinvest in any company covered in the F&S Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 141. For the disclaimers associated with the F&S Report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 19.

EXTERNAL RISKS

Risks relating to investments in an Indian company

45. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB- with a "stable" outlook to BBB- with a "negative" outlook (Fitch) in June 2020; and from BBB with a "negative" outlook to BBB (low) with a "stable" outlook by DBRS in May 2021. India's sovereign ratings from S&P is BBB-with a "stable" outlook in May 2021. Any further adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

46. If the rate of Indian price inflation increases, our results of operations and financial condition may be adversely affected.

In recent years, India's wholesale price inflation index has indicated an increasing inflation trend

compared to prior periods. An increase in inflation in India could cause a rise in the cost of transportation, wages, raw materials or any other expenses. If this trend continues, we may be unable to reduce our costs or pass our increased costs on to our clients and our results of operations and financial condition may be adversely affected.

47. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business and activities.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of clients in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect oncompetition in India.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation.

48. A slowdown in economic growth in India could cause our businesses to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. As a result, a slowdown in the Indian economy could adversely affect our business. India's economy could be adversely affected by a general rise in interest rates, inflation, natural calamities, increases in commodity prices, and protectionist efforts in other countries or various other factors.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. Further, a number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

49. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate is evolving and is subject to change. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules or

regulations and policies applicable to us and our business could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The application of various tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. Any future amendments may affect our benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our business and financial performance.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the GoI has announced the union budget for the Fiscal Year 2022-2023, and the Finance Bill, 2022 (the "**Finance Bill**") has received assent from the President of India on March 30, 2022, and has been enacted as the Finance Act, 2022 (the "**Finance Act**") with effect from April 1, 2022 or in the case of certain sections of the Finance Act, as otherwise notified by the GoI. We are yet to assess the complete impact that any amendments made pursuant to the Finance Act would have on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. For further discussion on capital gains tax, see *"— You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Share*" on page 61.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

50. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

Our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus is prepared in accordance with Companies Act and the SEBI Regulations. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Restated Consolidated Financial Information to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and SEBI Regulations on the financial disclosures presented in

this Draft Red Herring Prospectus should accordingly be limited.

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

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business is also impacted by regulation and conditions in the various states in India where we operate. Our businesses and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The GoI has in recent years sought to implement economic reforms and the current government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous governments. There can be no assurance that liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting sectors such as food & beverages, logistics, real estate, hospitality, financial services, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

52. Our business is significantly affected by fluctuations in general economic activity.

Demand for staffing services is significantly affected by the general level of commercial activity and economic conditions in the regions and sectors in which we operate. An economic downturn in a region or sector in which we operate may adversely affect our operations in that region or sector. For example, the shutting down of movie theatres as a result of the COVID-19 pandemic has impacted our clients in the media and entertainment industry. Any such economic downturn in a region or sector in which we operate may in turn affect our business, financial conditions or results of operations.

Many of our top clients are multi-national corporations, and a downturn in the global markets may adversely affect their operations, thereby affecting our business, financial conditions or results of operations. When economic activity increases, temporary employees or contract workers are often added before full-time employees are hired. During period of economic downturn, however, many companies reduce their use of temporary employees before laying off full-time employees. We may also experience more competitive pricing pressure during periods of economic downturn. Also, declining unemployment levels can make it harder for us to identify Associates to place with our clients. Any significant economic downturns in India or in the global markets could have an adverse effect on our business, financial condition and results of operations.

53. The occurrence of natural or man-made disasters could adversely affect our results of operations 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, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition, including in the following respects:

- A natural or man-made disaster, could result in damage to our assets or losses in our projects, or the failure of our counterparties to perform, or cause significant volatility in global financial markets.

- Political tension, civil unrest, riots, acts of violence, situations of war or terrorist activities may result in disruption of services and may potentially lead to an economic recession and/or impact investor confidence.

Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it

is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact 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 impact on our business and the market price of the Equity Shares.

54. Foreign investors may have difficulty enforcing foreign judgments against us or our management.

Our company is incorporated under the laws of India. Save for two of our independent directors who are US passport holders, all our Directors and executive officers are residents of India and a substantial portion of our assets and those of such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons in jurisdictions outside India, or to enforce against us or such parties judgments obtained in courts outside India based upon the liability provisions of foreign countries, including the civil liability provisions of the federal securities laws of the United States.

India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908, as amended (the "**CPC**").

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Instead, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the CPC. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty but does not include an arbitration award, even if such an award is enforceable as a decree or judgment.

The United States and Canada have not been declared by the GoI to be a reciprocating territory for the purpose of Section 44A of the Civil Procedure Code. However, the United Kingdom, United Arab Emirates, Singapore and Hong Kong, among others, have been declared by the GoI to be reciprocating territories. A judgment of a court in the United States or another jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. It is also unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is

required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

55. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations. For additional details, please see "*Risk Factors – Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares*." On page 65.

56. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy may be influenced by economic and market conditions in other countries, including conditions in the United States, Europe and Asia. In particular, the ongoing military conflicts between Russia and Ukraine could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. 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 us. 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 negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recently, the currencies of afew Asian countries including India suffered depreciation against the US Dollar owing to amongst other, the announcement by the US government that it may consider reducing its quantitative easing measures.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

Risks related to this Offer

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

Under the current Indian tax laws, and unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction tax ("**STT**") is paid on

the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the GoI under notification no. 43/2017/F. No. 370142/09/2017- TPL on June 5, 2017. However, the Finance Act, 2018, has levied taxes on such long-term capital gains exceeding ₹100,000.00 arising from a sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. 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. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold.

With respect to capital gains arising in an off-market sale, long term capital gains are subject to tax at the rate of 10.00% (plus applicable surcharge and cess) without the exemption of ₹100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15.00% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40.00% (plus applicable surcharge and cess) in the case of foreign companies and 30.00% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the equity shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is a resident, subject to certain conditions. 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 a gain upon the sale of the equity shares.

Further, the Finance Act, 2019, which amended the Indian Stamp Act, 1899 with effect from July 1, 2020, has 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 exchanges will be of the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty on 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.

Additionally, the Finance Act does not require DDT to 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. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The GoI has announced the union budget for the Fiscal Year 2022-2023 and the Finance Act, 2022 has received the President's assent on March 30, 2022. There is no certainty on the impact that the Finance Act, 2022 may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act, 2022 would have an adverse effect on our business, financial condition and results of operations.

58. Fluctuations in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of the Equity Shares, independent of our financial results.

The Equity Shares will be quoted in ₹ on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in ₹ and subsequently converted into appropriate foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

59. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. The Equity Shares may experience price and volume fluctuations. Further, the current market price of some securities listed pursuant to certain previous issuers managed by the BRLMs is below their respective issue prices.

The Offer Price of the Equity Shares will be determined by the Company and the Promoter Selling Shareholder in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors and assumptions, as described under "*Basis for Offer Price*" on page 115 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. The current market price of some securities listed pursuant to certain previous issuers managed by the BRLMs is below their respective issue prices. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian general staffing and IT sector, changing perceptions in themarket about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations byfinancial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have an adverse effect on the market price of the Equity Shares.

60. Our Company's Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for our Company's Equity Shares. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after the Offer. The Offer Price of the Equity Shares is proposed to be determined by the Company, the Selling Shareholders in consultation with the BRLMs through a book-building process 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, market conditions specific to the industry we operate in, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world.

61. 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 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.

62. Currency exchange rate fluctuations may affect the value of the Equity Shares independent of our financial results.

The Equity Shares are, and will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into other currencies for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

63. Any future issuance of Equity Shares or securities linked to Equity Shares may dilute your shareholding, and sale of our Equity Shares by our Promoter or other major shareholders may also adversely affect the trading price of the Equity Shares.

Any future equity issuances by us may lead to dilution of your shareholding in the Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our Promoter or other major shareholders after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India, or the perception that such sales, pledge or encumbrance could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. Our Promoter currently holds an aggregate of 87.38% of our outstanding Equity Shares. After the completion of the Offer, our Promoter and members of our Promoter Group will continue to hold [●]% of our outstanding Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoter or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptiverights have been waived by the adoption of a special resolution by holders of three-fourths of the equityshares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in the Company may be reduced.

65. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after the Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIBs can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition and results of operations may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing. QIBs and Non-Institutional Bidders will therefore not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

66. You will not be able to sell immediately on an Indian Stock Exchange any of the Equity Shares you are allotted in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

67. Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions) 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 does not fall under any of the exceptions r specified by the RBI, then the prior approval of the RBI will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no objection or a tax clearance certificate from the Indian income tax authority. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a 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, can only be made through Government approval route, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms, or at all. For further details, please see on "*Restrictions on Foreign Ownership of Indian Securities*" on page 405.

68. Our Company will not receive the entire proceeds from the Offer. The Selling Shareholders in the Offer for Sale and will receive proceeds as part of the Offer for Sale.

The Offer comprises a Fresh Issue of [●] Equity Shares aggregating up to ₹500.00 million by our Company and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹7,500.00 million by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders in proportion to their respective portion of the Offered Shares (after deducting applicable Offer related expenses and relevant taxes thereon) and our Company will not receive any such proceeds. For further details, see the sections entitled "*Objects of the Offer*" and "*Capital Structure*" on pages 108 and 89, respectively.

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

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, compliance, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly 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 or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required 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. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

SECTION III – INTRODUCTION

THE OFFER

The following table summarises details of the Offer.

Offer of Equity Shares	Up to [●] Equity Shares aggregating up to ₹ 8,000.00 million
Of which:	
Fresh Issue[(1)]	Up to [●] Equity Shares aggregating up to ₹ 500.00 million
Offer for Sale[(2)] by the Selling Shareholders	Up to [●] Equity Shares aggregating up to ₹ 7,500.00 million
The Offer consists of:	
A. QIB Portion[(3) (4)]	Not less than [●] Equity Shares
Of which	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
(a) Mutual Fund Portion (i.e., 5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance of Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion[(4)(5)(6)]	Not more than [●] Equity Shares
C. Retail Portion[(4)(5)]	Not more than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	77,053,744 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds of this Offer	See "*Objects of the Offer*" on page 108 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on April 12, 2022 and the Fresh Issue has been authorised by our Shareholders pursuant to their resolution dated May 6, 2022. Further, our Board has taken on record the consents of the Selling Shareholders for undertaking the Offer for Sale by a resolution of our Board dated May 9, 2022.

(2) Each Selling Shareholder, severally and not jointly, confirms that its respective portion of the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI, and are accordingly eligible for being offered for sale in the Offer in terms of the SEBI ICDR Regulations. Further, each of the Selling Shareholder, severally and not jointly, confirms that its portion of the Offered Shares is within the thresholds prescribed under Regulation 8A of the SEBI ICDR Regulations. For details, see "Offer Procedure – Undertakings by the Selling Shareholders" on page 403. Each Selling Shareholder, severally and not jointly, has confirmed and authorised its participation in the Offer for Sale as set out below:

S. No.	Selling Shareholder	Number of Equity Shares offered in the Offer for Sale (up to)	Aggregate amount of Offer for Sale (up to) (in ₹ million)	Date of board resolution/ resolution passed by the designated partners, as applicable	Date of consent letter
1.	Manpower Solutions Limited	[●]	6,650.00	May 6, 2022	May 9, 2022
2.	New Lane Trading LLP	[●]	450.00	April 15, 2022	May 9, 2022
3.	Seedthree Trading LLP	[●]	400.00	April 15, 2022	May 9, 2022

(3) Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and

allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 386. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the following order: (i) in the first instance towards subscription for 90% of the Fresh Issue; and (ii) if there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made: (a) pro rata towards Equity Shares offered by the Selling Shareholders; and (b) thereafter, towards the balance of the Fresh Issue. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made pro rata towards Equity Shares offered by the Selling Shareholders, and thereafter, towards the balance Fresh Issue. For further details, please see section "Offer Procedure" on page 386.*

(5) *Allocation to Bidders in all categories, except the Retail Individual Bidders Portion, Non-Institutional Bidders Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis.*

(6) *The Equity Shares available for Allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the subcategories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non - Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.*

For further details, see "*Offer Procedure*" on page 386. For details, including in relation to grounds for rejection of Bids, please see section *"Offer Structure"* and *"Offer Procedure"* on page 383 and 386, respectively. For details of the terms of the Offer, please see the section *"Terms of the Offer"* on page 377.

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information as at and for the nine months period ended on December 31, 2021, as at and for the year ended March 31, 2021, as at and for the year ended March 31, 2020, and as at and for the period February 20, 2018 to March 31, 2019. The summary financial information presented below should be read in conjunction with "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 235 and 325, respectively.

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Summary of Restated Consolidated Statement of Assets and Liabilities

(*All amounts are ₹ in million unless otherwise stated*)

	Particulars		As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Assets					
1	**Non-current assets**					
	a.	Property, plant and equipment	90.52	90.59	84.38	73.32
	b.	Right-of-use asset	266.81	227.05	141.02	152.96
	c.	Capital work-in-progress	-	-	-	13.89
	d.	Goodwill	440.06	440.06	396.93	396.93
	e.	Other intangible assets	89.86	295.38	884.71	1,517.89
	f.	Intangible assets under development	8.90	-	-	-
	g.	Financial assets	793.62	609.91	497.98	316.36
	h.	Deferred tax asset (net)	120.01	72.22	38.73	58.99
	i.	Non-current tax assets (net)	489.78	374.35	880.96	615.43
	j.	Other non-current assets	1.23	0.82	-	-
	Total non-current assets		**2,300.79**	**2,110.38**	**2,924.71**	**3,145.77**
2	**Current assets**					
	a.	Financial assets				
	i.	Trade receivables	1,808.42	1,330.90	1,519.29	1,076.87
	ii.	Cash and cash equivalents	994.75	491.23	778.88	893.73
	iii.	Other bank balances	850.38	668.54	471.93	446.59
	iv.	Loans	-	0.20	0.21	-
	v.	Other financial assets	1,435.35	1,255.87	507.70	709.29
	b.	Current tax assets (net)	-	315.50	142.05	-
	c.	Other current assets	90.11	62.13	54.82	50.70
	Total current assets		**5,179.01**	**4,124.37**	**3,474.88**	**3,177.18**
	Total assets		**7,479.80**	**6,234.75**	**6,399.59**	**6,322.95**
	Equity and liabilities					
	Equity					
	a.	Equity share capital	722.19	722.19	722.19	722.19
	b.	Other equity	1,847.68	1,563.78	1,884.58	2,080.37
	Total equity		**2,569.87**	**2,285.97**	**2,606.77**	**2,802.56**
	Liabilities					
1	**Non-current liabilities**					
	a.	Financial liabilities				
	i.	Borrowings	-	1.26	4.35	7.88
	ii.	Lease liabilities	191.12	164.14	89.16	90.76
	iii.	Other financial liabilities	-	122.78	158.51	431.09
	b.	Provisions	488.83	413.62	319.07	208.76
	c.	Deferred tax liability (net)	58.68	181.42	138.68	256.23
	Total non-current liabilities		**738.63**	**883.22**	**709.77**	**994.72**
2	**Current liabilities**					
	a.	Financial liabilities				
	i.	Borrowings	35.43	75.94	221.07	3.05
	ii.	Lease liabilities	88.17	70.94	61.69	70.55
	iii.	Trade payables				
		-Total outstanding dues of micro and small enterprises	5.31	12.04	0.02	0.39
		-Total outstanding dues of creditors other than micro and small enterprises	277.45	172.11	143.98	80.62
	iv.	Other financial liabilities	2,556.23	1,760.44	1,742.44	1,601.72
	b.	Provisions	338.60	216.39	225.03	125.51
	c.	Current tax liabilities (net)	1.14	-	-	-
	d.	Other current liabilities	868.97	757.70	688.82	643.83

	Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Total current liabilities	**4,171.30**	**3,065.56**	**3,083.05**	**2,525.67**
	Total liabilities	**4,909.93**	**3,948.78**	**3,792.82**	**3,520.39**
	Total equity and liabilities	**7,479.80**	**6,234.75**	**6,399.59**	**6,322.95**

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Summary of Restated Consolidated Statement of Profit and Loss

(*All amounts are ₹ in million unless otherwise stated*)

	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
I	**Income**				
	Revenue from operations	20,694.07	21,102.86	20,584.37	13,984.41
	Other income	52.36	138.90	169.64	60.02
	Total income (I)	**20,746.43**	**21,241.76**	**20,754.01**	**14,044.43**
II	**Expenses**				
	Purchase of traded goods	9.54	-	-	-
	Employee benefits expense	19,607.39	20,112.88	19,831.08	13,370.84
	Finance costs	26.37	29.12	18.59	12.69
	Depreciation and amortisation expense	323.88	765.49	759.55	518.83
	Other expenses	686.69	630.41	417.09	538.22
	Total expenses (II)	**20,653.87**	**21,537.90**	**21,026.31**	**14,440.58**
III	**Restated profit/(loss) before tax (I- II)**	**92.56**	**(296.14)**	**(272.30)**	**(396.15)**
IV	**Tax expenses**				
	Current tax	50.10	33.88	18.87	31.22
	Deferred tax (credit)/charge	(171.54)	6.54	(95.06)	(42.05)
	Total tax expense (IV)	**(121.44)**	**40.42**	**(76.19)**	**(10.83)**
V	**Restated profit/(loss) for the period/ year (III-IV)**	**214.00**	**(336.56)**	**(196.11)**	**(385.32)**
VI	**Other comprehensive income**				
	Items that will not be reclassified subsequently to Restated Consolidated Profit or Loss				
	- Gain/(loss) on remeasurements of the defined benefit plans	3.58	7.30	(7.40)	1.86
	- Income tax effect on above	(1.01)	(1.73)	2.23	(0.52)
VII	**Restated total comprehensive income/(loss) for the period/year (V+VI)**	**216.57**	**(330.99)**	**(201.28)**	**(383.98)**
VIII	**Restated earnings per equity share**				
	Basic (in ₹)	2.96	(4.66)	(2.72)	(5.34)
	Diluted (in ₹)	2.83	(4.66)	(2.72)	(5.34)

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Summary of Restated Consolidated Statement of Cash Flows

(All amounts are ₹ in million unless otherwise stated)

	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
A.	**Cash flows from operating activities**				
	Restated profit/(loss) for the period/year before tax	**92.56**	**(296.14)**	**(272.30)**	**(396.15)**
	Adjustments for:				
	Depreciation and amortisation expense	323.88	765.49	759.55	518.83
	Gain on account of early termination of leases	(1.01)	(2.20)	-	(0.17)
	Interest income	(44.84)	(101.68)	(68.43)	(49.22)
	Net (gain)/loss on sale of property, plant and equipments	0.90	3.17	(1.56)	(0.12)
	Finance costs	26.37	29.12	18.59	12.69
	Provision no longer required written back	(0.33)	(12.26)	(8.34)	(6.07)
	Dividend on investments in mutual funds	-	-	(0.09)	(1.47)
	Provision for doubtful trade and other receivables including bad debts written off	11.77	13.42	4.66	74.19
	Employee stock option amortisation (net of forfeiture)	67.33	10.19	5.49	-
	Net (gain)/loss arising on fair valuation/settlement of put liability	38.17	(12.84)	(87.88)	12.03
	Net gain arising on financial assets designated as FVTPL	(0.05)	-	-	(0.01)
	Net gain arising on unrealised foreign exchange	(0.04)	-	-	-
	Operating profit before working capital changes	**514.71**	**396.27**	**349.69**	**164.53**
	Movements in working capital:				
	(Increase)/ Decrease in assets :				
	Trade receivables	(482.26)	224.54	(446.20)	172.66
	Other assets	(397.59)	(805.94)	(7.93)	(520.70)
	Increase/ (Decrease) in liabilities :				
	Trade and other payables	98.93	(4.41)	71.32	37.32
	Provisions and other liabilities	997.16	291.26	204.45	688.35
	Cash generated from operations	**730.95**	**101.72**	**171.33**	**542.16**
	Income taxes refund received/ (paid)	157.69	366.27	(409.85)	(310.28)
	Net cash generated from/(used in) operating activities (A)	**888.64**	**467.99**	**(238.52)**	**231.88**
B.	**Cash flows from investing activities**				
	Purchase of property, plant and equipments and intangibles including capital advances	(57.74)	(77.07)	(44.32)	(37.12)
	Purchase consideration paid net of cash acquired/ cash paid towards settlement of put liability	(50.00)	(278.58)	-	(1,841.11)
	Proceeds from sale of property, plant and equipments	1.79	11.41	3.14	5.44
	Dividend on investments	-	-	0.09	1.47
	Bank deposits having original maturity of more than three months	(181.84)	(196.46)	(25.49)	(445.95)
	Interest income	35.02	34.90	72.41	25.01
	Net cash (used in)/generated from investing activities (B)	**(252.77)**	**(505.80)**	**5.83**	**(2,292.26)**
C.	**Cash flows from financing activities**				
	Proceeds/(repayment) from borrowing	(41.77)	(148.22)	214.49	(0.13)
	Proceeds from share issued during the period/year	-	-	-	3,036.19
	Payment of lease liabilities including interest payments	(80.15)	(89.83)	(92.09)	(80.67)
	Interest paid	(10.43)	(11.79)	(4.56)	(1.28)
	Net cash (used in)/generated from financing activities(C)	**(132.35)**	**(249.84)**	**117.84**	**2,954.11**

Particulars		For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
	Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	**503.52**	**(287.65)**	**(114.85)**	**893.73**
	Cash and cash equivalents at the beginning of the period/year	491.23	778.88	893.73	-
	Cash and cash equivalents at the end of the period/ year	**994.75**	**491.23**	**778.88**	**893.73**

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SUMMARY OF PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following tables provide the summary of the Proforma Condensed Combined Financial Information (to be read in conjunction with "*Basis of Preparation in the Proforma Condensed Combined Statement*" on page 312) as at and for the nine months period ended December 31, 2021 and as at and for the year ended March 31, 2021, to illustrate the impact of acquisitions of CBSI and RLabs on our financial position and performance as at and for the nine-months period December 31, 2021, and as at and for the year ended March 31, 2021, had CBSI and RLabs might have been, had CBSI and RLabs been acquired by our Company/ Subsidiaries and accounted for as subsidiaries from April 1, 2020. For further details, see "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*", "*Risk Factors – Internal Risk Factors – Our Restated Consolidated Financial Information includes impact of acquisitions made by our Company over different financial reporting periods. However, the effects of our recent acquisitions are not fully reflected in our Restated Consolidated Financial Information, and our Restated Consolidated Financial Information may not accurately represent our future financial performance. Further the Proforma Condensed Combined Financial Information may not be indicative of our future performance" and "Financial Information – Proforma Condensed Combined Financial Information*" on pages 199, 44 and 312, respectively.

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Proforma Condensed Combined Statement of Assets and Liabilities

(All amounts are ₹ in million unless otherwise stated)

Particulars	As at December 31, 2021	As at March 31, 2021
Assets		
Non-current assets		
a. Property, plant and equipment	123.60	126.79
b. Right-of-use asset	281.01	248.67
c. Goodwill	457.27	457.27
d. Other intangible assets	108.15	315.56
e. Intangible assets under development	8.90	-
f. Financial assets	797.41	613.50
g. Deferred tax asset (net)	124.62	78.72
h. Non-current tax assets (net)	542.30	451.11
i. Other non-current assets	1.23	0.82
Total non-current assets	**2,444.49**	**2,292.44**
Current assets		
a. Financial assets		
i. Trade receivables	1,908.08	1,446.28
ii. Cash and cash equivalents	1,122.77	546.64
iii. Other bank balances	850.38	668.54
iv. Loans	0.22	61.58
v. Other financial assets	1,528.64	1,347.04
b. Current tax assets (net)	-	315.50
c. Other current assets	91.51	76.68
Total current assets	**5,501.60**	**4,462.26**
Total assets	**7,946.09**	**6,754.70**
Equity and liabilities		
Equity		
a. Equity share capital	722.19	722.19
b. Other equity	2,111.64	1,748.21
Total Equity	**2,833.83**	**2,470.40**
Liabilities		
Non-current liabilities		
a. Financial liabilities		
i. Borrowings	29.48	32.51
ii. Lease liability	196.98	178.80
iii. Other financial liabilities	-	122.78
b. Provisions	498.06	423.08
c. Deferred tax liability (net)	58.68	181.42
Total non-current liabilities	**783.20**	**938.59**
Current liabilities		
a. Financial liabilities		
i. Borrowings	51.39	189.84
ii. Lease liability	99.68	81.41
iii. Trade payables		
-Total outstanding dues of micro and small enterprises	5.31	12.04
-Total outstanding dues of creditors other than micro and small enterprises	351.81	272.31
iv. Other financial liabilities	2,556.23	1,763.94
b. Provisions	342.34	219.41
c. Current tax liabilities (net)	1.14	-
d. Other current liabilities	921.16	806.76
Total current liabilities	**4,329.06**	**3,345.71**

Particulars	As at December 31, 2021	As at March 31, 2021
Total liabilities	**5,112.26**	**4,284.30**
Total equity and liabilities	**7,946.09**	**6,754.70**

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Proforma Condensed Combined Statement of Profit and Loss

(All amounts are ₹ in million unless otherwise stated)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021
I. Revenue from operations	21,590.03	22,391.08
II. Other income	60.72	153.50
III. Total income (I + II)	**21,650.75**	**22,544.58**
IV. Expenses		
Cost of material consumed	9.54	-
Employee benefits expense	20,230.94	20,885.20
Finance costs	40.88	56.75
Depreciation and amortisation expense	336.62	791.50
Other expenses	839.50	1,028.53
Total expenses (IV)	**21,457.48**	**22,761.98**
V. Profit/(Loss) before tax (I–I - IV)	**193.27**	**(217.40)**
VI. Tax expenses		
Current tax	75.61	58.04
Deferred tax	(171.22)	9.21
Total tax expense (VI)	**(95.61)**	**67.25**
VII. Profit/ (Loss) for the period/year (V - VI)	**288.88**	**(284.65)**
VIII. Other comprehensive income		
Items that will not be reclassified to profit or loss		
- Gain/(loss) on remeasurements of the defined benefit plans	9.80	13.29
- Income tax effect on above	(2.58)	(3.24)
IX. Total comprehensive income/(loss) for the period/ year (VII + VIII)	**296.10**	**(274.60)**

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GENERAL INFORMATION

Our Company was incorporated as "FirstMeridian Business Services Private Limited" in Bengaluru as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 20, 2018 issued by the Registrar of Companies, Karnataka at Bengaluru. Thereafter, the registered office of our Company shifted from Bengaluru, Karnataka to Mumbai, Maharashtra, and a fresh certificate of incorporation, dated November 23, 2021, was issued to our Company by the RoC. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on January 19, 2022 and consequently, the name of our Company was changed to its present name, 'FirstMeridian Business Services Limited', and a fresh certificate of incorporation dated February 1, 2022 was issued by the RoC to our Company.

For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 197.

Registered Office

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

501, JollyBoard Tower 1
I Think Techno Campus
Kanjurmarg East, Mumbai 400 042
Mumbai City
Maharashtra, India

For details of changes in the registered office address of our Company, see '*History and Certain Corporate Matters*' on page 197.

Corporate Office

The address of our Corporate Office is as follows:

Unit no.5, 3rd Floor, RBD Icon
Outer Ring Road, Marathalli Post
Bengaluru 560 037
Karnataka, India

Company Registration Number and Corporate Identity Number

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

a) Registration number: 371978

b) Corporate Identity Number: U74999MH2018PLC371978

Address of the Registrar of Companies

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

Registrar of Companies, Maharashtra
Everest
100 Marine Drive
Mumbai 400 002
Maharashtra, India

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus is being filed electronically on the SEBI's online portal at https://siportal.sebi.gov.in and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*" and will also be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051, Maharashtra, India

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai. The Red Herring Prospectus and Prospectus will be filed in accordance with section 32 read with section 26 of the Companies Act, along with the material contracts and documents referred to in the Red Herring Prospectus and the Prospectus with the RoC at:

Registrar of Companies, Maharashtra
Everest
100 Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The table below sets forth the details of the constitution of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Avinash Vashishta	Chairperson and Independent Director	01693170	268, 4th Cross, 2nd Block, Near Nexus, RMV 2nd Stage, Bengaluru 560 094, India
Aduthuraiperumalkoil Ramachandran Chandrasekharan	Independent Director	01794721	C 2 Krishna Chith Apartments, 10 Third Main Road, Gandhinagar, Adyar, Chennai, 600 020, India
Pooja Prabhakar	Independent Director	08403819	No. – 2276, Vag Jyothi, 22nd Cross Office K.R. Road, Banashankari 2nd Stage, Bengaluru 560 070, India
Richa Arora	Independent Director	07144694	D-2806, Ashok Towers, Parel, Mumbai 400 012, India
Manish Mehta	Non–Executive Nominee Director*	06442038	Flat No. D-3205, Ashok Towers, Tower D, Dr. Babasaheb Ambedkar Road, Near ITC Grand Central, Mumbai 400 012, India
Nilay Pratik	Non-Executive Nominee Director*	07692750	405/ 4 Floor, Augustus Building, Raheja Acropolis ST Road, Deonar Pada Road, Chembur, T.F. Donar, Kurla Mumbai- 400 088, India
Sudhakar Balakrishnan	Whole Time Director and Group Chief Executive Officer	00062956	Villa No. 226 Phase 1, Varthur Road, Adarsh Palm Meadows, Ramagondanahalli, Whitefield, Bengaluru 560 066, India

* *Nominee of Manpower Solutions Limited (Promoter of our Company).*

For brief profiles of our Directors, please see "*Our Management*" on page 208.

Company Secretary and Compliance Officer for the Offer

Monali Joshi is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Monali Joshi
Company Secretary and Compliance Officer
JollyBoard Tower 1, 5th Floor, I Think Techno Campus, Kanjurmarg East
Mumbai 400 042, Maharashtra, India
E-mail: investors@firstmeridian.com
Tel.: +91 22 4218 0000

Statutory Auditors of our Company

Deloitte Haskins & Sells LLP, Chartered Accountants
One International Center, 32nd Floor, Tower-3,
Senapati Bapat Marg,
Elphinstone (West), Mumbai 400 013
Maharashtra, India
Tel.: +91 22 6185 4000
E-mail: mujain@deloitte.com
ICAI Firm Registration Number: 117366W/W100018
Peer Review Number: 013179

Changes in Statutory Auditors

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Managers where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030/ +91 22 6630 3262
E-mail: firstmeridian.ipo@jmfl.com
Website: www.jmfl.com
Investor Grievance E-mail:
grievance.ibd@jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

DAM Capital Advisors Limited
(***Formerly IDFC Securities Limited***)
One BKC, Tower C, 15th Floor
Unit No. 1511, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Maharashtra, India
Tel.: +91 22 4202 2500
E-mail: firstmeridian.ipo@damcapital.in
Investor grievance e-mail: complaint@damcapital.in
Website: www.damcapital.in
Contact Person: Gunjan Jain
SEBI Registration: MB/INM000011336

Edelweiss Financial Services Limited
6th Floor, Edelweiss House
Off C.S.T. Road, Kalina, Mumbai
400 098, Maharashtra, India
Tel: +91 22 4009 4400
E-mail: FirstMeridian@edelweissfin.com
Investor Grievance ID:
customerservice.mb@edelweiss.in
Website: www.edelweissfin.com
Contact Person: Lokesh Shah
SEBI Registration: INM0000010650

IIFL Securities Limited
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4728
E-mail: firstmeridian.ipo@iiflcap.com
Investor Grievance ID: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Harshvardhan Jain
SEBI Registration Number: INM000010940

Statement of inter-se allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc., due diligence of our Company's operations/management/business /legal etc., drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC, including finalization of the Red Herring Prospectus, Prospectus and RoC filings, follow up and coordination till final approval from all regulatory authorities	BRLMs	JM Financial
2.	Drafting and approval of statutory advertisement	BRLMs	JM Financial
3.	Drafting and approval of all publicity material other than statutory advertisements including corporate advertisements, brochures, filing of media compliance report with SEBI, etc.	BRLMs	DAM Capital
4.	Appointment of Registrar to the Offer, printer to the Offer, and advertising agency (including coordination for their agreements)	BRLMs	DAM Capital
5.	Appointment of all other intermediaries and including co-ordination for all other agreements	BRLMs	IIFL Securities
6.	Preparation of road show presentation and FAQs for the road show team	BRLMs	Edelweiss
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • International Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule.	BRLMs	Edelweiss

Sr. No.	Activity	Responsibility	Co-ordinator
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Domestic Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule.	BRLMs	IIFL Securities
9.	Conduct non-institutional and retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising application form • Finalising centres for holding conferences for brokers etc. • Follow - up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	BRLMs	DAM Capital
10.	Managing anchor book related activities, coordination with Stock Exchanges for anchor intimation, submission of letters regulators post completion of anchor allocation, book building software, bidding terminals and mock trading, payment of 1% security deposit to the designated stock exchange.	BRLMs	Edelweiss
11.	Managing the book and finalization of pricing in consultation with our Company	BRLMs	JM Financial
12.	Post bidding activities including management of escrows accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.	BRLMs	IIFL Securities

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083
Maharashtra, India
Tel: + 91 22 4918 6200

E-mail: firstmeridian.ipo@linkintime.co.in
Investor Grievance e-mail: firstmeridian.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Legal Counsel to our Company as to Indian law

IndusLaw
2nd Floor
Block D, The MIRA
Mathura Road
New Delhi – 110 065
Delhi, India
Tel: +91 11 4782 1000

Legal Counsel to the Selling Shareholders as to Indian law

IndusLaw
#1502B, 15th Floor
Tower"– 1C,"One World "Centre"
Senapati Bapat Marg
Lower Parel
Mumbai – 400 013
Maharashtra, India
Tel: +91 22 4920 7200

Legal Counsel to the Book Running Lead Managers as to Indian law

J. Sagar Associates
Sandstone Crest
Opposite Park Plaza Hotel
Sushant Lok - Ph 1
Gurgaon 122 009, India
Tel: +91 124 439 0600

International Legal Counsel to the BRLMs

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909
Tel: +65 6230 3900

Bankers to our Company

HDFC Bank Limited
Shop no. 3 Ground Floor
Kailash Corporate Lounge
Veer Savarkar Road, park site
Vikhroli West, Mumbai 400 079
Maharashtra, India
Tel.: +9125182668
E-mail: rushikumar.chinta@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Rushi Kumar Chinta

Axis Bank Limited
Sona Tower, No 8, 32nd E Cross Road
4th Block, Jayanagar
Bengaluru 560 041
Karnataka, India
Tel.: +91 8095500521
E-mail: jayaanagar.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: R Latha

Standard Chartered Bank Limited
Crescenzo 6th Floor
Plot No. C-38 and 39
'G' Block, Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6115 7000
E-mail: rajeev.lohia@sc.com
Website: https://www.sc.com
Contact Person: Rajeev Lohia

Syndicate Members

[●]

Escrow Collection Bank(s)/ Refund Bank(s)/Public Offer Account Bank

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidders), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks and mobile applications enabled for the UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do? Do Recognised=yes & in

tm Id=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, there are no debenture trustees appointed for the Offer.

Monitoring Agency

As the size of the Fresh Issue does not exceed ₹ 1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed for the Offer.

Experts

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

(i) Our Company has received written consent from the Statutory Auditors namely, Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section

2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their: (i) examination report, dated April 22, 2022, on our Restated Consolidated Financial Information; and (ii) the Statement of Special Tax Benefits available to the Company, the Shareholders and its Material Subsidiaries (i.e., Innovsource Services Private Limited, V5 Global Services Private Limited, and Affluent Global Services Private Limited) dated April 22, 2022; and (iii) their report dated April 22, 2022, on the Proforma Condensed Combined Financial Information, included in this Draft Red Herring Prospectus.

(ii) Further, our Company has received a written consent from Pavan & Associates, Chartered Accountants, to include their name as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their report dated April 22, 2022, on the Statement of Special Tax Benefits available to RLabs.

(iii) Our Company has received written consent from Ramanand & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

Such consents have not been withdrawn as on the date of this DRHP. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of the English national daily newspaper the [●], and all editions of the Hindi national daily newspaper [●], and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, after the Bid/ Offer Closing Date.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non - Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

For an illustration of the Book Building process and further details, see "*Terms of the Offer*", "and "*Offer Procedure*" on pages 377 and 386 respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 386.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company, and the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalisation of the Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Red Herring Prospectus is set forth below.

(In ₹, except share data or indicated otherwise)

Sr. No.	Particulars	Aggregate value at nominal value	Aggregate value at offer price*
A.	**AUTHORISED SHARE CAPITAL#**		
	125,000,000 Equity Shares of face value of ₹ 10 each	1,250,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	77,053,744 Equity Shares of face value of ₹ 10 each	770,537,440	-
C.	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 8,000 million (1)(2)	[●]	[●]
	Comprising:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 500.00 million(1)	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 7,500.00 million by the Selling Shareholders (2)	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 10 each	[●]	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	₹ 3,671.54 million	
	After the Offer* (in ₹ million)	₹ [●] million	

**To be included upon finalisation of Offer Price.*

(1) The Offer has been authorized by a resolution of our Board dated April 12, 2022, and the Fresh Issue has been authorised by a resolution of our Shareholders dated May 6, 2022. Further, our Board has taken on record the consents of the Selling Shareholders by a resolution of our Board dated May 9, 2022.

(2) Each Selling Shareholder, severally and not jointly, confirms that its respective portion of the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI, and are accordingly eligible for being offered for sale in the Offer in terms of the SEBI ICDR Regulations. Further, each of the Selling Shareholder, severally and not jointly, confirms that its portion of the Offered Shares is within the thresholds prescribed under Regulation 8A of the SEBI ICDR Regulations. Each Selling Shareholder has confirmed and approved its participation in the Offer for Sale as set out below:

Sr. No.	*Selling Shareholder*	*Aggregate amount of Offer for Sale*	*Number of Equity Shares offered in the Offer for Sale*	*Date of board resolution/ resolution passed by the designated partners, as applicable*	*Date of consent letter*
1.	Manpower Solutions Limited	Up to ₹ 6,650.00 million	Up to [●] Equity Shares	May 6, 2022	May 9, 2022
2.	New Lane Trading LLP	Up to ₹ 450.00 million	Up to [●] Equity Shares	April 15, 2022	May 9, 2022
3.	Seedthree Trading LLP	Up to ₹ 400.00 million	Up to [●] Equity Shares	April 15, 2022	May 9, 2022

For further details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 360.

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters - Amendments to the Memorandum of Association of our Company*" on page 198.

Notes to the capital structure

1. *History of equity share capital of our Company*

The following table sets forth the history of the equity share capital of our Company:

Date of allotment of Equity Shares	Nature of allotment	Number of Equity Shares allotted	Cumulative number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Name of allottees
February 20, 2018	Initial subscription to the Memorandum of Association	10,000	10,000	10	10	Cash	Allotment of 5,000 Equity shares each to Venkata Subbarao Kalva and Swati Medatwal (as subscribers to the Memorandum of Association).
June 27, 2018	Private Placement	29,345,370	29,355,370	10	44.30	Cash	Private placement of 29,345,370 Equity shares to Manpower Solutions Limited.
July 3, 2018	Private Placement	18,058,690	47,414,060	10	44.30	Cash	Private placement of 18,058,690 to Manpower Solutions Limited.
July 13, 2018	Private Placement	20,112,300	67,526,360	10	44.30	Cash	Private placement of 20,112,300 Equity Shares to two allottees i.e., 16,862,300 Equity Shares to Manpower Solutions Limited and 3,250,000 Equity Shares to New Lane Trading LLP.
September 17, 2018	Private Placement	3,394,243	70,920,603	10	44.30	Other than cash	3,394,243 Equity Shares were allotted to Seedthree Trading LLP on a private placement basis as a consideration for acquisition of 1,753 equity shares of Affluent Global Services Private Limited by our Company.[#]
December 15, 2018	Rights Issue	1,298,531	72,219,134	10	44.30	Cash	Rights issue of 1,298,531 Equity Shares to New Lane Trading LLP.
February 16, 2022	Private Placement	473,036	72,692,170	10	117.38	Other than cash	473,036 Equity Shares were allotted to Seedthree Trading LLP as a consideration for acquisition of 690 equity shares of Affluent Global Services Private Limited by our Company. [#]
April 5, 2022	Rights Issue	4,361,574	77,053,744	10	275.13	Cash	Rights issue of 3,053,158 Equity Shares to Manpower Solutions Limited, 216,057 Equity Shares to New Lane Trading LLP, 183,698 Equity Shares to Seedthree Trading LLP, 90,866 Equity Shares to Sudhakar Balakrishnan, 54,565 Equity Shares to Anand Sundar Raj C, 54,520 Equity Shares to Satish Srinivasan, 49,068 Equity Shares to Javeed Azeem, 48,905 Equity Shares to Raghavendra S, 45,486 Equity Shares to Shalu Jain, 45,433 Equity Shares to Anurag Gupta, 37,006 Equity Shares to Manmeet Singh, 36,354 Equity Shares to Mani Sharma, 36,346 Equity Shares to Vinodh V, 35,374

Date of allotment of Equity Shares	Nature of allotment	Number of Equity Shares allotted	Cumulative number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Name of allottees
							Equity Shares to Amitabh Sagar, 26,532 Equity Shares to Shiv Maliwal, 19,300 Equity Shares to Nikhil Srivastava, 15,230 Equity Shares to Liju Varghese, 12,721 Equity Shares to Surya Sudheer, 12,700 Equity Shares to Tejas Sanghvi, 11,500 Equity Shares to Sanjay Kumar Gupta, 11,100 Equity Shares to Aneesh Kumar Agarwal, 10,904 Equity Shares to Jatin Batla, 10,000 Equity Shares to Sunil Nehra, 9,100 Equity Shares to Manoj Kumar Mishra, 9,100 Equity Shares to T Sampath, 9,087 Equity Shares to Rakshan Chengappa C D, 8,200 Equity Shares to Ashesh Pattnaik, 7,269 Equity Shares to Sunil Ashok Sarandhar, 7,000 Equity Shares to Amit Chitale, 6,100 Equity Shares to Venkata Krishna M, 6,000 Equity Shares to Daljeet Singh, 6,000 Equity Shares to Fayaz Desai, 5,997 Equity Shares to Nibin Varghese, 5,815 Equity Shares to Vishal Aggarwal, 5,453 Equity Shares to Ashwin Kute, 5,453 Equity Shares to Ravi Kumar Gupta, 5,451 Equity Shares to Dipti Vijaykumar, 4,725 Equity Shares to Sherry Thomas, 4,700 Equity Shares to Pratima Sanghvi, 4,544 Equity Shares to Amit Jyot Singh, 4,500 Equity Shares to Mansi Ankit Vora, 4,363 Equity Shares to M Muthupandi, 4,000 Equity Shares to Sharad Jain, 3,650 Equity Shares to Bibin Chandra, 3,637 Equity Shares to Abhilash Jhariya, 3,635 Equity Shares to Monali Joshi, 3,634 Equity Shares to Ramesh Kumar K, 3,600 Equity Shares to Ankit Kandhuja, 3,100 Equity Shares to Shubhangi Anil More, 2,946 Equity Shares to Sahil Sharma, 2,907 Equity Shares to Ranjith Kumar NR, 2,900 Equity Shares to Hemant Pokhar, 2,800 Equity Shares to Subhashish Acharaya, 2,725 Equity Shares to Satish Damarla, 2,565 Equity Shares to Jaysmita Deb, 2,545 Equity Shares to Romit Bhalla, 2,526 Equity Shares to Satish Kukde, 2,200 Equity Shares to Praveen Kumar P, 2,181 Equity Shares to Poonam Verma, 2,180 Equity Shares to Bhaskar Lahakar, 2,180 Equity Shares to Pakkera Reddy, 2,002 Equity Shares to Prasanna Venkateswaran, 2,000 Equity Shares to Girish Hedge,

Date of allotment of Equity Shares	Nature of allotment	Number of Equity Shares allotted	Cumulative number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Name of allottees
							2,000 Equity Shares to Gaurav Gupta, 1,818 Equity Shares to T Chaitanya, 1,818 Equity Shares to Janesh Kaul, 1,817 Equity Shares to Yuvaraja V, 1,817 Equity Shares to Newton Prakash S, 1,817 Equity Shares to Mitesh Shah, 1,817 Equity Shares to S Jenson John, 1,817 Equity Shares to Manisha Krishnankumar, 1,817 Equity Shares to Ashish Bhasin, 1,817 Equity Shares to Vaibhav Vilas Mestry, 1,800 Equity Shares to Daksha Shetty, 1,530 Equity Shares to Sandip Sidhye, 1,500 Equity Shares to Tejas Pote, 1,453 Equity Shares to Shivaji Chatterjee, 1,381 Equity Shares to Amit Gulati, 1,272 Equity Shares to Abhishek Rajmohan Thiruvallar, 1,271 Equity Shares to Somesha G B, 1,125 Equity Shares to RM Raghu, 1,100 Equity Shares to Chandra Shekhar, 1,090 Equity Shares to Mohini Gupta, 1,090 Equity Shares to Mustaq Manh, 1,090 Equity Shares to Vikram Ishwarlal Dayal Gaur, 1,090 Equity Shares to Ravinder Nigam, 1,054 Equity Shares to Shyam Sundar, 1,036 Equity Shares to Sujay Kumar, 1,000 Equity Shares to Sunil Kumar Tiwari, 1,000 Equity Shares to Raman Chaudhri, 1,000 Equity Shares to Deepty Sogam, 1,000 Equity Shares to Ratnakar Kakirde, 1,000 Equity Shares to Rakhi Vaity, 1,000 Equity Shares to Bharat Mahale, 1,000 Equity Shares to Jaleel Shaikh, 1,000 Equity Shares to N Ahemdali, 1,000 Equity Shares to Mansi Nagpal, 1,000 Equity Shares to Apurva Shah, 1,000 Equity Shares to Sivaram Rajendran, 874 Equity Shares to Ayush Kumar Gupta, 800 Equity Shares to Ashwini Raj, 800 Equity Shares to Arun Kumar Sharma, 740 Equity Shares to Sivasankaran, 727 Equity Shares to Pankaj Yadav, 727 Equity Shares to Siddhesh Bhandare, 727 Equity Shares to Satish Nair, 726 Equity Shares to John Piramal, 726 Equity Shares to T K Kiran, 726 Equity Shares to Atif Kiran, 726 Equity Shares to V B Binoy, 726 Equity Shares to Ankita Vasadani, 726 Equity Shares to Rashmita Tripathy, 600 Equity Shares to Parvinder Singh, 500 Equity Shares to Prateek Kakkar, 500 Equity Shares to Ritesh Kumar, 500 Equity Shares

Date of allotment of Equity Shares	Nature of allotment	Number of Equity Shares allotted	Cumulative number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Name of allottees
							to Sonu Rana, 454 Equity Shares to Shyamsundar Prasad, 400 Equity Shares to Balasubramanya L, 400 Equity Shares to Lokendra Singh, 399 Equity Shares to Yogendra Kumar, 365 Equity Shares to Shimna Parab, 364 Equity Shares to Praveen Kumar S, 364 Equity Shares to Sudhir Sharma, 363 Equity Shares to Vasundhara Trivedi, 363 Equity Shares to Chandrima Kashyap, 363 Equity Shares to Dalli Biswal, 363 Equity Shares to Rajeev Kelkar, 363 Equity Shares to Ujjwal Kumar, 218 Equity Shares to Swadhin Kumar Nayak, 182 Equity Shares to Ajay R, 181 Equity Shares to Girish Nadigar, 181 Equity Shares to Dheeraj Kumar, 181 Equity Shares to Rashmi P V, 180 Equity Shares to Charu Sehgal, 109 Equity Shares to Priyakshee Hazarika, 100 Equity Shares to Rajesh.

[#]*Please see* "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*" *on page 199 for further details in relation these acquisitions*.

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2. *History of preference share capital of our Company*

Our Company does not have any preference share capital as on the date of the Draft Red Herring Prospectus.

3. *Equity Shares issued for consideration other than cash or out of revaluation reserves*

Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation. Except as detailed below, our Company has not issued any Equity Shares for consideration other than cash since its incorporation:

Date of issue	Name of allotee	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason/Nature of allotment	Benefits accrued to our Company
September 17, 2018	Seedthree Trading LLP	3,394,243	10	44.30	Equity Shares were issued as a consideration for acquisition of 1,753 equity shares of Affluent Global Services Private Limited by our Company.*	Acquisition of shares in Affluent Global Services Private Limited.
February 16, 2022	Seedthree Trading LLP	473,036	10	117.38	Equity Shares were issued as a consideration for acquisition of 690 equity shares of Affluent Global Services Private Limited by our Company.*	Acquisition of shares in Affluent Global Services Private Limited.

**Please see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years" on page 199 for further details in relation these acquisitions.*

4. *Issue of Equity Shares pursuant to schemes of arrangement*

As of the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 230-234 of the Companies Act, 2013.

5. *Issue of Equity Shares under employee stock option schemes*

As of the date of this Draft Red Herring Prospectus, our Company has not issued Equity Shares under the ESOP Scheme.

6. *Issue of Equity Shares at a price lower than the Offer Price in the last year from the date of the Draft Red Herring Prospectus*

The Offer Price for the Equity Shares is ₹ [●]. The details of Equity Shares issued by our Company in the last one year preceding the date of filing of this Draft Red Herring Prospectus which may have been issued at a price lower than the Offer Price are as follows:

Name of allottees	Whether allottees are part of the promoter group	Date of allotment	Number of Equity Shares allotted	Face value (in ₹)	Issue price per Equity Share (in ₹)	Reason for allotment
Seedthree Trading LLP	No	February 16, 2022	473,036	10	117.38	Equity Shares were issued as a part consideration for acquisition of equity shares of Affluent Global Services Private Limited by our Company*

Name of allottees	Whether allottees are part of the promoter group	Date of allotment	Number of Equity Shares allotted	Face value (in ₹)	Issue price per Equity Share (in ₹)	Reason for allotment
For names of allottees in relation to this allotment, please see "- *History of equity share capital of our Company*" on page 89.	Other than our Promoter, no other allottees are a part of the promoter group	April 5, 2022	4,361,574	10	275.13	Rights Issue

[*] *Please see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years" on page 199 for further details in relation this acquisition.*

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7. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)			Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
(A)	Promoter and Promoter Group	1	67,329,517	-	-	67,329,517	87.38	67,329,517	67,329,517	87.38	-	87.03	-	-	-	-	67,329,517
(B)	Public	137	9,724,227	-	-	9,724,227	12.62	9,724,227	9,724,227	12.62	**314,177****	12.97	-	-	N.A.		9,724,227
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	N.A.		-
(C1)	Shares underlying DRs	-	-	-	-	-	N.A.	-	-	-	-	-	-	-	N.A.		-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	N.A.		-
	Total	**138**	**77,053,744**	**-**	**-**	**77,053,744**	**100**	**77,053,744**	**77,053,744**	**100**	**314,177**	**100**	**-**	**-**	**-**		**77,053,744**

***Options vested under the ESOP Scheme and outstanding as on date of this Draft Red Herring Prospectus.*

8. Equity Shares held by the Shareholders holding 1% or more of the paid-up capital of our Company

(i) The Shareholders holding 1% or more of the equity paid-up capital of our Company as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of pre-Offer equity share capital	Number of Equity Shares on a fully diluted basis**	Percentage of pre-Offer equity share capital held on a fully diluted basis**
1.	Manpower Solutions Limited	67,329,517	87.38	67,329,517	87.03
2.	New Lane Trading LLP*	4,764,589	6.18	4,764,589	6.16
3.	Seedthree Trading LLP	4,050,977	5.26	4,050,977	5.24
	Total	**76,145,083**	**98.82**	**76,145,083**	**98.42**

* *Includes one Equity Share each held by Manish Mehta, Nilay Pratik, Surya Sudheer Meduri and Shiv Bhagwanlal Maliwal as the registered owner of such Equity Shares, in relation to which New Lane Trading LLP is the beneficial owner.*

***The total number of equity shares on a fully diluted basis and per centage of pre-offer equity share capital held on a fully diluted basis is calculated against the total equity share capital of our Company, including vested ESOPs.*

(ii) The Shareholders holding 1% or more of the equity paid-up capital of our Company as on 10 days prior to the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of pre-Offer equity share capital	Number of Equity Shares on a fully diluted basis**	Percentage of pre-Offer equity share capital held on a fully diluted basis**
1.	Manpower Solutions Limited	67,329,517	87.38	67,329,517	87.03
2.	New Lane Trading LLP*	4,764,589	6.18	4,764,589	6.16
3.	Seedthree Trading LLP	4,050,977	5.26	4,050,977	5.24
	Total	**76,145,083**	**98.82**	**76,145,083**	**98.42**

* *Includes one Equity Share each held by Manish Mehta, Nilay Pratik, Surya Sudheer Meduri and Shiv Bhagwanlal Maliwal as the registered owner of such Equity Shares, in relation to which New Lane Trading LLP is the beneficial owner.*

***The total number of equity shares on a fully diluted basis and per centage of pre-offer equity share capital held on a fully diluted basis is calculated against the total equity share capital of our Company, including vested ESOPs.*

(iii) The Shareholders holding 1% or more of the equity paid-up capital of our Company as on one year prior to the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of pre-Offer equity share capital	Number of Equity Shares on a fully diluted basis*	Percentage of pre-Offer equity share capital held on a fully diluted basis*
1.	Manpower Solutions Limited	64,276,359	89.00	64,276,359	88.88
2.	New Lane Trading LLP	4,548,532	6.30	4,548,532	6.29
3.	Seedthree Trading LLP	3,394,243	4.70	3,394,243	4.69
	Total	**72,219,134**	**100.00**	**72,219,134**	**99.87**

**The total number of equity shares on a fully diluted basis and per centage of pre-offer equity share capital held on a fully*

diluted basis is calculated against the total equity share capital of our Company, including vested ESOPs.

(iv) The Shareholders holding 1% or more of the equity paid-up capital of our Company as on two years prior to filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Pre-Offer			
		Number of Equity Shares	Percentage of pre-Offer Equity Share capital	Number of Equity Shares on a fully diluted basis	Percentage of pre-Offer Equity Share capital held on a fully diluted basis
1.	Manpower Solutions Limited	64,276,359	89.00	64,276,359	89.00
2.	New Lane Trading LLP	4,548,532	6.30	4,548,532	6.30
3.	Seedthree Trading LLP	3,394,243	4.70	3,394,243	4.70
	Total	**72,219,134**	**100.00**	**72,219,134**	**100.00**

9. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue; and (ii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Scheme, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

10. ***Details of shareholding of our Promoter and Promoter Group in the Company***

(i) ***Shareholding of our Promoter, the members of the Promoter Group and directors of our Promoter in our Company***

As on the date of this Draft Red Herring Prospectus, our Promoter holds 67,329,517 Equity Shares, which constitute 87.38% of the issued, subscribed, and paid-up equity share capital of our Company, as set forth in the table below:

Sr. no.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
Promoter					
1.	Manpower Solutions Limited	67,329,517	87.38	[●]	[●]
	Total	**67,329,517**	**87.38**	**[●]**	[●]

The entire shareholding of our Promoter is in dematerialised form as of the date of this Draft Red Herring Prospectus.

(ii) ***Build-up of Promoter's shareholding in our Company***

Set forth below is the build-up of our Promoter's equity shareholding since the incorporation of our Company:

Name of our Promoter: Manpower Solutions Limited						
Date of allotment/ transfer	**Nature of transaction**	**Number of Equity Shares**	**Face value per Equity Share (in ₹)**	**Issue/ acquisition/ transfer price per Equity Share (in ₹)**	**% of the pre-Offer equity share capital**	**% of the post-Offer equity share capital**
June 26, 2018	Transfer from Samara India Advisors Private Limited	9,999	10	10	0.01	[●]
June 27, 2018	Private Placement	29,345,370	10	44.30	38.08	[●]
July 3, 2018	Private Placement	18,058,690	10	44.30	23.44	[●]
July 13, 2018	Private Placement	16,862,300	10	44.30	21.88	[●]
April 5, 2022	Rights Issue	3,053,158	10	275.13	3.96	[●]
Total		**67,329,517**			**87.38**	[●]

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares. Further, none of the Equity Shares held by our Promoter are pledged or are otherwise encumbered.

(iii) ***Sales or purchases of Equity Shares or other specified securities of our Company by the Promoter Group, directors of our Promoter, or by our Directors and their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus.***

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

Transferor	Transferee	Date of transfer/ allotment	Number of Equity Shares	Price per Equity Share (in ₹)
New Lane Trading LLP	Manish Mehta*	November 25, 2021	1	10
New Lane Trading LLP	Nilay Pratik*	January 13, 2022	1	10
Not applicable as these Equity Shares were issued to our Promoter pursuant to a rights issue	Not applicable as these Equity Shares were issued to our Promoter pursuant to a rights issue	April 5, 2022	3,053,158	275.13
Not applicable as these Equity Shares were issued to Sudhakar Balakrishnan pursuant to a rights issue	Not applicable as these Equity Shares were issued to Sudhakar Balakrishnan pursuant to a rights issue	April 5, 2022	90,866	275.13

** The beneficial ownership in relation to these Equity Shares is held by New Lane Trading LLP.*

(iv) There have been no financing arrangements whereby the Promoter Group, the directors of our Promoter, the directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of

the financing entity in the six months immediately preceding the date of this Draft Red Herring Prospectus.

11. ***Details of Promoter's contribution locked in for 18 months***

(i) Pursuant to Regulations 14 and 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by our Promoter (assuming full conversion of the vested options, under the ESOP Scheme), except for the Equity Shares offered by the Promoter pursuant to the Offer for Sale, shall be locked-in for a period of eighteen (18) months from the date of Allotment as the minimum promoter's contribution ("**Promoter's Contribution**"). Our Promoter's shareholding in excess of 20% of the fully diluted post-Offer equity share capital shall be locked in for a period of six (6) months from the date of Allotment.

(ii) Our Promoter has given consent to include such number of Equity Shares held by it as may constitute 20% of the fully diluted post-Offer equity share capital of our Company as the Promoter's Contribution. Our Promoter has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time except as may be permitted, in accordance with the SEBI ICDR Regulations. Details of the Promoter's Contribution are as provided below:

Name of our Promoter: Manpower Solutions Limited							
Date of allotment/ transfer[#]	**Nature of transaction**	**No. of Equity Shares allotted/ received[*]**	**No. of Equity Shares locked in[**]**	**Face value per Equity Share (₹)**	**Issue/ acquisition price per Equity Share (₹)**	**% of the fully diluted post-Offer paid-up Capital**	**Date up to which the Equity Shares are subject to lock-in**
[●]	[●]	[●]		[●]	[●]	[●]	[●]
Total			[●]			[●]	[●]

[#] All Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

[**] Subject to finalisation of Basis of Allotment.

(iii) Our Company undertakes that the Equity Shares that shall be locked-in for computation of the Minimum Promoter's Contribution are not and will not be ineligible in terms of the Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding three years from the date of this Draft Red Herring Prospectus: (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits of our Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of the Promoter's Contribution;

(ii) The Equity Shares offered for the Promoter's Contribution do not include any Equity Shares acquired during the immediately preceding one year from the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring

Prospectus pursuant to conversion from a partnership firm; and

(iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(v) All the Equity Shares held by our Promoter is in dematerialised form as on the date of this Draft Red Herring Prospectus.

12. *Details of Equity Shares locked-in for six months:*

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company (other than the Promoter's Contribution), shall be locked in for a period of six months from the date of Allotment in the Offer, except for:

(i) the Equity Shares allotted to the employees, whether currently an employee or not, under the ESOP Scheme prior to the Offer,

(ii) the Equity Shares held by an employee stock option trust or transferred to the employees, whether currently an employee or not, in accordance with the ESOP Scheme.

(iii) the Equity Shares held by a registered as VCF, category I AIFs, category II AIFs or FVCIs, as applicable. However, such Equity Shares shall be locked-in for a period of at least six months from the date of purchase by such VCF or category I AIFs, category II AIFs or FVCI. It is clarified that for shareholder(s) holding, individually or with persons acting in concert, more than 20% of the pre-Offer shareholding of the Company based on fully diluted basis, provisions of lock-in as specified under Regulation 17 of the SEBI ICDR Regulations shall be applicable, and relaxation from lock-in as provided under clause (c) of Regulation 17 of the SEBI ICDR Regulations shall not be applicable.

(iv) the Offered Shares, which are successfully transferred as part of the Offer for Sale.

Additionally, in accordance with Regulation 8A of the SEBI ICDR Regulations, as the Offer is in compliance with Regulation 6(2), the relaxation from lock-in period provided under Regulation 17(c) of the SEBI ICDR Regulations shall not be available to any Shareholder(s) holding, individually or with persons acting in concert, more than 20% of pre-Offer shareholding of our Company on fully diluted basis. Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

13. *Lock-in of Equity Shares Allotted to Anchor Investors*

There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

14. *Recording on non-transferability of Equity Shares locked-in*

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

15. *Other requirements in respect of lock-in*

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked-in, as per Regulation 16 of the SEBI ICDR Regulations, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a housing finance company, subject

to the following:

(i) with respect to the Equity Shares locked-in as the Minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company or its Subsidiaries for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer;

(ii) with respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked-in, may be transferred to and amongst any member of the Promoter Group or to any new Promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

Further, the Equity Shares held by persons other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

16. As on the date of this Draft Red Herring Prospectus, our Company has 138 holders of Equity Shares.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus. Further, the Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

18. Neither the BRLMs and nor their respective associates as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

19. Our Company, its Directors, or the BRLMs have not entered into any buy-back arrangements for purchase of the specified securities of our Company.

20. ***Employee Stock Option Scheme 2019 ("ESOP Scheme")***

Our Company, pursuant to the resolutions passed by the Board on April 3, 2019, and the Shareholders on May 2, 2019 adopted the ESOP Scheme, which was subsequently amended pursuant to the resolutions passed by the Board on April 12, 2022 and the Shareholders on April 22, 2022**.**

The Company under the ESOP Scheme may grant an aggregate number of up to 6,509,770 employee stock options, in one or more tranches. Upon exercise and payment of the exercise price, the option holder will be entitled to be allotted one Equity Share per employee stock option. Upon

exercise and payment of the exercise price, the option holder will be entitled to be allotted one Equity Share per employee stock option.

The purpose of the ESOP Scheme is to: (a) to enable the Company to attract and retain talented human resources by offering them an opportunity to acquire a continuing equity interest in the Company which will reflect their efforts in building the growth and the profitability of the Company; and/or (b) to provide existing employees an opportunity for investment in the Company's equity interest in recognition of their efforts to grow and build the Company.

Details of the options granted under the ESOP Scheme, as certified by Ramanand & Associates, Chartered Accountants, pursuant to their certificate dated May 11, 2022, are as follows:

Particulars	**Details**			
	Fiscal Year 2019	**Fiscal Year 2020**	**Fiscal Year 2021**	**April 1, 2021, till the date of this Draft Red Herring Prospectus**
Total options outstanding as at the beginning of the year/ period	-	-	293,572	661,236
Options granted during the year/ period	-	293,572	382,976	5,813,412
Cumulative options granted as on the date of this Draft Red Herring Prospectus: 6,489,960.				
Options vested during the year/ period	-	-	95,223	218,954
Vesting period	-	1-3 years	1-3 years	1-7 years
Options exercised during the year/ period	-	-	-	-
Exercise price of options (as on the date of grant options)	-	₹ 10	₹ 10	₹ 10 - ₹ 260
Total number of Equity Shares that would arise as a result of full exercise of the granted options (net of forfeited/ lapsed/ cancelled options)	-	293,572	661,236	6,446,926
Options forfeited/ lapsed/ cancelled during the year/ period	-	-	15,312	27,722
Variation in terms of options	-	-	-	-
Money realized by exercise of options (in ₹)	-	-	-	-
'Total number of options (vested and unvested) outstanding as at the end of the period' or 'Total number of options in force'	-	293,572	661,236	6,446,926
Employee wise details of options granted to:				

<table>
<tr><th>Particulars</th><th colspan="4">Details</th></tr>
<tr><td></td><td>Fiscal Year 2019</td><td>Fiscal Year 2020</td><td>Fiscal Year 2021</td><td>April 1, 2021, till the date of this Draft Red Herring Prospectus</td></tr>
<tr><td>(i) Key managerial personnel as on the date of the Draft Red Herring Prospectus</td><td colspan="4">
<table>
<tr><th>Name of employee</th><th>Total Number of Options Granted</th><th>Number of Options Outstanding as on the date of the Draft Red Herring Prospectus</th></tr>
<tr><td>Sudhakar Balakrishnan</td><td>2,400,501</td><td>2,400,501</td></tr>
<tr><td>Satish Srinivasan</td><td>446,514</td><td>446,514</td></tr>
<tr><td>Anurag Gupta</td><td>303,424</td><td>303,424</td></tr>
<tr><td>Amitabh Sagar</td><td>230,251</td><td>230,251</td></tr>
<tr><td>Manmeet Singh</td><td>254,297</td><td>254,297</td></tr>
<tr><td>Anand Sundar Raj C</td><td>332,814</td><td>332,814</td></tr>
<tr><td>Monali Pramod Joshi</td><td>14,699</td><td>14,699</td></tr>
<tr><td>Total</td><td>3,982,500</td><td>3,982,500</td></tr>
</table>
</td></tr>
<tr><td>(ii) List of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td colspan="4">
<table>
<tr><th>Name of employee</th><th>Total Number of Options Granted</th><th>Number of Options Outstanding as on the date of the Draft Red Herring Prospectus</th></tr>
<tr><td colspan="3">From April 1, 2021 to the date of the DRHP</td></tr>
<tr><td>Sudhakar Balakrishnan</td><td>2,013,909</td><td>2,013,909</td></tr>
<tr><td>Satish Srinivas</td><td>302,801</td><td>302,801</td></tr>
<tr><td>Anurag Gupta</td><td>212,405</td><td>212,405</td></tr>
<tr><td>Anand Sundar Raj C</td><td>166,947</td><td>166,947</td></tr>
<tr><td colspan="3">Fiscal Year ended 2021</td></tr>
<tr><td>Sudhakar Balakrishnan</td><td>194,585</td><td>194,585</td></tr>
<tr><td>Satish Srinivasan</td><td>21,557</td><td>21,557</td></tr>
<tr><td colspan="3">Fiscal Year ended 2020</td></tr>
<tr><td>Sudhakar Balakrishnan</td><td>192,007</td><td>192,007</td></tr>
<tr><td>Satish Srinivasan</td><td>21,557</td><td>21,557</td></tr>
<tr><td colspan="3">Fiscal Year ended 2019</td></tr>
<tr><td>-</td><td>-</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td colspan="4">
<table>
<tr><th>Fiscal Year 2019</th><th>Fiscal Year 2020</th><th>Fiscal Year 2021</th><th colspan="2">From April 1, 2021 till the date of this Draft Red Herring Prospectus</th></tr>
<tr><td rowspan="2">-</td><td rowspan="2">-</td><td rowspan="2">-</td><td>Name</td><td>Number of options granted</td></tr>
<tr><td>Sudhakar Balakrishnan</td><td>2,013,909</td></tr>
</table>
</td></tr>
<tr><td>Diluted earnings per share* pursuant to the issue of equity shares on exercise of options in accordance with IND AS 33 ‘Earnings Per Share’

(*The outstanding potential equity shares had an anti-dilutive effect on EPS, hence</td><td>-</td><td>-</td><td>-</td><td>₹ 2.83</td></tr>
</table>

Particulars	Details			
	Fiscal Year 2019	**Fiscal Year 2020**	**Fiscal Year 2021**	**April 1, 2021, till the date of this Draft Red Herring Prospectus**
there was no dilution of EPS in the Fiscal Year 2020 and in the Fiscal Year 2021.)				
Difference, if any, between employee compensation cost computed using the intrinsic method and the employee compensation that shall have been recognised if the Company had used the fair value of the stock options and the impact of this difference on the profits of the Company and EPS of the Company	Not applicable because our Company has accounted employee compensation in books using the fair value of options.			
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair value of options granted including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option				
Method of option valuation	Black-Scholes valuation model			
- Expected life of options (years)	-	7	7	2.52 - 4.97
- Expected Volatility (% p.a.)	-	35.68%	51.00%	41.08% - 43.82%
- Risk Free Rate of Return (%)	-	6.98%	6.20%	4.85% - 6.77%
- Dividend Yield (% p.a.)	-	-	-	-
- Exercise price per share (₹)	-	10	10	10 – 260
- Weighted average share price on the date of grant of option (in ₹)	NA	46.88	46.17	35.52 – 66.31
Impact on the profits and on the EPS of the				

Particulars	Details			
	Fiscal Year 2019	**Fiscal Year 2020**	**Fiscal Year 2021**	**April 1, 2021, till the date of this Draft Red Herring Prospectus**
last three years if the Company had followed the accounting policies specified in the SEBI SBEB Regulations in respect of options granted in the last three years	Not applicable because our company had followed the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations i.e., as per the Indian Accounting Standards.			
Intention of the Key Managerial Personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Offer	Not Applicable because none of the Key Managerial Personnel or whole-time directors have expressed their intention to sell their Equity shares within three months after the listing of Equity Shares pursuant to the Offer.			
Intention to sell Equity Shares arising out of the ESOP Scheme within three months after the listing of Equity Shares by Directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company	Not Applicable because none of our Director, senior management personnel or employee has expressed their intention to sell Equity Shares arising out of the ESOP 2019 amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) within three months after the listing of Equity Shares pursuant to the Offer.			

21. No person connected with the Offer, including, but not limited to the BRLMs, the Syndicate Members, our Company, our Directors, the Promoter or the members of the Promoter Group, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

22. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be, other than in connection with: (i) the Fresh Issue in the Offer; or (ii) any issue of Equity Shares pursuant to exercise of options vested under the ESOP Scheme.

23. Except as disclosed in "*Our Management*" on page 208, none of our Directors or KMPs hold any

Equity Shares in our Company.

24. Our Promoter and members of the Promoter Group will not submit Bids, or otherwise participate in this Offer, except to the extent of the Offer for Sale by the Promoter Selling Shareholder.

25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

26. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group, if any, during the period between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 500.00 million by our Company and an Offer for Sale of up to [●] Equity Shares, aggregating up to ₹ 7,500.00 million by the Selling Shareholders.

Offer for Sale

The proceeds from the Offer for Sale (net of Offer related expenses to be borne by the Selling Shareholders) shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale. The proceeds received from the Offer for Sale will not form part of the Net Proceeds. Each Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its proportion of the Offer expenses and relevant taxes thereon. For further details, please see " - *Offer Related Expenses*" on page 111.

Objects of the Fresh Issue

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

1. Repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited; and

2. General corporate purposes.

(collectively, the "**Objects**")

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's brand name amongst our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association of our Company and Innovsource Services Private Limited enable them respectively (i) to undertake their existing business activities; and (ii) to undertake the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised.

Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)
Gross proceeds from the Fresh Issue	500.00
Less: Offer related expenses to the extent applicable to the Fresh Issue to be borne by our Company[(2)]	[●][(1)]
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**")	[●][(1)]

(1) To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

(2) Other than: (a) listing fees; (b) audit fees of statutory auditors of the Company (to the extent not attributable to the Offer); and (c) expenses for any product or corporate advertisements consistent with past practice of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) which will be borne by the Company, and (d) fees and expenses in relation to the legal counsel to any Selling Shareholders which shall be borne by the respective Selling Shareholders, all costs, charges, fees and expenses associated with and incurred in connection with the Offer shall be shared among the Company and each of the Selling Shareholders in proportion to the number of Equity Shares offered by the Company through any fresh issuance in the Offer and the Equity Shares sold by the Selling Shareholders in the Offer in accordance with the applicable law. The Company will advance the cost and expenses of the Offer and will be reimbursed by the Selling

Shareholders for their respective proportion of such costs and expenses upon the Consummation of the Offer. In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successfully completed, the Company shall pay all costs, charges, fees and expenses in relation to the Offer, unless otherwise required by SEBI.

Requirement of Funds and Utilisation of Net Proceeds

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)[(1)]
Repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited	365.00
General corporate purposes[*]	[●]
Net Proceeds	[●]

**To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

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

(in ₹ million)

S. No.	Particulars	Total estimated amount/	Estimated amount to be deployed from the Net Proceeds in Fiscal 2023[**]
1.	Repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited	365.00	365.00
2.	General corporate purposes[*]	[●]	[●]
	Total Net Proceeds	[●]	[●]

[*] To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds.

[**] In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year, as may be determined by our Board, in accordance with applicable laws.

If the Net Proceeds are not utilized (in full or in part) for the Objects of the Offer during the period stated above due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company or Subsidiaries, in accordance with applicable laws.

If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

Details of the Objects

1. Repayment and/ or prepayment of all or certain portion of outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited

Certain of our Subsidiaries, including Innovsource Services Private Limited, have entered into various borrowing arrangements, including borrowings in the form of working capital facilities. As at January 31, 2022, our total outstanding indebtedness amounted to ₹ 529.88 million. For further details, see "*Financial Indebtedness*" on page 349. Our Company proposes to utilize an estimated amount of ₹ 365.00 million from

the Net Proceeds towards full or partial repayment and/ or prepayment of certain outstanding borrowing (including accrued interest) availed by one of our Subsidiaries, namely Innovsource Services Private Limited. Our Company and our Subsidiaries may avail further loans and/ or draw down further funds under existing loans from time to time.

Given the nature of borrowing and the terms of prepayment, the aggregate outstanding loan amount may vary from time to time. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums or interest, such excessive amount shall be met from our internal accruals.

The repayment and/ or prepayment of loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness, debt-servicing costs and improve our debt-to-equity ratio and enable utilization of internal accruals for further investment in business growth and expansion. In addition, we believe that the improved debt to equity ratio will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The amounts outstanding against the loan disclosed below may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates. In addition to the above, we may, from time to time, enter into fresh financing arrangements with banks and financial institutions. In such cases or in case any of the borrowings proposed to be repaid/ pre-paid out of Net Proceeds, are repaid, refinanced or pre-paid or further drawn-down or freshly drawn-down, within existing limits or enhanced limits, prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment or pre-payment of the additional borrowings. For further details, see "*Financial Indebtedness*" on page 349.

As of the date of this Draft Red Herring Prospectus, our Company had not decided the form and manner in which the Net Proceeds shall be deployed in the Subsidiaries and we will decide, based on recommendations of our Audit Committee, whether our Company's investment in the Subsidiaries will be in the form of subscription to the equity securities issued by the Subsidiaries or in the form of unsecured or secured inter-corporate loans from our Company to the Subsidiaries, consistent with the terms on which such loans have been offered to them in the past by our Company.

The following table provides details of a facility availed by one of our Subsidiaries, namely Innovsource Services Private Limited, as on January 31, 2022, which we propose to prepay or repay, in full or in part, the below mentioned loans, from the Net Proceeds.

Name of the Lender[**]	**Subsidiary involved**	**Nature of the borrowing**	**Sanctioned amount (in ₹ million)** [#]	**Amount outstanding as at January 31, 2022 (in ₹ million)**	**Rate of interest as at January 31, 2022**	**Repayment schedule**	**Prepayment penalty**	**Purpose for which the loan was sanctioned**[*]
Standard Chartered Bank	Innovsource Services Private Limited	Overdraft	563.00	500.21	Spread as specified by bank over three months MIBOR	On demand	-	Working capital requirement

[#] *The amount that can be drawn, as per sanction letter is ₹ 800.00 million subject to revision of limit on monthly basis and based on working capital gap as per the projected cash flow for the month.*

[*] *In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Company has obtained a report of factual findings dated May 11, 2022, from the Statutory Auditors in connection with agreed-upon procedures performed with respect to the "Statement of utilisation of loan for the purpose availed of Innovsource Services Private Limited (ISER) as at January 31, 2022".*

[**] *Additionally, our Company and / or Subsidiaries may avail additional loan facilities or draw down existing facilities from time to time to meet our business requirements. Accordingly, our Company may utilise the Net Proceeds for repayment/ prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon), any additional facilities obtained by our Company or subsidiaries or working capital facilities outstanding at the time of utilisation of Net Proceeds.*

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" on page 349.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) investment in our Subsidiaries; (v) repayment and/ or prepayment of outstanding borrowings of our Company or Subsidiaries; (vi) meeting ongoing general corporate exigencies and contingencies; (vii) capital expenditure; (viii) expenses of our Company; and (ix) any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Means of Finance

The entire requirements of the objects detailed above are intended to be funded from the Net Proceeds. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Auditors, underwriting commission, selling commission and brokerage fees payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than: (a) listing fees; (b) audit fees of statutory auditors of the Company (to the extent not attributable to the Offer); and (c) expenses for any product or corporate advertisements consistent with past practice of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) which will be borne by the Company, and (d) fees and expenses in relation to the legal counsel to any Selling Shareholders which shall be borne by the respective Selling Shareholders, all costs, charges, fees and expenses associated with and incurred in connection with the Offer shall be shared among the Company and each of the Selling Shareholders in proportion to the number of Equity Shares offered by the Company through any fresh issuance in the Offer and the Equity Shares sold by the Selling Shareholders in the Offer in accordance with the applicable law. The Company will advance the cost and expenses of the Offer and will be reimbursed by the Selling Shareholders for their respective proportion of such costs and expenses upon the Consummation of the Offer. In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successfully completed, the Company shall pay all costs, charges, fees and expenses in relation to the Offer, unless otherwise required by SEBI.

The estimated Offer related expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount[(1)] (₹ in million)	As a % of total estimated Offer Expenses[(1)]	As a % of Offer Size[(1)]
1.	BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs [(2)(3)(4)(5)(6)]	[●]	[●]	[●]
3.	Advertising and marketing expenses for the Offer	[●]	[●]	[●]
4.	Other expenses (i) Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees, (ii) Other regulatory expenses, (iii) Printing and stationery expenses (iv) Fees payable to the Registrar to the Offer (v) Fees payable to the legal counsel (vi) Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

[(1)] Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price

[(2)] Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders[*]	*[●]% of the Amount Allotted[*] (plus applicable taxes)*
Portion for Non-Institutional Bidders[*]	*[●]% of the Amount Allotted[*] (plus applicable taxes)*

[*]Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

[(3)] No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders[*]	*₹[●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders[*]	*₹[●] per valid application (plus applicable taxes)*

[*]Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

[(4)] The Processing fees for applications made by UPI Bidders would be as follows:

Members of the Syndicate / RTAs / CDPs	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form[*] (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

[*]For each valid application

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(6) Bidding charges of ₹ [●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by UPI Bidders). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured and bid by them.

(7) Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and, Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member. The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and the Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Manager, their respective Syndicate Members, our Company and the Selling Shareholders before the opening of the Offer.

Monitoring of Utilisation of Funds

As the size of the Fresh Issue does not exceed ₹ 1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Other Confirmations

Except to the extent of any proceeds received and distributed pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, no part of the proceeds of the Offer will be paid by our Company as consideration to our Promoter, members of the Promoter Group, Group Companies, our Directors or our Key Managerial Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel or Group Companies in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Offer except as set out above.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Maharashtra, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter/ controlling shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections "*Our Business*", "*Risk Factors*", "*Financial Information – Restated Consolidated Financial Information*" and "*Management Discussion and Analysis of Financial Condition and Results of Operations"* on pages 172, 29, 235 and 325 respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- We are India's third largest staffing company in an industry characterized by economies of scale
- We have diversified business across multiple end user industries and clients
- We have a demonstrated track record of organic and inorganic growth and integration
- Our technological capabilities and streamlined operations ensure operational efficiency and stakeholder satisfaction
- We have a strong and proven track record of sustained growth
- We have a highly qualified, experienced and entrepreneurial management team

For further details see "*Our Business – Competitive Strengths*" on page 175.

Quantitative factors

Some of the information presented in this section relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Financial Information – Restated Consolidated Financial Information*" on page 235.

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

1. Basic and Diluted Earnings Per Share ("EPS")[(1)(2)], as per the Restated Consolidated Financial Information

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weightage
For the year ended March 31, 2021	(4.66)	(4.66)	3
For the year ended March 31, 2020	(2.72)	(2.72)	2
For the period February 20, 2018 to March 31, 2019	(5.34)	(5.34)	1
Weighted Average	**(4.13)**	**(4.13)**	**-**
For the nine-months period ended on December 31, 2021**	2.96	2.83	-

***Not annualised*

Notes

1. *Basic EPS (₹) = Basic earnings per share are calculated by dividing the Restated Profit/(loss) for the period/ year attributable to the owners of the company by the weighted average number of Equity Shares at the end of the period/ year.*
2. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the Restated Profit/(loss) for the period/ year attributable to the owners of the company by the weighted average number of Equity Shares at the end of the period/year as adjusted for the effects of all dilutive potential Equity Shares outstanding during the period/year.*
3. *Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.*
4. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period/year*

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

5. *Weighted average = Aggregate of period/year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each period/year] / Total of weights*
6. *The earnings for the year ended March 31, 2021 and March 31, 2020 and for the period February 20, 2018 to March 31, 2019 being a loss, the potential equity shares are not considered as dilutive and accordingly Diluted EPS is same as Basic EPS.*
7. *The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information as appearing in the section titled "Financial Information – Restated Consolidated Financial Information" on page 235.*

2. Price Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E ratio at the lower end of the Price Band (number of times)*	P/E ratio at the higher end of the Price Band (number of times)*
Based on Basic EPS for the year ended March 31, 2021	[●]	[●]
Based on Diluted EPS for the year ended March 31, 2021	[●]	[●]

**Will be included in the Prospectus.*

Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section:

Particulars	P/E Ratio
Highest	175.59
Lowest	77.48
Average	126.54

Notes:

*(1) The industry highest and lowest has been considered from the industry peer set provided later in this section under "**Comparison of Accounting Ratios with Listed Industry Peers**". The average/ industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "– Comparison of Accounting Ratios with Listed Industry Peers" on page 117.*

(2) P/E ratio for the peers are based on market prices as on May 9, 2022, mentioned on the BSE website.

3. Return on Net Worth attributable to the owners of the Company (RoNW), as derived from the Restated Consolidated Financial Information

Financial Year	RoNW	Weightage
For the year ended March 31, 2021	(14.72%)	3
For the year ended March 31, 2020	(7.52%)	2
For the period February 20, 2018 to March 31, 2019	(13.75%)	1
Weighted Average	**(12.16%)**	
For the nine months period ended on December 31, 2021**	8.33%	

***Not annualised*

For further details see "Other Financial Information" on page 322.

(1) "Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per the SEBI ICDR Regulations as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. "Net worth attributable to the owners of the company" as it means to the Company includes the aggregate value of equity share capital and total of other equity (which consists of the aggregate value securities premium reserve, retained earnings, share option outstanding account), as per the restated statement of assets and liabilities, as at December 2021, March 2021, March 2020 and March 2019. See "Other Financial Information" on page 322. Net worth attributable to the owners of the company is a non-GAAP measure (see "Other Financial Information" on page 322 for the reconciliation of Net worth attributable to the owners of the company calculated from the Restated Consolidated Financial Information)

(2) Return on Net worth attributable to the owners of the company (%) = Restated profit/(loss) for the period/ year divided by Net worth attributable to the owners of the company. Return on Net worth attributable to the owners of the company is a non-GAAP

measure (see "Other Financial Information" on page 322 for the reconciliation of Net worth attributable to the owners of the company calculated from the Restated Consolidated Financial Information)

(3) Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the owners of the Company divided by the aggregate of weights i.e. [(Return on Net worth attributable to the owners of the Company x Weight) for each period/year] / [Total of weights]

4. Restated Net Asset Value per Equity Share as derived from the Restated Consolidated Financial Information

Year Ended	NAV (₹)[2]
As at March 31, 2021	31.65
As at December 31, 2021	35.58
After the completion of the Offer	At the Floor Price: [●] At the Cap Price: [●]
Offer Price[1]	[●]

For further details see "Other Financial Information" on page 322.

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

(2) Net Asset Value Per Equity Share = Net worth attributable to the owners of the company / Weighted average number of Equity shares at the end of the period/year

"Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per the SEBI ICDR Regulations as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. "Net worth attributable to the owners of the company" as it means to the Company includes the aggregate value of equity share capital and total of other equity (which consists of the aggregate value securities premium reserve, retained earnings, share option outstanding account), as per the restated statement of assets and liabilities, as at December 2021, March 2021, March 2020 and March 2019. See "Other Financial Information" on page 322.

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

5. Enterprise Value (EV)/ FY21 Revenue Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share

Particulars	*EV/ FY21 Revenue* ratio at the lower end of the Price Band (number of times)*	*EV/ FY21 Revenue* ratio at the higher end of the Price Band (number of times)*
Based on Revenue for the year ended March 31, 2021	[●]	[●]

**Will be included in the Prospectus.*

Industry Peer Group EV/ FY21 Revenue ratio

Based on the peer group information (excluding our Company) given below in this section:

Particulars	EV/ FY21 Revenue ratio
Highest	1.15
Lowest	0.92
Average	1.03

Notes:

*(3) The industry highest and lowest has been considered from the industry peer set provided later in this section under "**Comparison of Accounting Ratios with Listed Industry Peers**". The average/ industry composite has been calculated as the arithmetic average EV/FY21 Revenue ratio of the industry peer set disclosed in this section. For further details, see "– Comparison of Accounting Ratios with Listed Industry Peers" on page 117.*

(4) EV/FY21 Revenue ratio for the peers are based on market prices as on May 9, 2022 mentioned on the BSE website.

6. Comparison of Accounting Ratios with Listed Industry Peers

Name of the company	Total income for the year ended March 31, 2021 (₹ in million)	Face value per equity share (₹)	P/E	EV/FY21 Revenue Ratio	EPS (Basic) (₹)	EPS (Diluted) (₹)	Net worth attributable to the owners of the company (₹ in million)	Return on net worth for equity shareholders (%)	Net asset value per share (₹ per share)
Company*	21,241.76	10	[●]	[●]	(4.66)	(4.66)	2,285.97	(14.72%)	31.65
Listed Peers **									
Quess Corp Limited	108,820.00	10	175.59	0.92	3.92	3.87	23,431.10	2.47%	158.66
Team Lease Services Limited	49,162.00	10	77.48	1.15	45.33	45.33	6,520.26	11.89%	381.37

* *Financial information of the Company has been derived from the Restated Consolidated Financial Information.*

***Source for Listed Peers information included above:*

i. All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the financial information of the Company as at and for the year ended March 31, 2021 available on the website of the stock exchanges.

ii. P/E Ratio for the peer group has been computed based on the closing market price of equity shares on BSE as on May 9, 2022 divided by the diluted EPS for the year ended March 31, 2021.

iii. EV / Revenue is computed as the market capitalization of the respective company on BSE on May 9, 2022 plus the net debt of the respective company as on March 31, 2021, divided by the Total Income for Fiscal 2021.

iv. Return on net worth (RoNW) is computed as profit/ (loss) for the year divided by net worth, as at March 31, 2021.

v. "Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per the SEBI ICDR Regulations as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. "Net worth attributable to the owners of the company" as it means to the Company includes the aggregate value of equity share capital and total of other equity (which consists of the aggregate value securities premium reserve, retained earnings, share option outstanding account), as per the restated statement of assets and liabilities, as at December 2021, March 2021, March 2020 and March 2019. See "Other Financial Information" on page 322.

vi. Net Asset Value (NAV) Per Equity Share = Net worth attributable to the owners of the company / Weighted average number of Equity shares at the end of the period/year.

The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Financial Information – Restated Consolidated Financial Information*", "*Financial Information – Proforma Condensed Combined Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 172, 235, 312 and 325, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 29 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO FIRSTMERIDIAN BUSINESS SERVICES LIMITED (FORMERLY KNOWN AS FIRSTMERIDIAN BUSINESS SERVICES PRIVATE LIMITED) (THE "COMPANY"), THE SHAREHOLDERS OF THE COMPANY (THE "SHAREHOLDERS") AND ITS MATERIAL SUBSIDIARIES UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

April 22, 2022

To
The Board of Directors
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
501, JollyBoard Tower-1,
I Think Techno Campus,
Kanjurmarg (East).
Mumbai 400042

Dear Sirs,

Sub: Statement of possible Special Tax Benefits available to the Company, the Shareholders and its material subsidiaries under the direct and indirect tax laws

We Deloitte Haskins & Sells LLP, Chartered Accountants, the statutory auditors of FirstMeridian Business Services Limited, refer to the proposed initial public offering of equity shares (the "**Offer**") of FirstMeridian Business Services Limited (formerly known as "FirstMeridian Business Services Private Limited) (**"FMB" or** the **"Company"**). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and to the Shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, and also to the material subsidiaries of the Company (as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, namely (i) Innovsource Services Private Limited, (ii) V5 Global Services Private Limited and (iii) Affluent Global Services Private Limited (collectively, the "Material Subsidiaries")) as presently in force and applicable to the assessment year 2023-2024 relevant to the financial year 2022-2023 for inclusion in the Draft Red Herring Prospectus (**"DRHP"**) for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company, the Shareholders and / or Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company, the Shareholders and / or the Material Subsidiaries to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement

is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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

- The Company, the Shareholders and / or the Material Subsidiaries will continue to obtain these benefits in future; and

- The conditions prescribed for availing the benefits have been/would be met.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company, the Shareholders and the Material Subsidiaries in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India; the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, and to Registrar of Companies, Mumbai, provided that the below statement of limitation is included in the DRHP.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the 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 existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the statement. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the ICDR Regulations.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
Partner
(Membership No. 108262)

UDIN:22108262AHQGDV3968

Place: Mumbai
Date: April 22, 2022

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO FIRSTMERIDIAN BUSINESS SERVICES LIMITED (FORMERLY KNOWN AS FIRSTMERIDIAN BUSINESS SERVICES PRIVATE LIMITED) (THE "COMPANY"), COMPANY'S SHAREHOLDERS (THE "SHAREHOLDERS") AND THE MATERIAL SUBSIDIARIES

The information provided below sets out the possible special direct and indirect tax benefits available to FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited) ("FMB" or "the Company") to the Shareholders and to the material subsidiaries of the Company (as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, namely (i) Innovsource Services Private Limited, (ii) V5 Global Services Private Limited and (iii) Affluent Global Services Private Limited (collectively, the "Material Subsidiaries")) in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company, the Shareholders and / or the Material Subsidiaries will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

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

I. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 ("THE ACT"):

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

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

1.1. As per Section 115BAA of the Act, with effect from Financial Year 2019-20 [i.e. Assessment Year ('AY') 2020 21], a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) subject to satisfaction of certain conditions.

1.2. In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

1.3. The option needs to be exercised on or before the due date of filing the tax return by filing Form 10-IC on income tax e-filing. Once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.

1.4. The Company has opted for the provisions of Section 115BAA of the Act for AY 2020-21 onwards and hence, the beneficial tax rate of 22% (plus surcharge of 10% and education cess of 4%) is applicable.

2. Deduction under Section 35D of the Act:

The Company is eligible for amortisation of preliminary expenses being the expenditure on public issue of shares under Section 35D(2)(c)(iv) of the Act, subject to the limit specified in Section 35D(3) of the Act.

3. Deduction under Section 80M of the Act:

As per the provisions of Section 80M of the Act, dividend received by a company from any other domestic company or specified business Trusts shall be eligible for deduction while computing its total income for the relevant year.

The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its tax return for the relevant year.

Since the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act subject to conditions specified therein.

4. Deduction under Section 80JJAA of the Act, in respect of employment of new employees

Subject to the fulfillment of prescribed conditions as provided in Section, the Company is entitled to claim deduction of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under Section 80JJAA of the Act.

II. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARIES

5. The Material Subsidiaries of the Company, being resident Indian entities can claim the above benefits as is available to the Company as provided in under the provisions of the Act as provided in Para I.

III. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE RESIDENT SHAREHOLDERS

6. Taxability of dividend income:

6.1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. The maximum surcharge applicable to shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person would be 15% (plus applicable surcharge and education cess), irrespective of the amount of dividend.

6.2. Further, the shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

6.3. The resident shareholder (being domestic company) shall be eligible for deduction under Section 80M of the Act as provided in Para 3.

Taxability of Capital gains:

7. Classification of capital gains

7.1. Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognized stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long-Term Capital Gains.

7.2. Short Term Capital Gains means capital gains arising from the transfer of equity shares listed on a recognized stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

8. Computation of Capital Gain

8.1. As per Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

- Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government depending upon the nature of capital assets; and

- Expenditure incurred wholly and exclusively in connection with the transfer of shares

9. Tax rates on Capital gains:

9.1. As per Section 111A of the Act, short term capital gains arising to the resident shareholder from the sale of equity share or a unit of an equity-oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Other short term capital gains shall be taxable at per normal tax rates applicable.

9.2. As per Section 112A of the Act, the long-term capital gains arising from sale of listed equity share, or a unit of an equity-oriented fund or a unit of a business trust (where STT is paid) exceeding INR 1,00,000 shall be chargeable to tax at the rate of 10% (plus applicable surcharge and education cess). Further, as per Section 112 of the Act, other listed securities, units or a zero-coupon bonds shall be taxable either 20% after taking benefit of indexation or 10% without taking benefit of indexation whichever is more beneficial to the company. Other long term capital gains shall be taxable at 20% after taking benefit of indexation benefit.

9.3. Summary of tax rate applicable to the resident shareholder on capital gains is provided below:

Nature of Capital Asset	Long term Rate*	Short term Rate*
Listed equity share, or a unit of an equity oriented fund or a unit of a business trust (STT paid)	10% in excess of INR 100,000	15%
Listed securities, units or a zero coupon bonds (STT paid or not)	20% after taking benefit of indexation; or 10% without taking benefit of indexation.	Applicable Rates
Others	20% after taking benefit of indexation;	Applicable Rates

**(plus applicable surcharge and education cess)*

10. Exemption of Capital Gain

10.1. As per Section 54EC of the Act and subject to the conditions specified therein, arising on transfer of a long-term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money.

10.2. Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains up to Rs. 50 Lakhs are invested in "long term specified assets" (i.e., units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

10.3. As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years subject to additional conditions provided in Section 54F of the Act. If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

11. Carry forward and set off of capital gain losses

As per section 74 of the Act, short-term capital losses incurred during the year are allowed to be set-off against short-term or long-term capital gains of the said year. Balance short-term capital losses, if any may be carried forward for eight years for claiming set-off against subsequent years' short-term or long-term capital gains. Long-term capital losses incurred during the year are allowed to be set-off only against long-term capital gains. Balance loss, if any, may be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

IV. BENEFITS AVAILABLE TO NON-RESIDENT INDIANS/NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND VENTURE CAPITAL COMPANIES / FUNDS)

Same as implications for resident shareholders subject to the additional points mentioned below.

12. Taxability of Capital gains:

12.1. As per first proviso to Section 48 of the Act, in case of a non-resident shareholder, in computing capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per Exchange Control Regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which original investment was made. Cost Indexation benefits will not be available in such a case. The capital gain / loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was utilized in the purchase of shares.

12.2. Long-term capital gains arising from the transfer of unlisted securities shall be taxable at the rate of 10% (plus applicable surcharge and education cess) without providing indexation benefit.

12.3. Chapter XII-A of the Income Tax Act was inserted by Finance Act 1983 with an object to provide concessional rate of taxation to encourage them to invest their foreign exchange earnings in assets and source of Income in India. It deals with the situations where the gross total income of a non-residents includes income from investment or income by way of long-term capital gain or both. The following sections are covered under this chapter:

12.4. Section 115D of the Act covers the situation or transaction in which this section can be invoked. It also says that no deduction in respect of any expenditure or allowance shall be allowed under any provision of this Act in computing the investment income of a non-resident Indian.

12.5. Section 115E of the Act is about rate of tax which is to be applied on the gross total income of a non-resident Indian when the total income includes any income from Investment or income from long term capital gain of an assets other than a specified assets; or income by way of long term capital gains, the tax payable by him shall be at the rate of 20% if the income is from Long Term Capital Assets other than a specified assets and at the rate of 10% if the income is by way of long term capital gain from specified assets (as per Section 115C of the Act, specified assets includes shares in an Indian company).

12.6. As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long-term capital asset being shares of the Company shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such specified asset or savings certificates are transferred.

12.7. As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

12.8. As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

12.9. As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

13. Taxability of dividend income:

As per Section 115A of the Act, tax on dividend income earned by a non-resident or a foreign company shall be taxable at rate of 20% on gross basis.

14. Provisions of the Act vis-à-vis provisions of the Tax Treaty

In respect of non-residents, the tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

V. BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTOR ('FII')

As per section 2(14) of the Act, securities held by a FPI registered in accordance with the SEBI Regulations for FPIs would be in the nature of "capital asset". Consequently, the income arising to a FPI from transactions in securities are treated as capital gains.
As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities would be taxable as follows:

Nature	Tax rate (%)
LTCG on sale of equity shares referred to in Section 112A (Refer Note below)	10
LTCG on sale of equity shares (other than LTCG referred above)	10
STCG on sale of equity shares referred to in Section 111A	15
STCG on sale of equity shares (other than STCG referred above)	30

Note: LTCG exceeding one lakh rupees to the extent arising on transfer of these securities is taxable at 10 percent, provided such transfer is chargeable to STT. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition, unless the securities have been acquired through a mode, notified as not requiring fulfilling the pre-condition of chargeability to STT.

As per section 196D of the Act, no deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to foreign institutional investor.

NOTES:

(i) The benefits as per the current tax law as amended by the Finance Act, 2022.

(ii) This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

(iii) Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR 10 crores.

(iv) We note that if the Company opts for concessional income tax rate under section 115BAA of the Act. Accordingly, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.

(v) Health and Education Cess at the rate of 4% on the tax and surcharge is payable by all category of taxpayers.

(vi) Business losses, arising during the year can be set off against the income under any other head of income, other than income under the head 'salaries'. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA of the Act.

(vii) We note that the Company has opted for concessional tax rate under Section 115BAA of the Act and hence it will not be allowed to claim any of the following deductions:

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

(viii) Further, it is also clarified in Section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT. Therefore, the MAT provisions are not applicable

(ix) The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARIES, AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax").

I. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

1. Export of services under the Goods and Services Tax ('GST') law

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can either export services without payment of IGST under Bond/ Letter of Undertaking (LUT) and claim refund of accumulated Input tax credit ('ITC'), export services with payment of IGST and subsequently claim refund thereof of the IGST paid as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. The Finance Bill, 2021 however has inserted suitable provisions stating that the said benefit of exporters to pay IGST on exports and subsequently claiming refund thereof would be available only to notified persons, though the relevant notification in this regard is awaited. We understand that the Companies are following export of services without payment of GST.

2. Supply of services to SEZ under the GST law

Similarly, the GST law also considers supply to SEZ as zero-rated supply whereby the person supplying the service has an option to supply services without payment of GST under Bond/ Letter of Undertaking and subsequently avail refund of accumulated ITC.

II. Special indirect tax benefits for shareholders of the Companies

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the CGST Act (read with CGST Rules, circulars, notifications), respective State GST Act, 2017 (read with respective State GST Rules, circulars, notifications), Integrated GST Act, 2017 (read with Integrated GST Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications) and Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications).

For and on behalf of the Board of Directors of **FirstMeridian Business Services Limited**
(formerly known as FirstMeridian Business Services Private Limited)

Director
Mumbai, April 22, 2022

NOTES:

(i) These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

(ii) The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

(iii) The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares.

(iv) The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

(v) The Company or its shareholders will continue to obtain these benefits in future;

(vi) The conditions prescribed for availing the benefits have been/ would be met with; and

(vii) The revenue authorities / courts will concur with the view expressed herein.

(viii) The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time and that department may take a view contrary to that indicated above.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO RLABS ENTERPRISE SERVICES LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

April 22, 2022

To
The Board of Directors
Rlabs Enterprise Services Limited
H.No.6-3-883/6/B,
Singhania Towers,
Panjagutta, Hyderabad - 500 082

Dear Sir,

Sub: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws

We refer to the proposed initial public offering of equity shares (the "**Offer**") of FirstMeridian Business Services Limited (formerly known as "FirstMeridian Business Services Private Limited ("FMB" and Rlabs Enterprise Services Limited, as "Company" or "Rlabs"). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company, and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2023-24 relevant to the financial year 2022-23 for inclusion in the Draft Red Herring Prospectus (**"DRHP"**) for the proposed initial public offering of shares of the "FMB" as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company, or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company and / or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

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

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its shareholders in the DRHP for the proposed initial public offer of equity shares which the "FMB" intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the "FMB" are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the 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 existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the statement. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the "FMB" under the ICDR Regulations.

For **Pavan & Association**
Chartered Accountants
(Firm's Registration No. 012132S)

S V Pavan Kumar
Partner
Membership No. 211281

Place: Hyderabad
Date: 22nd April, 2022
UDIN:22211281AIHDLL2401

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO RLABS ENTERPRISE SERVICES LIMITED (THE "COMPANY"), COMPANY'S SHAREHOLDERS (THE "SHAREHOLDERS")

The information provided below sets out the possible special direct and indirect tax benefits available to Rlabs Enterprise Services Limited ("the Company") to the Shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the holding company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE FIRSTMERIDIAN BUSINESS SERVICES LIMITED AND SHAREHOLDERS OF THE FIRSTMERIDIAN BUSINESS SERVICES LIMITED

A. UNDER THE INCOME TAX ACT, 1961 ("THE ACT"):

I. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE ACT

The statement of tax benefits outlined below is as per the Act read with Income Tax Rules, circulars, notifications ("Income Tax Law"), as amended from time to time and applicable for as on date of issuance of this statement. These special tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the special tax benefits is dependent.

Upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

1. Lower corporate tax rate under Section 1l5BAA of the Act:

1.1. As per Section 115BAA of the Act, with effect from Financial Year 2019-20 i.e. Assessment Year ('AY') 2020 21, a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess of 4%) subject to satisfaction of

certain conditions.

1.2. In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

1.3. The option needs to be exercised on or before the due date of filing the tax return by filing Form 10-IC on income tax e-filing. Once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.

1.4. The Company has opted for the provisions of Section 115BAA of the Act for AY 2020-21 onwards and hence, the beneficial tax rate of 22% (plus surcharge of 10% and education cess of 4%) is applicable.

2. Deduction under Section 35D of the Act:

The Company is eligible for amortisation of preliminary expenses being the expenditure on public issue of shares under Section 35D (2)(c)(iv) of the Act, subject to the limit specified in Section 35D(3) of the Act.

3. Deduction under Section 80M of the Act:

As per the provisions of Section 80M of the Act, dividend received by a company from any other domestic company or specified business Trusts shall be eligible for deduction while computing its total income for the relevant year.

The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its tax return for the relevant year.

Since the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act subject to conditions specified therein.

4. Deduction under Section 80 JJAA of the Act, in respect of employment of new employees

Subject to the fulfillment of prescribed conditions as provided in Section, the Company is entitled to claim deduction of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under Section 80JJAA of the Act.

II. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE RESIDENT SHAREHOLDERS

5. Taxability of dividend income:

5.1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. The maximum surcharge applicable to shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person would be 15% (plus applicable surcharge and education cess), irrespective of the amount of dividend.

5.2. Further, the shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

5.3. The resident shareholder (being domestic company) shall be eligible for deduction under Section 80M of the Act as provided in Para 3.

Taxability of Capital gains:

6. Classification of capital gains

6.1. Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognized stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long Term Capital Gains.

6.2. Short Term Capital Gains means capital gains arising from the transfer of equity shares listed on a recognized stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

7. Computation of Capital Gain

7.1. As per Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

- Cost of acquisition / improvement of the shares as adjusted by the cost inflation index notified by the Central Government depending upon the nature of capital assets; and
- Expenditure incurred wholly and exclusively in connection with the transfer of shares

8. Tax rates on Capital gains:

8.1. As per Section 11lA of the Act, short term capital gains arising to the resident shareholder from the sale of equity share or a unit of an equity-oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Other short term capital gains shall be taxable at per normal tax rates applicable.

8.2. As per Section 112A of the Act, the long-term capital gains arising from sale of listed equity share, or a unit of an equity-oriented fund or a unit of a business trust (where STT is paid) exceeding INR 1,00,000 shall be chargeable to tax at the rate of 10% (plus applicable surcharge and education cess). Further, as per Section 112 of the Act, other listed securities, units or a zero-coupon bonds shall be taxable either 20% after taking benefit of indexation or 10% without taking benefit of indexation whichever is more beneficial to the company. Other long term capital gains shall be taxable at 20% after taking benefit of indexation benefit.

8.3. Summary of tax rate applicable to the resident shareholder on capital gains is provided below:

Nature of Capital Asset	**Long term Rate***	**Short term Rate***
Listed equity share, or a unit of an equity oriented fund or a unit of a business trust STT aid	10% in excess of INR 100,000	15%
Listed securities, units or a zero coupon bonds (STT paid or not)	20% after taking benefit of indexation; or 10% without taking benefit of indexation.	Applicable Rates
Others	20% after taking benefit of indexation.	Applicable Rates

**(plus applicable surcharge and education cess)*

9. Exemption of Capital Gain

9.1. As per Section 54EC of the Act and subject to the conditions specified therein, arising on transfer of a long-term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money.

9.2. Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains up to Rs. 50 Lakhs are invested in "long term specified assets" (i.e., units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

9.3. As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years subject to additional conditions provided in Section 54F of the Act. If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

10. Carry forward and set off of capital gain losses

As per section 74 of the Act, short-term capital losses incurred during the year are allowed to be set-off against short-term or long-term capital gains of the said year. Balance short-term capital losses, if any may be carried forward for eight years for claiming set-off against subsequent years' short-term or long-term capital gains. Long- term capital losses incurred during the year are allowed to be set-off only against long- term capital gains. Balance loss, if any, may be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

III. BENEFITS AVAILABLE TO NON-RESIDENT INDIANS / NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND VENTURE CAPITAL COMPANIES / FUNDS)

Same as implications for resident shareholders subject to the additional points mentioned below.

11. Taxability of Capital gains:

11.1. As per first proviso to Section 48 of the Act, in case of a non-resident shareholder, in computing capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per Exchange Control Regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which original investment was made. Cost Indexation benefits will not be available in such a case. The capital gain / loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was utilized in the purchase of shares.

11.2. Long-term capital gains arising from the transfer of unlisted securities shall be taxable at the rate of l0% (plus applicable surcharge and education cess) without providing indexation benefit.

11.3. Chapter XII-A of the Income Tax Act was inserted by Finance Act l983 with an object to provide

concessional rate of taxation to encourage them to invest their foreign exchange earnings in assets and source of Income in India. It deals with the situations where the gross total income of non-residents includes income from investment or income by **way** of long-term capital gain or both. The following sections are covered under this chapter:

11.4. Section ll5D of the Act covers the situation or transaction in which this section can be invoked. It also says that no deduction in respect of any expenditure or allowance shall be allowed under any provision of this Act in computing the investment income of a non--resident Indian.

11.5. Section ll5 E of the Act is about rate of tax which is to be applied on the gross total income of a non-resident Indian when the total income includes any income from Investment or income from long term capital gain of an assets other than a specified assets; or income by way of long term capital gains, the tax payable by him shall be at the rate of 20% if the income is from Long Term Capital Assets other than a specified assets and at the rate of l0% if the income is by way of long term capital gain from specified assets (as per Section ll5C of the Act, specified assets includes shares in an Indian company).

11.6. As per section ll5F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long- term capital asset being shares of the Company shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section l0(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such specified asset or savings certificates are transferred.

11.7. As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

11.8. As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

11.9. As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

12. Taxability of dividend income:

As per Section 115A of the Act, tax on dividend income earned by a nonresident or a foreign company shall be taxable at rate of 20 % on gross basis.

13. Provisions of the Ad vis-a-vis provisions of the Tax Treaty

In respect of non-residents, the tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which

the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTOR ('FII')

As per section 2(14) of the Act, securities held by a FPI registered in accordance with the SEBI Regulations for FPI would be in the nature of "capital asset". Consequently, the income arising to a FPI from transactions in securities are treated as capital gains. As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities would be taxable as follows:

Nature	Tax rate (%)
LTCG on sale of equity shares referred to in Section 112A (Refer Note below)	10
LTCG on sale of equity shares (other than LTCG referred above)	10
STCG on sale of equity shares referred to in Section 111A	15
STCG on sale of equity shares (other than STCG referred above)	30

Note: LTCG exceeding one lakh rupees to the extent arising on transfer of these securities is taxable at 10 percent, provided such transfer is chargeable to STT. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition, unless the securities have been acquired through a mode, notified as not requiring fulfilling the pre-condition of chargeability to STT.

As per section 196D of the Act, no deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to foreign institutional investor.

NOTES:

(i) The benefits as per the current tax law as amended by the Finance Act, 2022.

(ii) This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

(iii) Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR 10 crores.

(iv) We note that if the Company opts for concessional income tax rate under section 115BAA of the Act. Accordingly, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.

(v) Health and Education Cess at the rate of 4% on the tax and surcharge is payable by all category of taxpayers.

(vi) Business losses, arising during the year can be set off against the income under any other head of income, other than income under the head 'salaries'. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA of the Act.

(vii) We note that the Company has opted for concessional tax rate under Section 115BAA of the Act and hence it will not be allowed to claim any of the following deductions:

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

(viii) Further, it is also clarified in Section 115JB (5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax **(MAT)** are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT. Therefore, the MAT provisions are not applicable

(ix) The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis.

Our views expressed herein are based on the facts and assumptions indicated by you. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of the Company. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For and on behalf of the Board of Directors
Rlabs Enterprise Services Limited

Vinodh Venkatesan
Director
Bangalore
22nd April 2022

STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO RLABS ENTERPRISE SERVICES LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

Outlined below are the Special Indirect Tax benefits available to Rlabs Enterprise Services Limited ("the Company"), and its Shareholders based on the provisions of relevant indirect tax law presently in force in India.

The Company hereinafter referred as "the Companies"

A. Benefits under the Central Goods and Services Act, 2017, **respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017** *(read with relevant Rules prescribed thereunder)*

I. Export of services under the Goods and Services Tax ('GST') law

GST law *inter-alia* allows export of services at zero rate on fulfilment of certain conditions. Exporters can either export services without payment of IGST under Bond / Letter of Undertaking (LUT) and claim refund of accumulated Input tax credit ('ITC'), export services with payment of IGST and subsequently claim refund thereof of the IGST paid as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. The Finance Bill, 2022 however has inserted suitable provisions stating that the said benefit of exporters to pay IGST on exports and subsequently claiming refund thereof would be available only to notified persons, though the relevant notification in this regard is awaited. We understand that the Companies are following export of services without payment of GST.

II. Supply of services to SEZ under the GST law

Similarly, the GST law also considers supply to SEZ as zero-rated supply whereby the person supplying the service has an option to supply services without payment of GST under Bond / Letter of Undertaking and subsequently avail refund of accumulated ITC.

B. Special indirect tax benefits for shareholders of the Companies

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the CGST Act (read with CGST Rules, circulars, notifications), respective State GST Act, 2017 (read with respective State GST Rules, circulars, notifications), Integrated GST Act, 2017 (read with Integrated GST Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications) and Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications)**.**

Notes:

I. These special indirect tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

II. The special indirect tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

III. The Statement has been prepared on the basis that the shares of the FirstMeridian Business Services Limited Company are listed on a recognized stock exchange in India and the FirstMeridian Business Services Limited will be issuing equity shares.

IV. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

   i. The Company or its shareholders will continue to obtain these benefits in future;

   ii. The conditions prescribed for availing the benefits have been/ would be met with; and

   iii. The revenue authorities / courts will concur with the view expressed herein.

V. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time and that department may take a view contrary to that indicated above.

For and on behalf of the Board of Directors
Rlabs Enterprise Services Limited

Vinodh Venkatesan
Director
Bangalore
22nd April 2022

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise specified, the information in this section is derived from the report "Assessment of Staffing Solutions Market in India" dated May 2022 ("**F&S Report**") prepared by Frost & Sullivan ("**F&S**"). We commissioned and paid for the F&S Report for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. F&S was appointed on November 15, 2021. F&S is not related in any manner to our Company or our Promoter. The data included in this section includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner.*

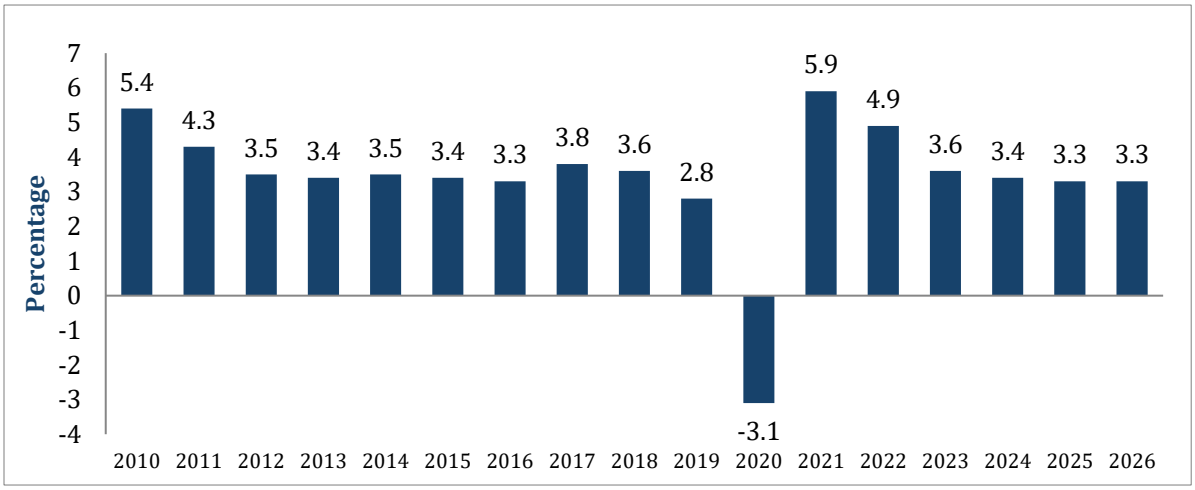
Further, the F&S Report was prepared on the basis of information as of specific dates and opinions in the F&S Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. F&S has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that while it has taken due care and caution in preparing the F&S Report based on the information obtained by F&S from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the F&S Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of F&S Report or the data therein. Further, the F&S Report is not a recommendation to invest or disinvest in any company covered in the report. The views expressed in the F&S Report are that of F&S. Prospective investors are advised not to unduly rely on the F&S Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year, refers to such information for the relevant financial year. For further details and risks in relation to commissioned reports, see "Risk Factors — Certain sections of this Draft Red Herring Prospectus contain information from F&S Report which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 56.

India Macroeconomic Overview

Global Economic Outlook

Global economic outlook for the near-term is promising, with the real GDP expected to grow by 5.9% in 2021 and 4.9% in 2022. This would be driven by growth in the Asian and the USA markets and recoveries from the pandemic throughout the rest of the world.

Real GDP Growth Trend & Forecast, Global, 2010 – 2026



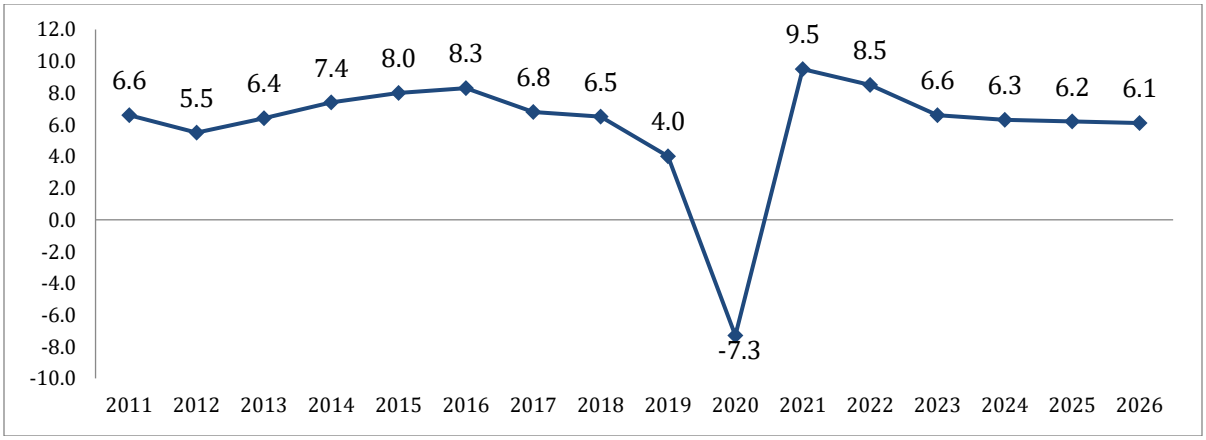
Source: IMF

India Macro-economic Analysis

India GDP Growth and Outlook

The real GDP growth rate in FY2021 declined to -7.3%, compared to 4.0% in FY2020. The IMF has forecasted a growth of 9.5% for 2021 and 8.5% for 2022 despite the steep economic and health impact of the second wave of COVID-19. The near-term growth would be led by pent-up domestic demand and favorable external demand. IMF estimates the medium term growth to stabilize at 6.2% to 6.5% after a peak of 9.5% in 2021. In the long-term, growth is expected to be driven by investments in infrastructure, services sector, manufacturing sector and exports.

Real GDP Forecast, India, 2011 – 2026 (Percentage)



Source: IMF

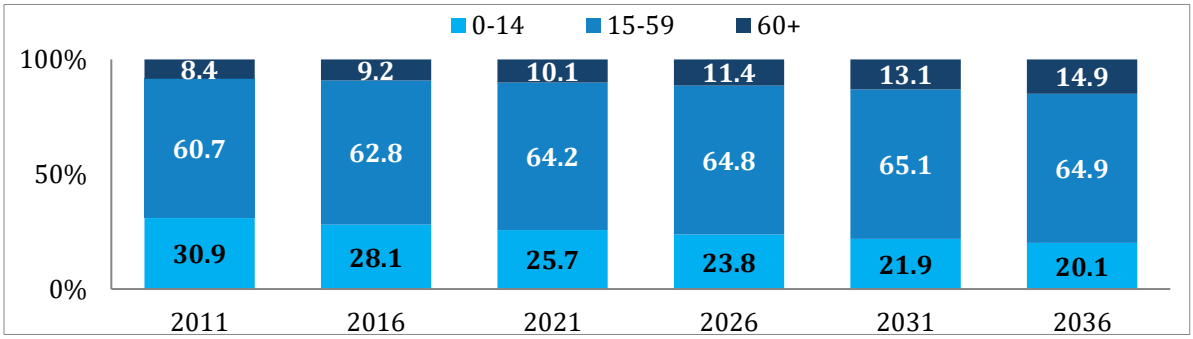
Demographic Overview of India

India's population has been witnessing a steady growth and is expected to overtake China by 2036. The country's population is expected to increase to 1.52 billion by 2036, growing at 0.9% CAGR between 2011 and 2036. During the period, the country's median age is expected to increase from 24.9 years in 2011 to 34.4 years in 2036.

Demographic dividend is an important factor for economic growth. India's working age population (15 – 59 years of age) is expected to account for 64.9% of the total population in 2036.

The Indian economy has a potential to grow at a rapid rate strongly supported by a growth in its working age population which is expected to add over 113 million people to the working age population from 2021 – 2036.

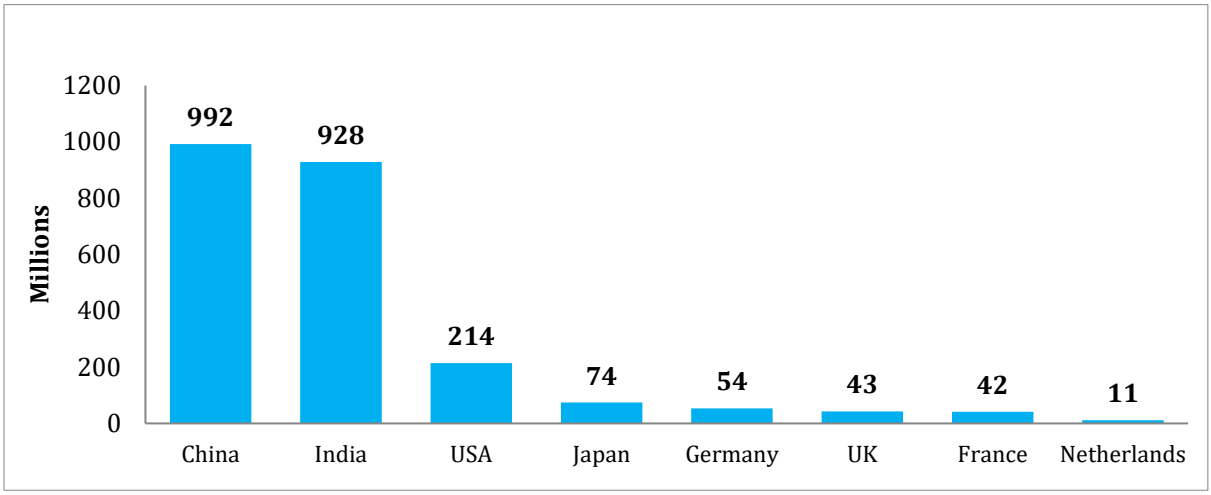
Population Forecast Percent Breakdown by Age Group, India, 2011 – 2036



Source: Report of the Technical Group on Population Projections, July 2020

India has the advantage of having the second largest working age population in the world and this is a critical element that would drive the growth of the Staffing Solutions market in India.

Working Age Population (Age 15 – 64 years) Comparison, Global, 2020

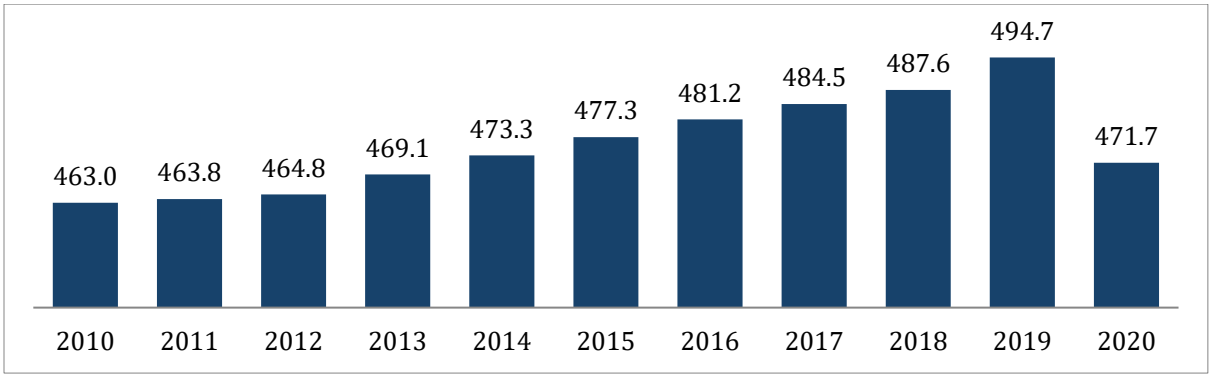


Source: World Bank

Size of Labor Force in India

The total labor force was 494.7 million in 2019 and 471.7 million in 2020. Prior to 2020, the labor force had recorded a CAGR of 0.7% from 2010 – 2019. The COVID-19 crisis resulted in a decline in the labor force by 4.7% in 2020. The labor force has been growing consistently, except for the impact of COVID-19 related lockdowns in 2020. The future growth is expected to be robust as all structural drivers such as education enrolment, population growth rate, labor force participation rate, public and private sector investment across key sectors like infrastructure and industry are projected to remain strong post COVID-19.

Total Labor Force, India, 2010 – 2020 (Million)



Source: World Bank

Increase in Formalization of the Economy

In India, the Central and State Governments have the requisite authority to legislate and enforce acts related to labour. Currently, there are over 40 national (federal) labour acts and rules and close to 100 state laws governing this segment of the economy. As per the Ministry of Labour and Employment, there are several laws aimed at promoting labour welfare, industrial peace, social justice, and overall economic development.

Labour Laws, India, 2021

Acts and Rules	Number of Acts and Rules
Laws regarding Industrial Relations	4
Laws related to Industrial Safety & Health	3
Laws aimed at Child & Women Labour	3
Laws focusing on Social Security	8
Laws Targeting Labour Welfare	15
Laws related to Employment & Training	2
Laws regarding Wages	7
Total	**42**

Source: Ministry of Labour and Employment

With the objective of simplifying and modernizing labour regulations, the central government has proposed to replace 29 existing laws through new labour codes. The Indian President has given consent to three labour codes namely The Code on Social Security 2020, The Industrial Relations Code 2020 and The Occupational Safety, Health and Working Conditions Code, 2020 subsuming 25 labour laws. Earlier in 2019, The Code on Wages-2019 was enacted which would subsume four wage and remuneration related labour laws, with a mandate to regulate wages and bonus payments across all kinds of employments.

Minimum Wages in India

The Indian parliament passed the Minimum Wage Act in 1948. This act fixes the minimum wage for specific 'scheduled employment' categories. The provisions of the Minimum Wages Act are applicable on every employment that employs more than 1000 personnel in a State. Under this Act, certain minimum wages have been fixed or revised for employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, wherein no worker is obliged to work for a wage that is less than the minimum prescribed rate. There are several factors that have been taken into consideration while determining the minimum prescribed rate. These include level of income, paying capacity, prices of essential commodities, productivity, and local conditions.

Global Staffing Solutions Market Analysis

Market Definitions

Staffing Solutions Market is segmented into two broad categories, such as:

Temporary Staffing/ Flexi Staffing

- *General Staffing*: This includes white, blue and grey collared staffing focused on job profiles such as sales and marketing, delivery of products, front-end personnel, supervisors, telemarketing, customer service, network operators, telecom tower maintenance executives, medical representatives, executives for content generation and running campaigns etc. across end user industries such as E-commerce, Banking, Retail and Consumer, Logistics, Telecom, Manufacturing, Hospitality, Healthcare, Tourism, Agriculture etc.

- *IT Staffing*: This includes white collared staffing focused on the needs of IT and ITeS industry. Job requirements met include software programmers and developers, web designers, web planners, program managers, development project manager, development leads, test engineers, cloud engineers, infrastructure support engineers, data warehouse maintenance personnel, hardware engineers for real time support for data servers, full stack developers, DevOps etc.

- *Professional Staffing*: This includes white collared staffing for skilled and highly-skilled job functions such as sales and marketing, pharmaco vigilance, pharma research & development, design and engineering, EPC, finance and accounting, legal etc. across end user industries such as Banking, Healthcare, Hospitality, and Manufacturing etc.

Permanent Staffing

- S*earch:* Search includes CXO positions and board level executives with management and domain expertise.
- *Recruitment & Recruitment Process Outsourcing (RPO) Solutions:* Permanent staffing of senior, middle and junior level positions and outsourcing of the recruitment process.

Introduction to Staffing Solutions Outsourcing

Introduction to Human Resources (HR) Solutions: The most common HR functions outsourced by organizations include recruitment (both permanent and temporary), background verification, payroll management, compliance and outplacement. The primary driver for outsourcing of these activities is their non-core nature for most organizations along with the significantly higher scale benefits that service providers provide in these areas as compared to the end customer themselves.

Benefits of Temporary Staffing, Global, 2021

Benefits to customers	Benefits to candidates
• Helps manage volatility in business • Lowers burden of payroll and compliance management • Reduces hiring and support costs • Helps in quick ramp-up of resources in a new market • Acts as a pool of talent for future hires • Helps manage rapid redundancy in skillsets of existing workforce	• Provides basic livelihood • Fills as a stepping stone to permanent employment • Acts as a training ground to hone skills • Imparts flexibility to pursue some other form of education/ vocational training • Helps in maintaining a better work life balance

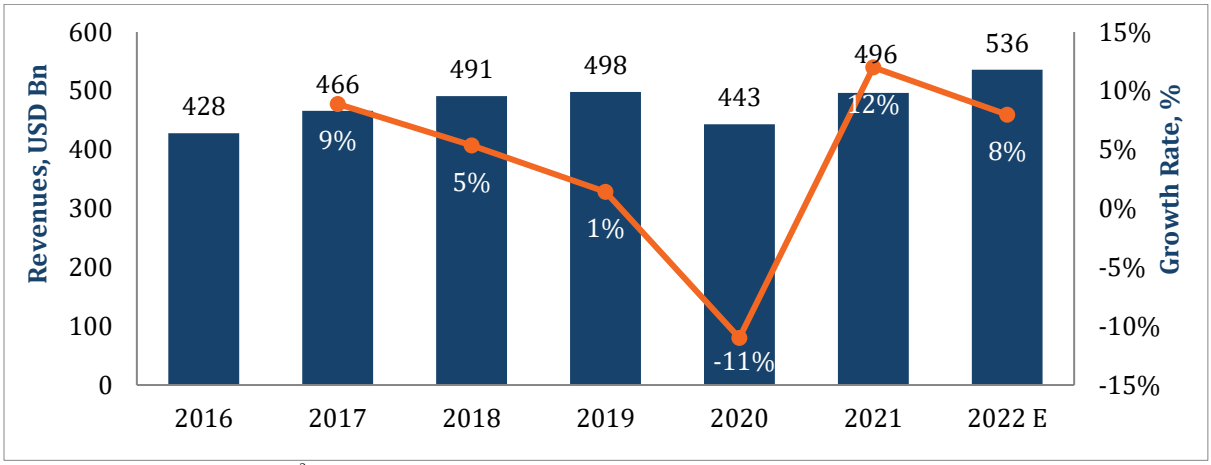
Globalization, technological innovations, demographic shifts and climate change have been creating economic and employment opportunities across the world. Overall employment in the long-term is expected to be driven by global demand-supply gap and technology adoption. New job creation and demand for niche skills would set a strong growth platform for the HR Solutions and Staffing Solutions Market over the next 5 years.

Global Staffing Solutions Market Overview

Staffing Industry Analysts (SIA), a global advisor on staffing solutions, estimate the Global Staffing Solutions Market at USD 498 billion[1] in 2019 and USD 443 billion in 2020. Of the total market, 91% is from the Temporary Staffing Solutions segment and the remaining 9% is from other services such as Permanent Recruitment in 2020. The market recorded a CAGR of 5.2% from 2016 – 2019 and the COVID-19 impact on the total market is estimated at 11% de-growth in 2020.

[1] https://www2.staffingindustry.com/eng/About/Media-Center/Press-Releases/SIA-Predicts-Global-Staffing-Market-Revenue-Could- decline-by-up-to-37-in-2020,https://www2.staffingindustry.com/Editorial/Daily-News/Largest-global-staffing-firms-post-224-billion-in-revenue-market-estimated-at-498-billion-56020

Staffing Solutions Market: Historic Revenues & Forecasts, Global, 2016 – 2022

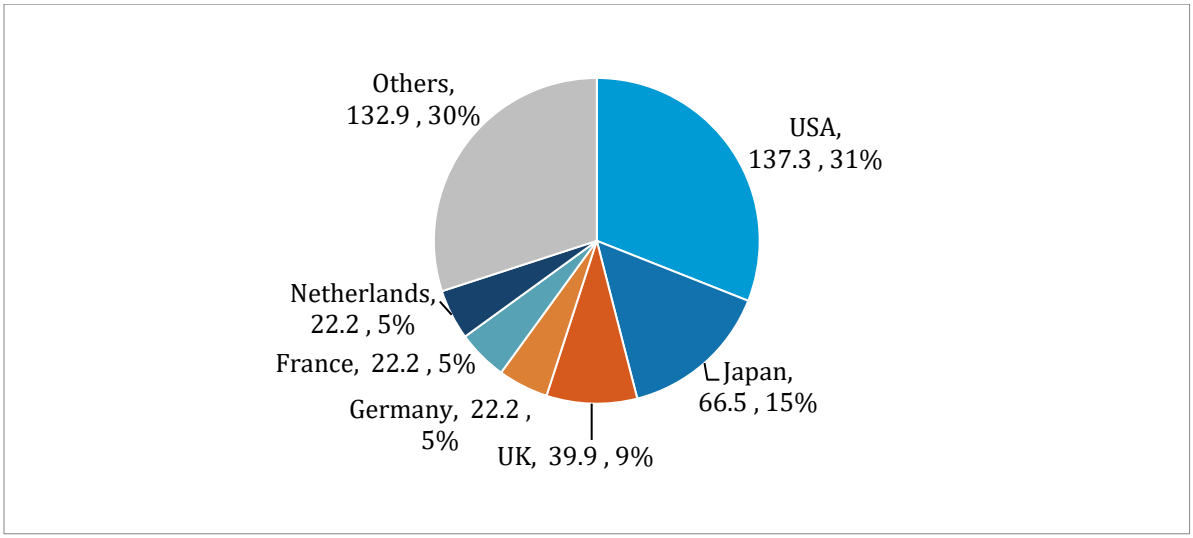


Source: Staffing Industry Analysts[2]

Growth in Staffing Solutions market has been driven by the increased acceptance by organizations which are gradually increasing their share of temporary or flexi staff in their total workforce. As industry becomes familiar with the benefits associated with temporary staffing and regulatory regime is rationalized, more experienced staff may join the staffing segment.

The United States of America (USA), Japan, the United Kingdom (UK), Germany, France, and Netherlands are the top 6 countries in terms of revenues in 2020. These countries cumulatively account for 70% of the total revenues.

Staffing Solutions Market: Revenue Breakdown by Region, Global, 2020 (USD Billion)

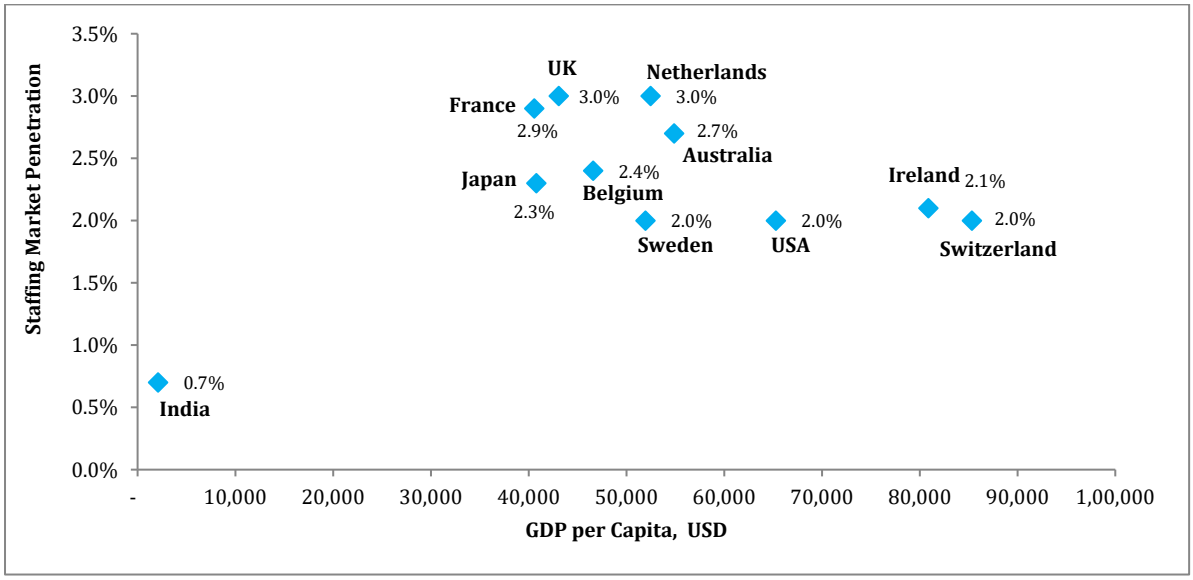


Source: Staffing Industry Analysts

Global staffing penetration in 2019 stood at 1.6% as per the World Employment Confederation Economic Report 2021. The penetration rate is defined as the daily average number of agency workers divided by the working population. The UK and Netherlands are the leading countries in terms of market penetration at 3.0% in 2019.

[2] https://www2.staffingindustry.com/eng/Editorial/Daily-News/World-Global-staffing-industry-revenue-set-to-grow-12-this-year-SIA-57816

Top 10 Staffing Solutions Market by Penetration & India, Global 2019



Note: India's market penetration is for 2018
Source: World Employment Confederation Economic Report 2021, IMF and Frost & Sullivan analysis

Labor market regulation is the crucial factor determining the penetration of staffing. Penetration rates higher than the global average indicate market maturity in top geographies such as the UK, Netherlands, France, Japan, USA etc. Countries with lower penetration such as India, China, Poland, Spain etc. have the potential to experience high growth through favorable regulatory environment, investments in end user segments and positive employment outlook.

Key Global Trends

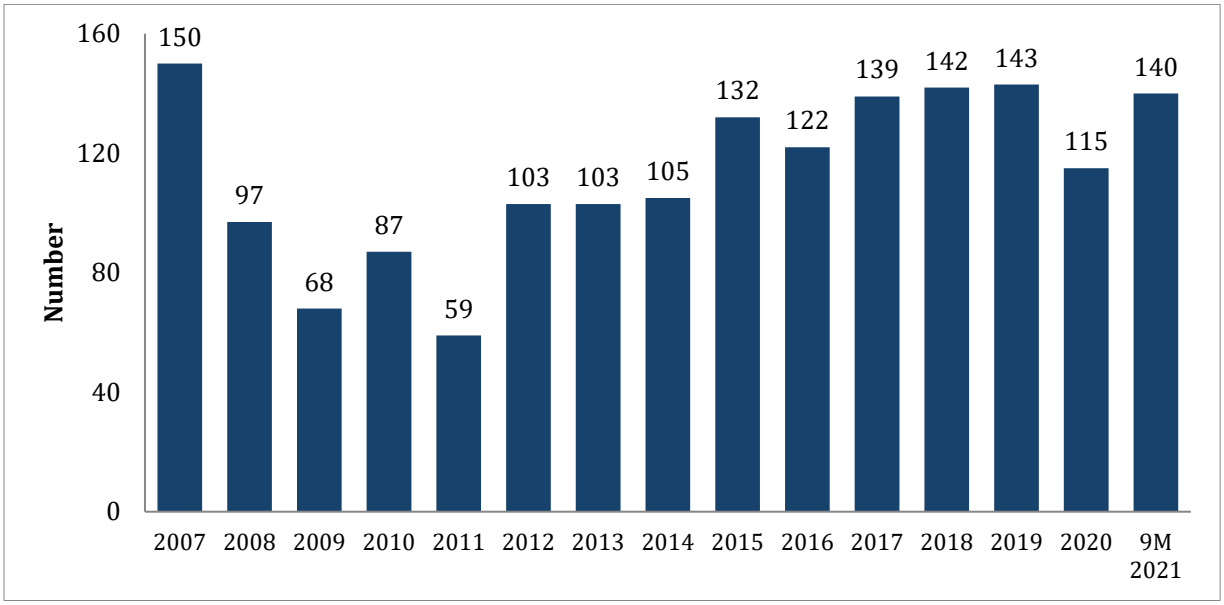
Key trends impacting the Staffing Solutions industry are:

- *Flexible Employment and Future of Work*: Increasing preference for flexible work in the form of temporary employment and freelancing or gig working is a structural change being witnessed in workforces across the world. While developed markets are way ahead on this curve, the emerging economies are also catching up. As the share of millennial and Gen Z increases in the working age population, work place flexibility is expected to be a standard rather than a preference as it is today. This is expected to result in a wide range of employment forms such as full-time, part-time, contract work, agency work, remote working and self-employment. Increasing flexibility in employment forms and acceptance of the same from both employers and employees would drive the growth of the Staffing Solutions market.

- *Investment in Reskilling Initiatives*: The current workforce requires extensive training to enable them to cope with the dynamic ways jobs are getting done today. There is a high potential for staffing companies to enable their clients in this transition. Staffing companies are making investments and/or partnering with training companies. For example Randstad US partnered with Udemy, a company that provides 7000 business courses, to offer free educational courses to American workforce in November 2020.

- *Market Consolidation / Mergers and Acquisitions (M&A)*: The HR Solutions market is undergoing consolidation as large service providers are seeking to achieve economic benefits associated with building operational scale and scope. Benefits at the local site level include the cross-utilization of resources between and within sites, leveraging of overhead costs and sharing of best practices. At the national and international level, benefits are in the form of ability to service a client across locations, thus increasing the service provider's credibility and enhancing the probability of winning a multi-city/multi-country contract. M&A has been a key growth strategy for staffing companies. This is driven by the need to gain competitive edge in terms of offering a broad range of services to clients. The Global Staffing Solutions market has witnessed 100+ deals every year since 2012. Acquisitions continue to fuel growth for larger players in the staffing industry, with professional staffing businesses being of interest amongst potential buyers. M&A activities remained high in fast growth markets such as the Professional Staffing such as Healthcare, Life Sciences etc. and IT Staffing segments.

Staffing Solutions Market – M&A Activity, Global, 2021



Note: 2021 data is up to September 2021 only
Source: Duff & Phelps Staffing Industry M&A Landscape Fall 2021 Report

- *Diversification into Value Accretive Segments such as Professional Staffing and other HR Solutions*: Integrated HR solutions are a standard model followed by most large service providers in the market. This entails offering a broad portfolio of services under the same company but may have different brand names. Presence across services also helps in reducing macroeconomic risks in periods of economic downturn. This is also driving most staffing companies globally to build a presence in Professional Staffing services.

Overview of Service Providers

The Global Staffing Solutions Market is highly fragmented with around 162,000 companies operating across 41 countries as per the World Employment Confederation Report 2021. In 2020, the top three companies accounted for only 14.3% of the total market and this highlights the fragmented nature of the competition landscape.

Staffing Solutions Market – Revenues of Key Companies, Global, 2020

Staffing Company	Total Revenues in 2020 (USD billion)
Randstad	23.4
Adecco Group	22.1
ManpowerGroup	18.0
Recruit Holdings Co. Ltd	10.4
Allegis Group	12.3 (2018)
Kelly Services Inc.	4.5

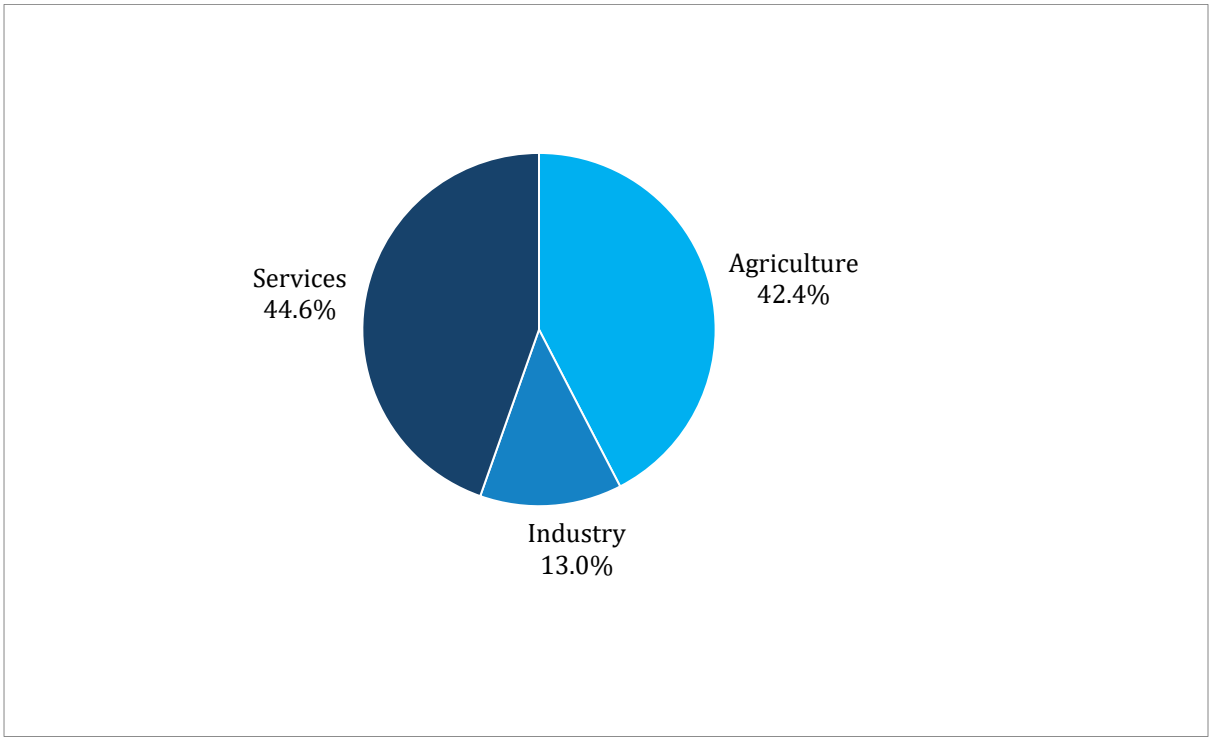
Source: Company Websites, Annual Reports and Frost & Sullivan Research

Indian Staffing Solutions Market Analysis

Employment Overview and Outlook

Services sector is the largest employer in India with a share of 44.6% in FY2019 followed by Agriculture and Industry with a share of 42.4% and 13.0% respectively. Non-financial services such as Healthcare, IT/ ITeS, Education, Hotels etc. are the largest segment within the Services sector.

Breakdown of Employment by Sectors, India, FY2019



Source: Periodic Labor Force Surveys 2018-2019

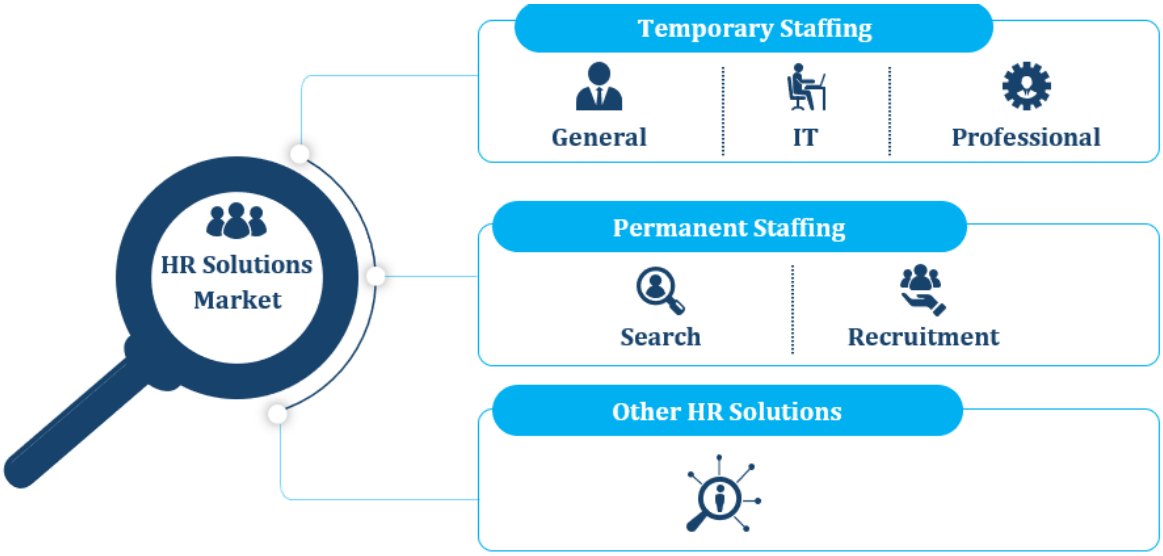
Increasing size of labor force, evolving legal framework and job formalization are the key trends defining the employment sector in India. IT/ ITeS, Financial Services, Manufacturing, Healthcare, Retail, and Hospitality are the key end user segments anticipated to drive employment opportunities in the long-term in India. Automation and technology adoption across end user segments are redefining the job functions and skills that would drive the demand in the future. Digital technology related job roles and skills are expected to be in demand over the next five to ten years.

Staffing Solutions Market Analysis

Industry Structure and Revenue Models

HR Solutions Market in India is segmented into Temporary Staffing, Permanent Staffing and other HR solutions such as Payroll, Time and Attendance and Recruitment Process Outsourcing. Temporary Staffing is the largest segment and is further divided into General Staffing, IT Staffing, and Professional Staffing.

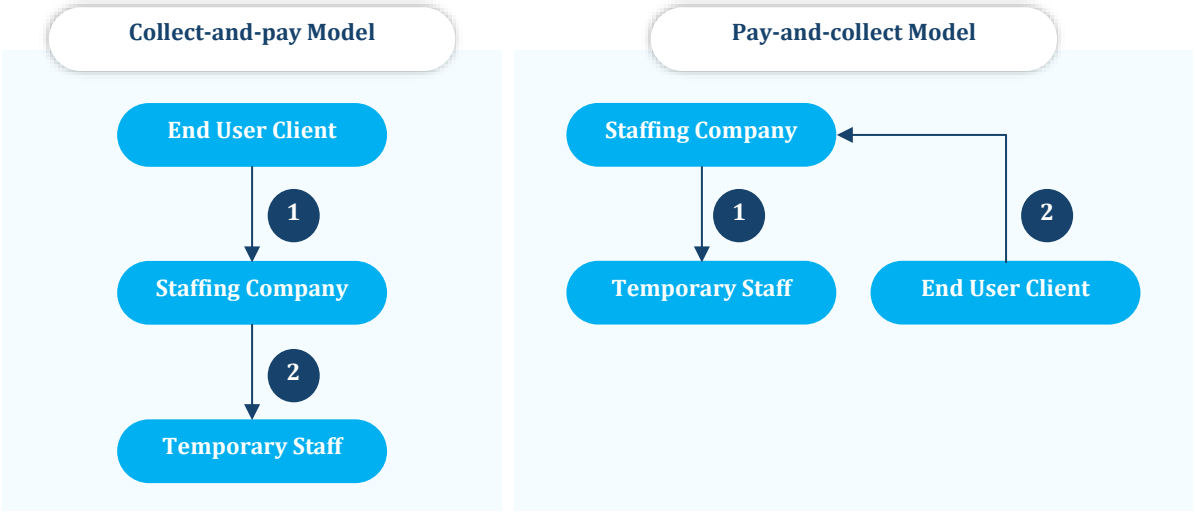
HR Solutions Industry Structure, India, 2021



Revenue Models: There are two prevalent billing models in the Temporary Staffing Solutions market in India such as the

- *Collect-and-pay*: In this model the staffing companies bill the end user organizations, collect the revenue for the services offered and then pay the temporary staff. This model is predominantly used in General Staffing only.
- *Pay-and-collect*: After billing the end users, staffing companies pay the salaries of the temporary staff first and then collect the revenues from clients. This is the prevalent model in IT Staffing and Professional Staffing.

Staffing Solutions Market: Revenue Models, India, 2021



Source: Frost & Sullivan Analysis

In terms of billing to end user organizations there are three prevalent models such as Fixed Fee model, Rate Card model and Percentage of Salary model.

- *Fixed Fee*: The staffing companies bill the end users a fixed fee per month for every employee placed with them. This fixed fee would vary depending on the skill set and positions/ job functions. This model is more prevalent in the General Staffing Solutions segment.

- *Rate Card*: The staffing companies charge the end users based on a rate card or bill rates per hour that varies across skill set and experience of the candidates. This is the common method in IT Staffing and Professional Staffing segments.

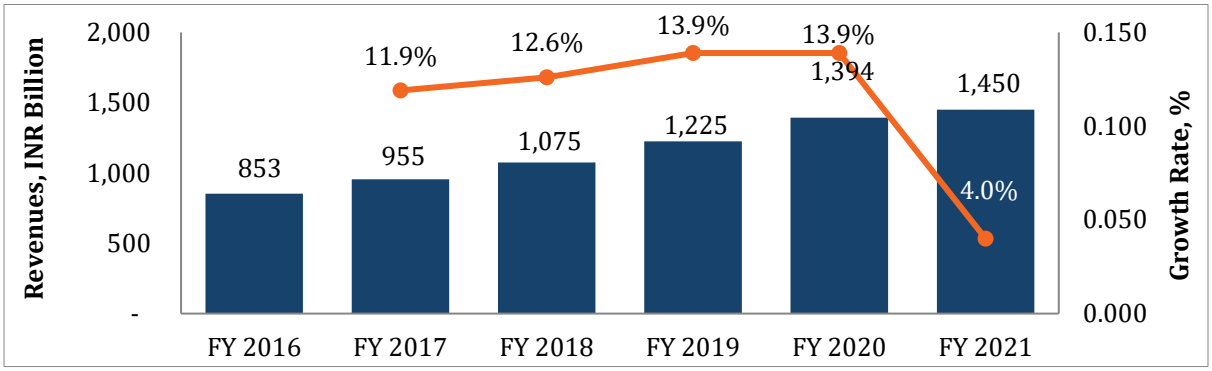
- *Percentage of Salary*: End user organizations are charged a certain percentage on the total cost of the temporary staff.

The profit margins vary depending upon the job description and experience. Temporary staff with specialized skill sets and wide experience yield more gross margins.

Market Overview

The HR Solutions market size in FY2021 is estimated at INR 1,450.0 billion. The market witnessed strong growth in the past five years. The market grew by a CAGR of 13.1% between FY2016 – FY2020. COVID-19 pandemic impacted the market growth and resulted in a marginal 4.0% growth in FY2021.

HR Solutions Market: Historic Revenue Trend, India, FY2016 – FY2021

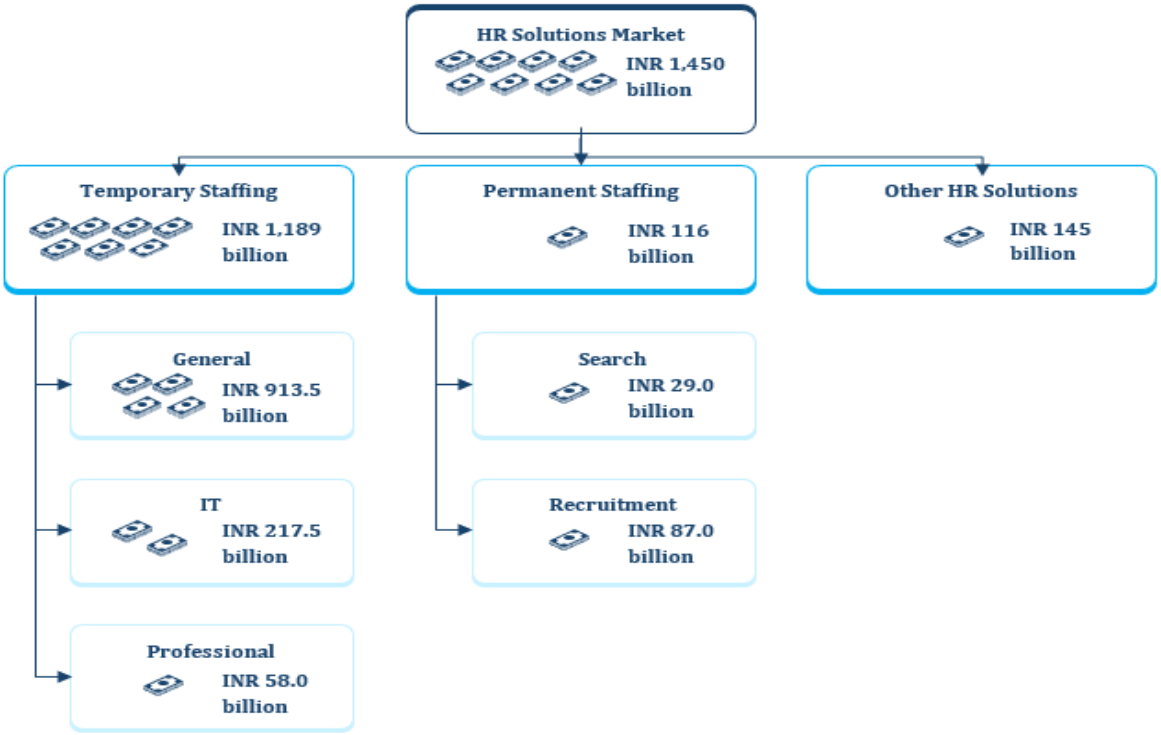


Source: Frost & Sullivan Analysis

India accounts for 4.3% of the Global Staffing Solutions market in 2020 in revenue terms. Though this value seems insignificant, in terms of volumes Indian market is the 6th largest in the world and accounts for 5.8% of the total global market and has the potential to grow exponentially in the long-term. As per the Indian Staffing Federation, the total temporary workers in India reached 3.3 million in 2018 from 2.1 million in 2014 recording a CAGR of 16.1%.

The General Staffing is the largest segment (in volume terms) with a market share of 50% followed by IT Staffing at 25.0% of the total market in FY2021.

HR Solutions Market: Breakdown by Segments, India, FY2021



Source: Frost & Sullivan Analysis

Market Drivers

Key growth enablers that are driving the Staffing Solutions market in India are the need for flexible workforce, availability of large manpower resources, growth in gig economy and regulatory compliance.

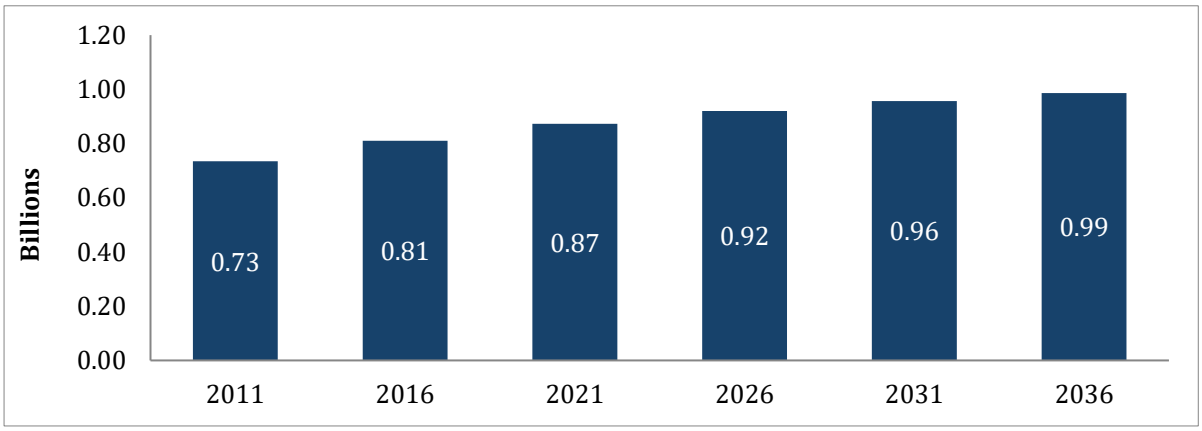
Staffing Solutions Market: Market Drivers, India, 2022 - 2026

Market Drivers	Impact: 2022-2026
Supply Side Market Drivers	
Presence of large pool of resources/ working age population	High
Rise in gig economy	Medium - High
Demand Side Market Drivers	
Manpower scalability and flexibility	High
Ease of compliance	Medium – High
Government reforms related to EPF, ESIC and GST	Medium - High
Increasing formalization of economy driven by labor reforms	Medium
Shorter hiring process	Medium

Source: Frost & Sullivan

Presence of large pool of resources: India has a large pool of working age resources which has supported the growth of the Staffing Solutions market. Increasing preference for gig working among millennial is also contributing to the growth of this market. Deploying temporary staff with the required skill set lowers the time and effort spent on training.

Staffing Solutions Market: Growth in Working Age Population, India, 2011 – 2036



Source: Report of the Technical Group on Population Projections, July 2020

Rise in gig economy: Gig economy is defined as a pool of resources who take up temporary and flexible jobs. Technology enabled platforms connect the consumer/end user to a gig worker to hire them for a short period. Gig workers include self-employed people, freelancers, independent contractors and part-time workers. Key driving factors of the gig economy are:

- Millennials and their unconventional approach to work
- Emergence of a start-up culture
- MNCs preference to work with part-time employees
- Growth in freelancing platforms

End user segments such as Media, Real Estate, Hospitality, Technology, Healthcare, BFSI, Manufacturing, Management Consulting, and Education are working with gig workers today and are expected to drive the demand for gig workers in the next 5 years. Increasing preference for gig working is expected to increase the penetration of staffing in India and have a direct impact on the growth of the Staffing Solutions Market.

Manpower scalability and flexibility: Workplace dynamics and requirements have changed radically over the last decade. Today organizations need skilled manpower to deal with the dynamic and bespoke industry demand. Opting for temporary staffing enables companies to recruit employees based on the demand situation. This helps in making the end user company agile to the needs of the industry while making the company lean and the manpower compliance management easy. Moreover, many organizations have fluctuating demand for manpower depending on seasonality, economic scenario etc. where temporary staffing can address the issues. Choosing temporary staff enables user organizations to convert their fixed costs into variable costs.

Ease of compliance: India has a complex regulatory compliance requirement with more than 1,500 Acts, 72,000+ compliances and 6,600+ filings across central and state governments. Labour laws have the maximum number of compliance and filing requirements. Various states have implemented their own rules leading to variations in submission dates, formats, regulatory authorities and duty structures among others. Non-compliance can result in severe legal and financial implications for companies.

With the adoption of flexi-staffing or temporary staff, compliance related to labour laws become the responsibility of staffing companies and this significantly reduces the efforts required from end users/ clients.

Government reforms related to EPF, ESIC and GST: Key reforms that have contributed to the growth of the Staffing Solutions Market in India are:

- ESIC Reform - Employees' State Insurance (Central) Third Amendment Rules: With this amendment the wage threshold has been extended from INR 15,000 – INR 21,000 per month (INR 25,000 for employees with disability). Now all employees who earn INR 21,000 or less per month are to be mandatorily enrolled for employee insurance under ESI Act.

  Impact on Job Formalization:

  - As more employees get insured under the ESI Act, a large number of unorganized workforces would get social security benefits like the organized sector.

- GST Reform - The Constitution (One Hundred and First Amendment) Act: Goods and Services Tax (GST) removes multiple taxes that were in practice and is encouraging unorganized companies to register under GST and this is enabling job formalization.

  Impact on Job Formalization:

  - Today end user companies are more inclined towards doing businesses with organized Staffing Solutions firms for claiming input tax credit under GST and avail hassle free business.

  - GST is acting as an incentive for companies to be part of the formal tax structure to get the benefits, there by facilitating job formalization.

  - Organized Staffing Solutions companies are witnessing significant growth due to the preference of end users for organized partners for hiring, there by automatically creating more formal jobs.

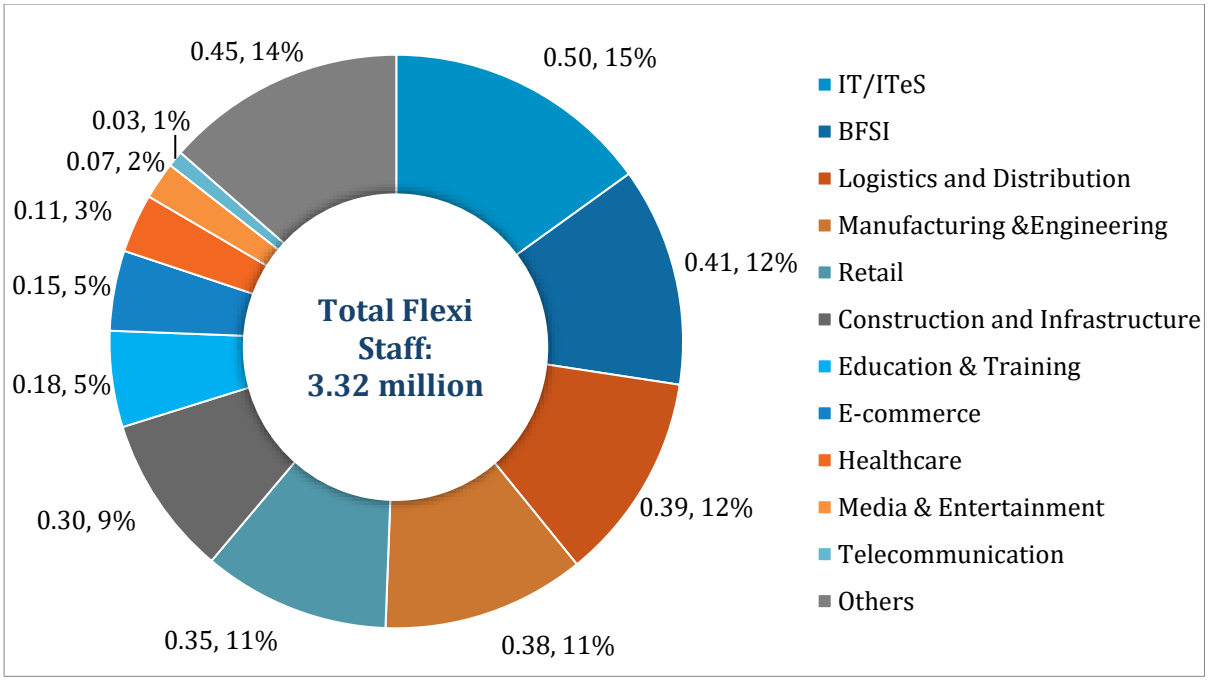
Increasing formalization of economy driven by labour reforms: Recent labour reforms in social security and wages have resulted in an increase in minimum wages across various skill sets and this is also contributing to the growth of the industry revenues.

Shorter hiring process: Staffing companies have a ready pool of skilled and semi-skilled resources which provides an uninterrupted hiring experience for end users. This significantly reduces the time spent on hiring and on finding the right talent.

Market by End User Segmentations

IT/ITeS is the largest segment that deploys temporary staff in India. Around 15.1% of the total temporary staff in 2018 was working with the IT/ITeS segment. BFSI is the second largest segment with a share of 12.3% followed by Logistics and Distribution with a share of 11.7% of the total temporary staff.

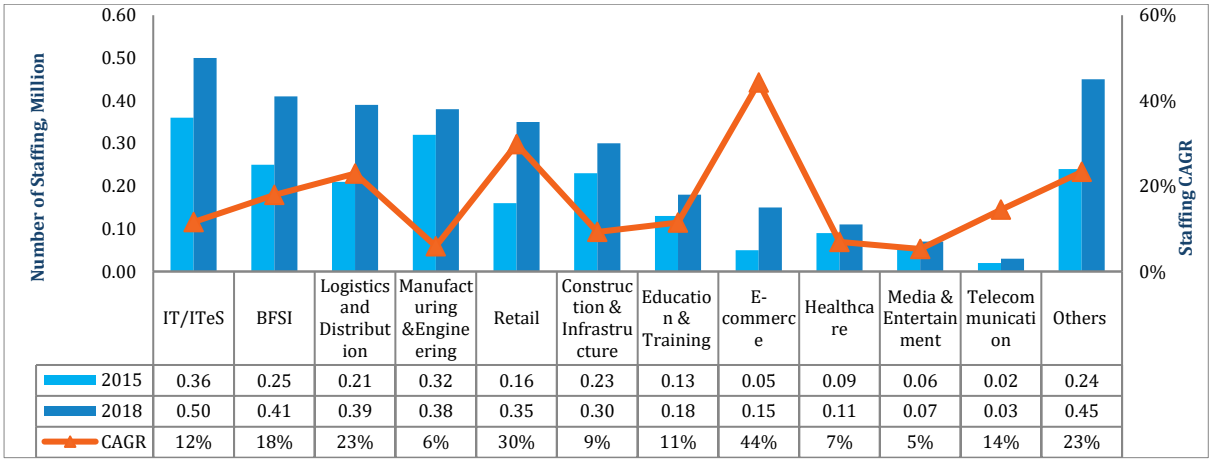
Staffing Solutions Market: Temporary Staff by End User Segments, India, 2018



Source: Indian Staffing Federation; Others include Automotive, Government etc.

E-commerce and Retail have been the top segments driving the demand for temporary staff in the last five years. The number of temporary staff in E-commerce grew by a CAGR of 44.0% during 2015 – 2018 and in Retail segment the CAGR was recorded at 30.0%. Other segments that have witnessed high growth are Logistics and Distribution, BFSI, Telecommunications and IT/ ITeS.

Staffing Solutions Market: Growth by End User Segments, India, 2015 & 2018

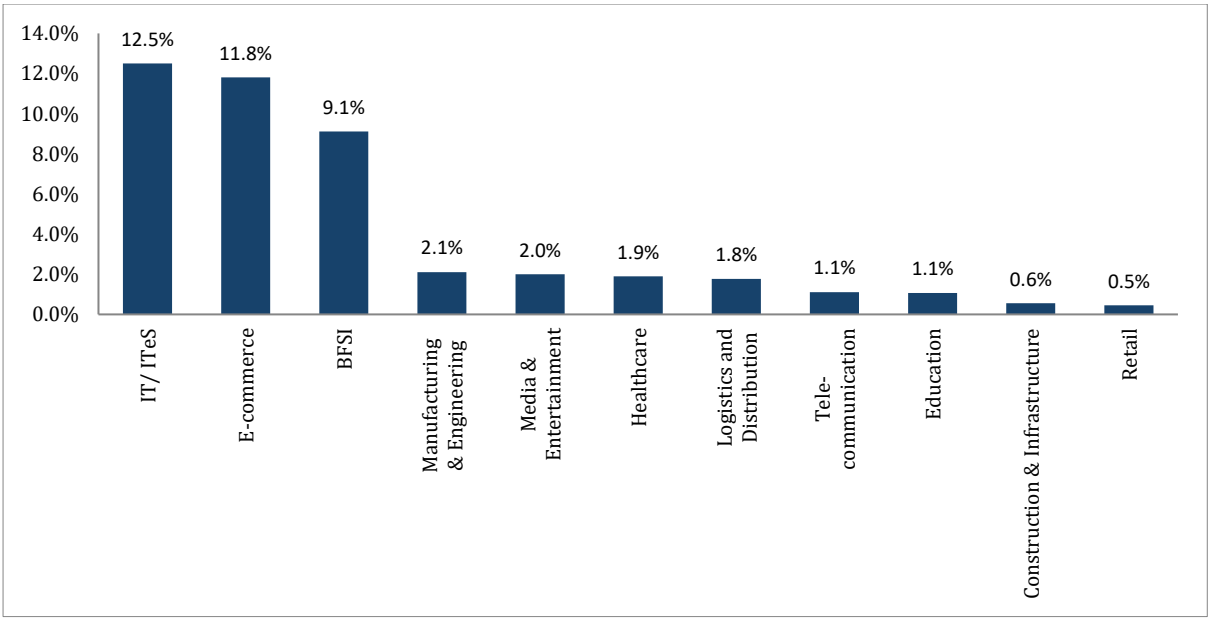


	IT/ITeS	BFSI	Logistics and Distribution	Manufacturing &Engineering	Retail	Construction & Infrastructure	Education & Training	E-commerce	Healthcare	Media & Entertainment	Telecommunication	Others
2015	0.36	0.25	0.21	0.32	0.16	0.23	0.13	0.05	0.09	0.06	0.02	0.24
2018	0.50	0.41	0.39	0.38	0.35	0.30	0.18	0.15	0.11	0.07	0.03	0.45
CAGR	12%	18%	23%	6%	30%	9%	11%	44%	7%	5%	14%	23%

Source: Indian Staffing Federation and Frost & Sullivan Analysis

IT/ ITeS, E-commerce and BFSI segments have the highest penetration rates for temporary staff at 12.5%, 11.8% and 9.1% respectively. Other segments such as Manufacturing, Media and Entertainment, Healthcare and Logistics and Distribution have a market penetration of 2.1%, 2.0%, 1.9% and 1.8% respectively.

Staffing Solutions Market: Market Penetration by Segments, India, 2018



Source: Indian Staffing Federation

COVID-19 Impact on Staffing Solutions Market in India

COVID-19 has impacted macro-economic growth in India and the Staffing Solutions market also had similar implications. Staffing Solutions market witnessed a growth of 4.0% in FY2021 despite the global pandemic. Despite national wide lockdowns, a few key sectors such as IT and ITeS, BFSI, Telecom, Healthcare, E-commerce and Logistics contributed to the growth of the Staffing Solutions market in FY2021. Major staffing companies experienced a declining trend in revenues during the COVID-19 from Q4 FY2020 and Q1 FY2021 but were seen returning to the growth trajectory very quickly in the Q2 of FY2021 itself and from thereon experienced steady growth in revenues.

Key trends associated with COVID-19 that are impacting the Staffing Solutions market are:

- *Remote or Hybrid Working Model*: COVID-19 has accelerated the deployment of digitalization and hybrid working models in India, particularly in the IT industry. In the short- to medium-term it is expected that at least 35 – 40%[3] of a company's total workforce would be working from home.

- *Rise in Freelancing Platforms*: There has been a significant rise in freelancing platforms in India – 80 in 2009 to 330 platforms in 2021. This has enabled the Staffing companies to tap into rural workforce as well due to the remote working models in place due to the current pandemic.

Market Outlook and Forecasts

IT/ ITeS Segment Outlook

The IT industry is a key and critical element of the Indian services sector. A majority of the revenues for the Indian IT industry come from exports. India has a 55% share in the global outsourcing market which has been estimated at USD 200-250 billion[4] globally. According to Software Technology Park of India (STPI), the software exports from their registered units increased by 7% to reach INR 5,000 billion in FY2021. Rapid digitalization and transition to remote working environments proactively implemented by companies across the sectors has helped the IT segment sustain growth despite the global pandemic.

[3] https://www.peoplematters.in/article/recruitment/indian-staffing-landscape-in-2021-28875
[4] https://www.ibef.org/industry/information-technology-india.aspx

As of FY2020, the Indian IT industry directly employed more than 4.5 million people and registered an estimated 138,000 new hires in 2020 alone. Revenues from the Indian IT industry are expected to reach USD 350 billion[5] by FY2026 increasing from USD 195 billion[6] in FY2021.

The growth in IT industry is expected to create more jobs in the future and the need to ramp up manpower without too much of a build-up in bench means that IT industry would have to depend on Staffing Services to bridge their requirement gaps.

BFSI Segment Outlook

BFSI segment includes commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. Growth in working population and disposable incomes are creating demand for banking and financial services. Enhanced spending on infrastructure and continuation of policy reforms that drive investments are expected to provide growth impetus and the sector is rapidly evolving to adapt to the changing market dynamics. India is expected to become the fourth largest private wealth market globally by 2028. Technological advancements have brought mobile and internet banking services to the forefront. BFSI sector is expected to create around 1.6 million jobs as per a report by National Skills Development Corporation (NSDC)[7] .

E-Commerce Segment Outlook

E-commerce industry in India has been on an upward growth trajectory over the last five years and is expected to grow steeply in the medium to long term. A dynamic and young population, increasing smartphone and internet penetration and increasing disposable incomes are some of the key drivers for the E-Commerce industry in India. As of 2020, India already has over 795 million[8] internet users, with an estimated 61% of these being in the urban areas of the country. Rural areas have traditionally lagged in terms of smartphone and internet penetration, but this scenario is changing with more users from Tier 2, Tier 3 cities as well as rural areas seeking better connectivity and internet based services. These un-served and underserved regions of the country present a significant market potential that will form a cornerstone of e-commerce growth in the country.

Telecommunications Segment Outlook

Indian Telecommunications Industry is the second largest market in the world with a telephone subscriber base of 1,189.62 million as of October 2021 and a broadband subscriber base of 798.95[9]. Expansion in 3G and 4G and the onset of 5G technologies in India are expected to increase the demand for telecom services over the next five years. Capacity expansions by major telecom companies and BSNL's 4G upgrade are also contributing to the sector's growth. PLI schemes for segment and expansion into rural markets would also add to the growth of the segment.

Growth in the segment would create employment opportunities in the long-term. The most demanded job functions would be around RF engineers, field engineers, software engineers, and developers. Around 22 million skilled works would be in demand by 2025 for 5G based technologies such as Internet of Things (IoT), Artificial Intelligence (AI), robotics and cloud computing[10].

Retail Segment Outlook

Electronics is the fastest growing industry in the country. The total electronics market (which includes domestic electronics production and imports of electronic finished goods) in India is valued at INR 6,711 billion in FY2021, which is expected to grow at a CAGR of 25.5% to reach INR 20,873 billion in FY2026, as per Frost & Sullivan analysis. Domestic production accounts for approximately 74% of the total electronics market in FY2021, valued at INR 4,975 billion, and are expected to grow to approximately 96% by FY2026, valued at INR 20,133 billion, owing to various government initiatives and the development of India's electronic ecosystem. Consumption of

[5] https://www.ibef.org/news/indian-it-sector-sees-highest-growth-in-a-decade-adds-45-lakh-new-jobs
[6] https://economictimes.indiatimes.com/tech/information-tech/nasscom-pegs-indian-it-industry-revenue-at-194-billion-for-fy21/articleshow/80923715.cms
[7] https://bfsi.economictimes.indiatimes.com/news/industry/which-skills-are-in-demand-for-emerging-jobs-in-bfsi-space/82259174
[8] https://www.business-standard.com/article/economy-policy/internet-users-up-nearly-4-to-over-825-million-in-q4-of-fy21-trai-data-121082701105_1.html
[9] https://trai.gov.in/sites/default/files/PR_No.59of2021.pdf
[10] https://www.ibef.org/industry/telecommunications.aspx

electronics would be driven by favorable demographics, increasing disposable incomes, changing lifestyles and consumer preferences, growing brand consciousness and easy consumer credits.

Fashion retail is another high growth segment within the Retail industry. Increasing middle-class, higher disposable incomes and rising young population are driving the demand for fashion retail in India. The global pandemic affected the growth of fashion retail in FY2021 because of the lockdown restriction, but the growth is expected to reach pre-pandemic levels in FY2022 with the sector expected to grow at around 15%-17% in Q1 of FY2022 and later grow by a CAGR of 25% from FY2022 – FY2025[11].

Pharmacy retail segment in India has witnessed significant growth in the last few years driven by increase in healthcare spending, favorable demographics and epidemiological transition. The market is currently in transition phase from unorganized to organized sector with the entry of large corporates and the growth in e-pharmacies. Entry of corporates in this space is expected to bring in investments and organizational support and accelerate the growth of organized retail and e-pharmacies. Apart from the increasing consumer adoption, the e-pharmacy segment has witnessed higher investor interest with around USD 700 million[12] invested in 2020.

Growth in the overall Retail segment is expected to create 30 million[13] new jobs by 2030 as per the Retail 4.0 Report released by NASSCOM in partnership with Technopak.

Logistics & Distribution Segment Outlook

Warehousing in India is still at a nascent stage and offers immense growth potential driven by investments in sectors such as e-Commerce, Fast Moving Consumer Durable (FMCD), Fast Moving Consumer Good (FMCG), Manufacturing and Retail. India's per capita warehousing stock is at 0.02 square meters while the USA, China and the UK have 4.4 square meters, 0.8 square meters and 1.09 square meters respectively[14]. This low penetration makes India's warehousing market more attractive and this is complemented by the increase in per capita income and population growth.

The top cities such as Mumbai, NCR, Pune, Chennai, Kolkata, Bengaluru, Ahmedabad and Hyderabad together hold 30.6 million square meters of warehousing space in FY2021. The total land area committed to warehouse development in these 8 cities is estimated at 22,488 acres. As 30.6 million square meters already exists, there is a potential to develop 19 million square meters of warehousing space in the future. Rapid growth of the E-Commerce and 3PL (third party logistics) industries caused storage demand to expand at a CAGR of 44% from FY 2017 to FY2020. While the pandemic in FY2021 reduced demand for warehouse assets throughout the year, the longer-term demand potential for warehousing properties remains strong[15].

Rise in 3PL and 4PL Services: The Indian 3PL market is expected to grow at a CAGR of about 11.5% from 2020 - 2025[16]. Growth in Manufacturing, FMCG, Retail, and E-commerce industries are likely to propel the growth for 3PL and 4PL services. Indian businesses are looking for new logistical capabilities and complex solutions from 3PL service providers to help them manage supply chain processes more effectively, reduce traditional logistics costs, and handle more complex tasks.

While manufacturing was one of the early adopters of 3PL and 4PL services, other industries are likely to benefit from outsourcing their supply chain management to experts, allowing them to focus on rebuilding and strengthening their core businesses.

Construction and Infrastructure Segment Outlook

The country's construction sector accounts for 9% of the GDP in 2020. The segment attracts substantial FDIs which is a critical element contributing to the growth of the sector. As per the Department for Promotion of

[11] https://economictimes.indiatimes.com/industry/services/retail/fashion-retailing-may-recover-up-to-80-of-pre-pandemic-sales-this-fiscal-report/articleshow/86559434.cms?from=mdr
[12] https://www.investindia.gov.in/team-india-blogs/e-pharmacies-bridging-gap-indian-healthcare#:~:text=Currently%2C%20there%20are%20close%20to,reach%20%24%204.5B%20by%202025
[13] https://www.thehindu.com/business/Industry/25-million-new-jobs-in-indian-retail-sector-by-2030-study/article34020291.ece
[14] https://content.knightfrank.com/research/2269/documents/en/india-warehousing-market-report-2021-i-l-8217.pdf
[15] https://content.knightfrank.com/research/2269/documents/en/india-warehousing-market-report-2021-i-l-8217.pdf
[16] https://www.constructionworld.in/urban-infrastructure/warehouse-and-logistics/Trends-this-year-in-logistics-and-supply-chain/25409

Industry and Internal Trade (DPIIT), FDIs in the Construction sector reached USD 25.4 billion in June 2021. The segment is expected to grow by an average annual growth rate of 7.0%[17] up to 2025.

Key highlights of the construction and infrastructure segment are:

- *Industrial Corridors*: 11 industrial corridors are expected to be developed;
- *Railway Stations/ Lines*: 600 stations are expected to be redeveloped; and
- *Mega Ports*: 14 Coastal Economic Zones (CEZ) and six new ports are planned

Increasing Demand for Commercial Space: There is demand for office space, hotels, and retail and entertainment units

The National Infrastructure Pipeline (NIP) for FY 2019–2025 is a key government initiative to provide world-class infrastructure to Indian citizens and improve their quality of life. Its objective is to improve project preparation and attract investments into the infrastructure segment. Under this initiative, India has an investment budget of USD 1.4 trillion for infrastructure.

The Real Estate sub-segment is expected to reach USD 1 trillion[18] by 2030 from the current USD 200 billion in 2021, growing at a CAGR of 19.6% and contribute to 13% of GDP. The growth would be driven by the demand for corporate office spaces and urban and semi-urban accommodations. Real estate developers, in order to meet the growing need for managing multiple projects across cities, are expected to invest in centralised processes to source material and organise manpower. This is expected to result in the segment qualified professionals for roles such as project management, architecture and engineering.

Media & Entertainment Segment Outlook

The Media and Entertainment (M&E) segment in India is a sunrise sector for the economy. The segment is currently in growth phase driven by rising consumer demand, demand for regional entertainment and regional channels, favorable policies and FDI inflows. The segment is forecast to grow by a CAGR of 23.9% from 2020 to 2024[19].

Television sub-segment is expected to remain the major contributor by 2024. OTT & Gaming sub-segment is expected to witnessed the highest growth at 29.5% from 2021 – 2026. Key growth drivers include rising demand for content among users, increasing per capita income among consumers and affordable subscription packages.

Increasing demand for content across television, cinema and OTT platforms are expected to create around four million jobs by 2025[20]. With the rise in OTT viewers demand is anticipated to increase for app developers, content creators, content curators, editors, etc.

End User Segment wise Drivers for Adoption of Temporary Staffing

Drivers for Adoption for Temporary Staffing by End User Segments, India, 2021

End User Segment	Key Drivers
Education & Training	1. There is demand for niche skillset workforce for a shorter duration 2. Administrative and clerical jobs are the most common job roles supporting the growth of the Staffing Solutions market

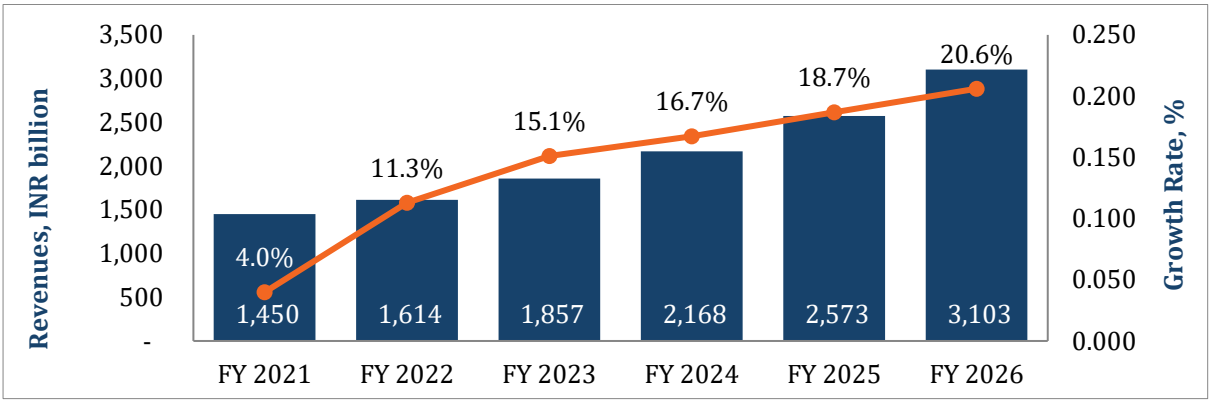
[17] https://www.investindia.gov.in/sector/construction
[18] IBEF and Invest India
[19] IBEF and India Investment Grid
[20] https://www.financialexpress.com/opinion/the-billion-screens-transition-of-media-and-entertainment-sector-in-times-of-coronavirus/2242713/

End User Segment	Key Drivers
	3. Growth in EdTech segment and the increasing number of start-ups is driving numerous reach out programs that create demand for sales people, content developers, and teaching staff for both onsite and remote locations. 4. Schools and colleges are increasingly outsourcing admin staff and support staff 5. Test preparation schools outsource front office executives and telecallers 6. This segment in under penetrated currently and has huge growth potential in the long-term
Pharmaceutical & Healthcare	1. Marketing and Business Development for pharmaceutical and medical instrument companies are done by temporary manpower 2. High growth in the sector and current vaccination drive for COVID-19 are creating demand for skilled manpower, which has the potential to be met through staffing 3. R&D hubs are witnessing increase in activities associated with clinical trials and new vaccine development, which create demand for manpower. 4. Regulatory services, pharmaco vigilance and technology adoption are creating demand for medical coders and medical transcriptions, which are outsourced to staffing companies 5. Investments in pharmaceutical manufacturing in creating demand for sales and distribution people 6. Growth in e-pharmaceuticals is creating demand for sales and delivery people 7. Growth in testing labs and home labs are creating demand for sample collection 8. India is slowly adopting niche patient care services such as bed side assistance which is creating demand for helpers and nurses.
Others: Government	1. Focus on rural development programs is creating demand for skilled manpower with local language expertise. This is driving the market for Staffing Solutions 2. Job functions in demand for staffing are IT, data entry and support staff 3. Public Sector Units (PSU) and government undertakings outsource entry level, junior level and support functions to staffing companies 4. Various government schemes launched by the central and state governments create demand for manpower that are met through staffing 5. Public utilities such as metros, airports and railways outsource manpower across job functions
Others: Agriculture	1. Seed and Fertilizer companies outsource manpower for running campaigns, sales and front-line people to interact with farmers 2. Machinery companies such as tractor manufacturers outsource sales people to staffing companies

Source: Indian Staffing Federation and Frost & Sullivan Analysis

India HR Solutions Market Forecast: The HR Solutions Market is forecasted to grow at a CAGR of 16.4% from FY 2021 to FY 2026 to reach INR 3,103 billion.

HR Solutions Market: Revenue Forecast, India, FY2021 – FY2026



Source: Frost & Sullivan Analysis

Competitive Overview

The competitive landscape is highly fragmented in India, with more than 2000 companies operating in this market. The organized market consists of 20-30 companies and is dominated by international and national companies. Major players in this segment include Quess Corp Limited, TeamLease Services Limited, FirstMeridian Business Services Limited, Randstad India Private Limited, ManpowerGroup Services India Private Limited[21], Adecco India Private Limited, Collabera Technologies Private Limited, Persolkelly India Private Limited etc. Major companies have country-wide presence and serve almost all the end-user segments and have a vast client base.

Staffing Solutions Market: Competitive Structure, India, FY2021

Number of Companies	More than 2000
Major Indian Companies	• Quess Corp • Team Lease • First Meridian These companies have more than INR 10,000 million revenues
MNC Companies	• Adecco • Manpower Group • Randstad • Collabera • Kelly Services • Allegis • Others
Other Indian Companies	• Genius Consultants • ABC Consultants • Lobo Staffing • Weavings • Others
Key Competitive Advantages for Major Indian Companies and MNC Companies	• Strong recruitment engine • Retention of skilled workforce • Statutory compliance • Brand reputation • Ability to adopt advanced technologies for recruitment process • Nationwide presence • Domain expertise across multiple sectors

[21] For the avoidance of doubt, ManpowerGroup is unrelated to our Promoter, Manpower Solutions Limited.

Source: Frost & Sullivan Analysis

Key Staffing Companies, India, 2021

Competitor Segment	Company Name	Number of Associates	Revenues, INR Million, FY2021	EBITDA% FY2021
Major Indian Companies	Quess Corp	363,000	108,369	4.2%
	TeamLease	228,150	48,815	2.0%
	FirstMeridian	95,228	21,102	1.9%
MNC Companies	Adecco	Not Available	21,320 (FY2020)	-0.04 (FY2020)
	Randstad	57,000 +	20,506 (FY2020)	1.2% (FY2020)
	Manpower Group^	Not Available	18,447 (FY2020)	1.0% (FY2020)

**Segment wise Gross Margins and EBITDA is not available for Quess Corp for FY 2021.*
Quess Corp, TeamLease and FirstMeridian values represent consolidated financials
Source: Company Websites, Annual Reports and Frost & Sullivan Analysis
^ For the avoidance of doubt, ManpowerGroup is unrelated to our Promoter, Manpower Solutions Limited.

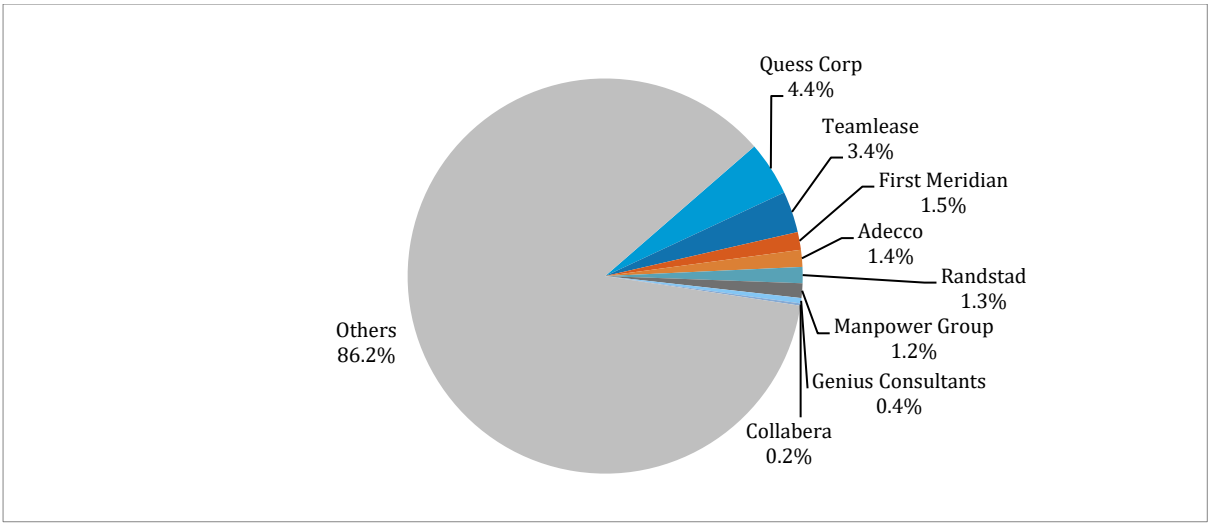
Quess Corp, Team Lease, First Meridian, Adecco, and Randstad are the top five companies in terms of revenues in FY 2021. They have a combined market share of 12% in FY 2021.

Quess Corp is India's leading business services provider providing managed outsourcing services. The company has three business segments namely Workforce Management, Operating Asset Management and Global Technology Solutions. Staffing is part of the Workforce Management business unit and it is the leading staffing company in India with around 400,000 associates and a market share of 4.4% of the Staffing Solutions market in FY 2021. They also provide staffing solutions to South East Asia, North America and the Middle East.

Team Lease Services is another major human resources company offering a wide range of solutions to more than 3,500 clients across 60 industries. The company has hired more than 18 lakh people in the last 19 years. Team Lease also operates the first Vocational University of India. Team Lease has a market share of 3.4% of the Staffing Solutions Market in FY2021.

First Meridian is the third largest staffing company in terms of revenues and offers diverse range of services such as General Staffing, IT Staffing and Professional Staffing. First Meridian has a market share of 1.5% of the Staffing Solution Market in FY 2021 and serves more than 450 customers. The company has been expanding its business through acquisitions quite aggressively in the recent times. First Meridian acquired Innovsource, V5 Global, RLabs. Affluent Global and CBSI to establish itself in the Staffing Market in India. It acquired Cornucopia in July 2021 to strengthen their presence in Pharmaceutical and Healthcare segments and RLabs in early 2022 to expand their IT Staffing business.

Staffing Solutions Market: Revenue Share Analysis, India, FY2021



** Others include Lobo Staffing, Futurz, CalibeHR etc.*
Source: Frost & Sullivan Analysis

Industry Challenges

High barriers to scale: The Staffing Solutions market is highly unorganized today and there exist high barriers to scale up operations. Staffing companies need a nation-wide physical footprint, domain knowledge across multiple end user segments and strong technology backbone to scale up their operations. This remains a major challenge for small companies operating in India.

High cost of compliance: Compliance is one of the key reasons for end user organization seeking staffing companies. Staffing companies need to invest in manpower and technology and develop capabilities for compliance which remains a major challenge for smaller companies.

Talent/ Skills Gap: India has the second largest working age population in the world but at the same time faces a huge gap in skill sets. According to the India Skills Report 2022 by Wheebox, only 48.7% of the total youth population in India is employable. The study also highlights that 75% of the companies interviewed mentioned that there is a skill gap in India. With existing skill gap and growing demand for skilled jobs, staffing companies are challenged to find the right candidates.

Talent retention: The most important factor for any staffing company is to have a strong database of candidates and a vast network to maintain a large pool of talent. Candidates switch between companies for various reasons including salaries, work environment, and lead time between contracts. The Indian IT industry has high levels of attrition and sourcing, and retaining talent is a challenge for IT staffing companies.

Alternate Sourcing Options: Increasing usage of social and professional media networks such as LinkedIn and Facebook and online staffing platforms by the clients for their hiring needs is posing challenges to the staffing companies. In order to surmount this, many staffing companies are offering value added services such as RPO, Service Level Agreements (SLA) linked managed services contracts and supervision of candidate on job. Additionally, staffing companies have started focusing on providing temporary staff with niche skillsets thereby differentiating themselves from their peers and focusing on increasing the revenue per hire.

Availability for specific location and on-time: Favorable policies, growing consumer segment and increasing investments are driving pan-India growth today. Retail, e-commerce, BFSI, telecommunications are all expanding in Tier 2, Tier 3 and rural areas and this creating demand for staffing across metros, small towns and villages and finding the right skill set for specified sites and delivering the manpower on-time is a challenge.

General Staffing Solutions Segment Analysis

Temporary General Staffing in India is a fairly nascent industry when compared to developed markets like United States, Japan, France and Germany. However, in the last five years this segment has evolved into a strong contributor to the country's economy.

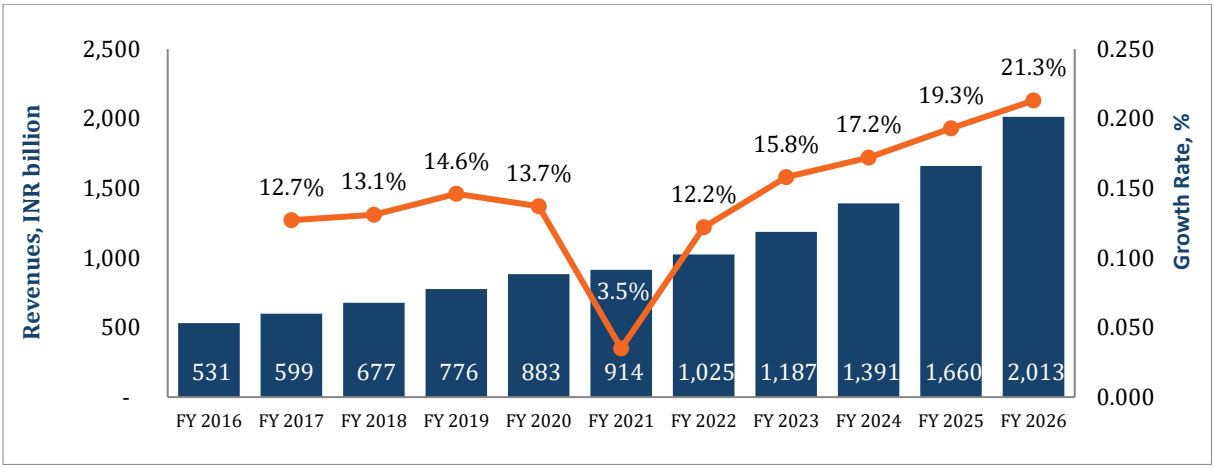
General Staffing Solution segment includes temporary staff placed in the E-commerce, Retail, Telecom, BFSI, Healthcare, Hospitality and Manufacturing segments. This includes blue and grey collared workers. These employees are paid minimum wages applicable in the state where the end-user company operates. The average salary in this segment is INR 10,000 – 30,000 per month.

The current regulatory regime governing labor laws are undergoing changes in order to increase job formalization and recognize temporary agency work as a separate entity with unique features.

Market Size and Overview

The General Staffing Solutions Segment market is estimated to be INR 913.5 billion in FY 2021. The segment has recorded a CAGR of 13.5% from FY 2016 – FY 2020. During the pandemic in FY2021, the segment witnessed a growth of 3.5%. From FY 2021 – FY 2026 the General Staffing Solutions segment market is forecast to grow at a CAGR of 17.1% to reach INR 2,013.0 billion.

General Staffing Solutions Segment Market: Historic & Forecast Revenue Trend, India, FY2016 – FY2026



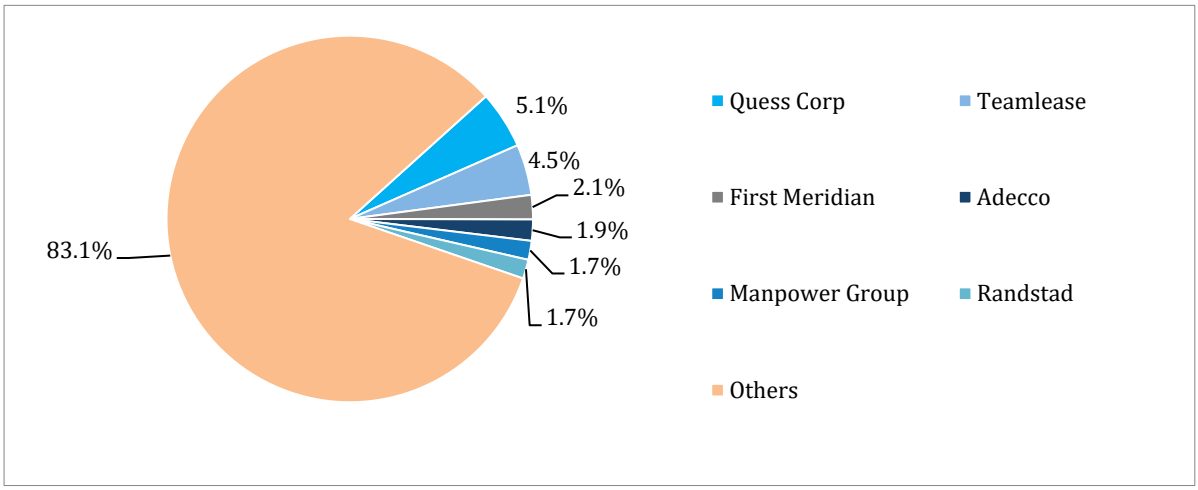
Source: Frost & Sullivan Analysis

Market Share Analysis

Quess Corp, Team Lease and First Meridian are the top 3 companies in the General Staffing Solutions Segment market with a share of 5.1%, 4.5% and 2.1% respectively. While Quess Corp and Team Lease have been market incumbents, First Meridian who entered the market in 2018 has grown significantly through acquisitions and organic growth and captured leadership position in a short span of time.

Attrition rates are very high in this segment and hence developing a strong recruitment team is crucial for staffing companies. Technology adoption for recruitment process is seen as a key competitive factor among major companies to stay ahead of competition. This segment is driven by economies of scale and this is seen as a factor that drives market consolidation; the top three companies in this segment have a combined market share of 11.7% of the total segment market.

General Staffing Solutions Segment Market: Market Share Analysis, India, FY2021



Source: Frost & Sullivan Analysis

IT Staffing Solutions Segment Analysis

IT Staffing involves providing skilled IT professionals, on contract, by staffing companies to end user companies for a defined duration. Based on a contractual agreement, staffing agencies screen, hire and deploy IT professionals to the customer's site. The contracts are either time-based or project-based where the salaries and other benefits of professional flexi-staff are met by the staffing company.

Market Size and Overview

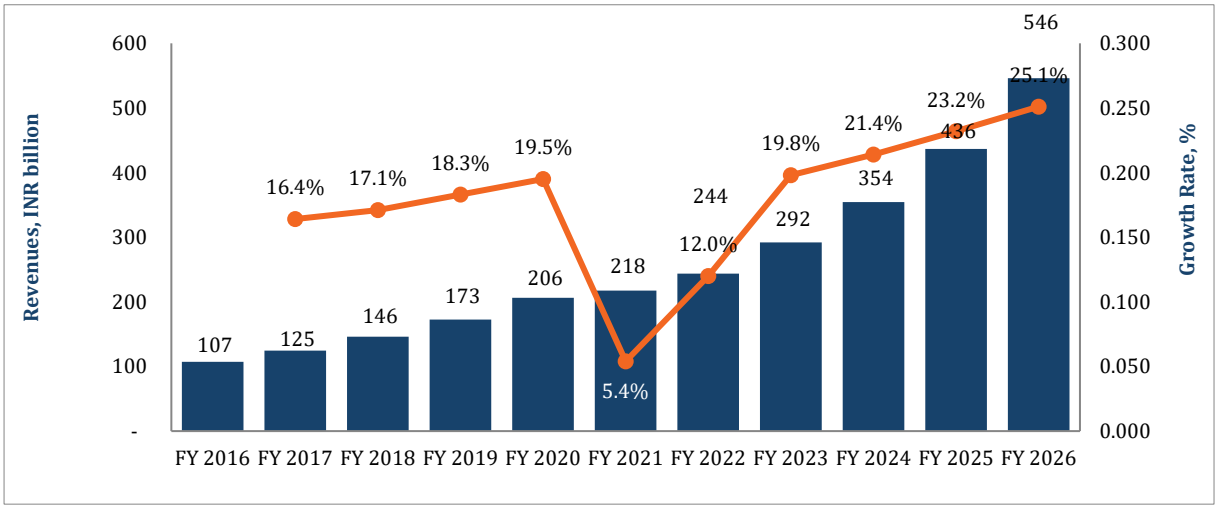
In any IT company, about 70.0 – 75.0% of the employees are deployed in projects and the remaining 25.0 – 30.0% is on the bench awaiting deployment. When IT outsourcing slowed down during 2008 – 2009 subprime crisis, the IT industry was forced to cut down on headcounts. The axe fell heavily on the bench with companies no longer having the luxury of maintaining large benches awaiting deployment. This experience of IT companies resulted in a paradigm shift to staffing and bench maintenance where they started looking at the temporary staffing model as the bridge to tide over business volatility.

Most of the IT jobs outsourced in the past 4-5 years were at the entry level which included programmers, software engineers, system administrators etc. Recently, IT companies have started to outsource mid-level and senior positions too. Moreover, Engineering, Healthcare and Consumer Service sectors have also started recruiting their IT staff through temporary staffing agencies.

The Indian IT industry has been a pioneer in driving the growth of the Temporary Staffing Solutions market. Because of the cyclical growth witnessed in the past and to keep the costs under check, the IT industry has modified its hiring policies in favor of temporary staffing. Currently, temporary staff account for only 5.0% of the overall workforce in an IT company. Moving forward, with increasing competition, more companies are expected to hire temporary staff in order to overcome margin pressures and maintain lean benches. This is expected to increase the industry share from the present 5.0% to 20.0% in the next five years.

The IT Staffing Solutions Segment market is estimated to be INR 217.5 billion in FY 2021. The segment has recorded a CAGR of 17.8% from FY 2016 – FY 2020. During the COVID-19 pandemic in FY2021, the segment witnessed a growth of 5.4%. From FY 2021 – FY2026 the IT Staffing Solutions segment market is forecast to grow at a CAGR of 20.2% to reach INR 546.0 billion.

IT Staffing Solutions Segment Market: Historic & Forecast Revenue Trend, India, FY2016 – FY2026



Source: Frost & Sullivan Analysis

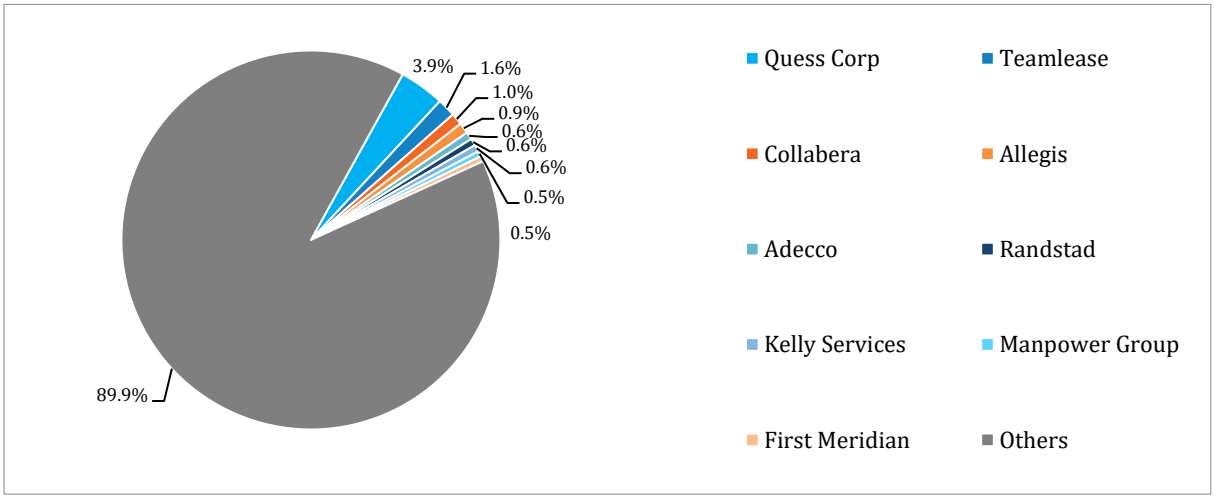
A key challenge in the segment is the shift towards process automation. IT companies are deploying automated processes so that the employees can handle more work, thereby enhancing productivity or to remove human component from tasks with high levels of repetition and low value addition. This trend is expected to bring down the volume of recruitment in the IT industry, thereby affecting IT staffing companies.

Market Share Analysis

IT Staffing Segment market is more fragmented than the General Staffing Solutions Segment in India. High growth witnessed by the segment in the last decade and low entry barriers have resulted in a large base of small to medium companies and this has resulted in a highly competitive market.

But with the recent labor and other job formalization reforms, small companies are finding it difficult to run their businesses, as there is growing emphasis on social security benefits and compliance. COVID-19 has emphasized more on the need for social security benefits and this is expected to have an impact on the market consolidation in the future.

IT Staffing Solutions Segment Market: Market Share Analysis, India, FY2021



Source: Frost & Sullivan Analysis

Professional Staffing Solutions Segment Analysis

Professional Staffing Solutions Segment is a niche and evolving market in India. With the growing preference for temporary staff in this segment, the market is expected to witness high growth in the medium- and long-term.

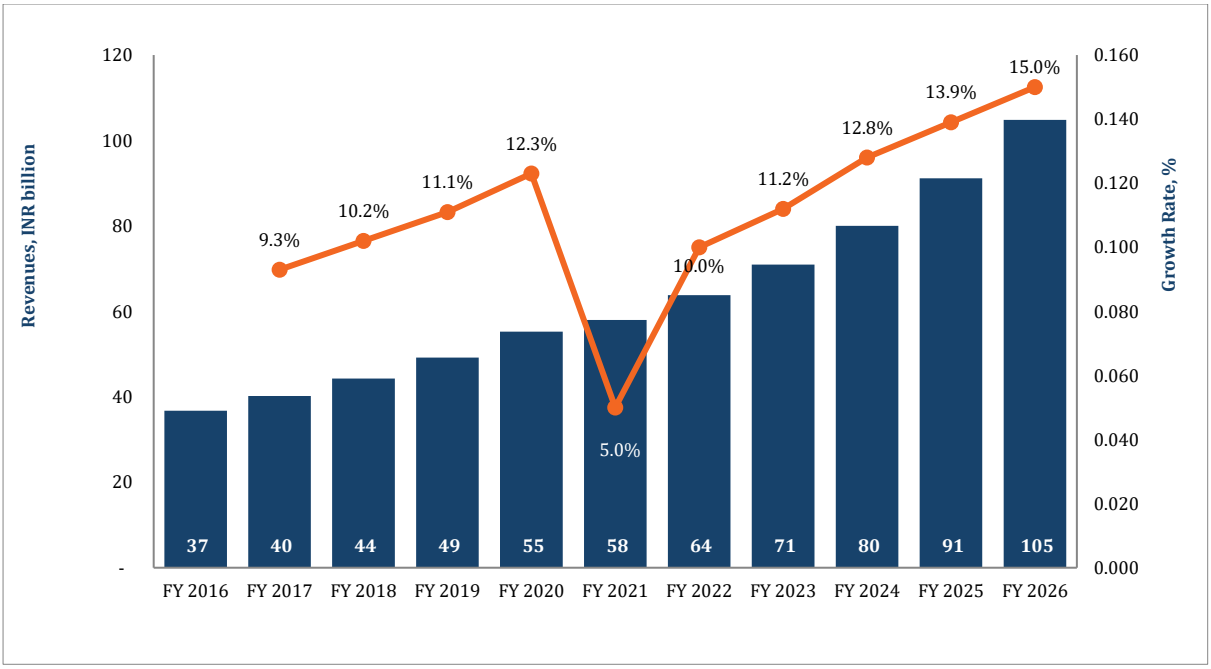
This segment includes white collared jobs such as sales and marketing, healthcare, design and engineering etc. across end user industries such as Banking, Healthcare, Hospitality, Manufacturing etc. The average salary in this segment is INR 25,000 – 50,000 per month. Depending on the skill set and job functions this may be as high as INR 1 lakh and above on a case-to-case basis.

Healthcare is one of the key segments which is expected to create demand for Professional Staffing Solutions in India. The COVID-19 pandemic has highlighted the lack of skilled healthcare professionals, particularly doctors, nurses and allied health professionals across the healthcare value chain. As per the CEO of Apollo Medskills there is a shortage of 10 lakh doctors, 20 lakh nurses, and 40 lakh allied workers and support staff across India[22]. With the surge in pandemic there is an increasing demand for sample collection and at-home medical services, which are creating demand for Staffing Services. India's largest vaccination drive is also creating demand for healthcare professionals. It is estimated that every vaccine center requires about 11 staff and the key skills in demand are for inoculators, vaccination officers, crowd management and post vaccine observers. As per the Government of India's estimation, there is a demand for about 200,000 new inoculators and 300,000 – 400,000 additional healthcare support workers for the planned vaccination program. Staffing Services market stands to benefit from this demand both in the short-term and long-term.

Market Size and Overview

The Professional Staffing Solutions Segment market is valued at INR 58 billion in FY 2021. The segment registered a CAGR of 10.7% from FY 2016 – FY 2020. During the pandemic in FY2021, the segment grew by 5.0%. From FY 2021 – FY2026 the Professional Staffing Solutions segment market is forecast to grow at a CAGR of 12.6% to reach INR 105 billion.

Professional Staffing Solutions Segment Market: Historic & Forecast Revenue Trend, India, FY2016 – FY2026



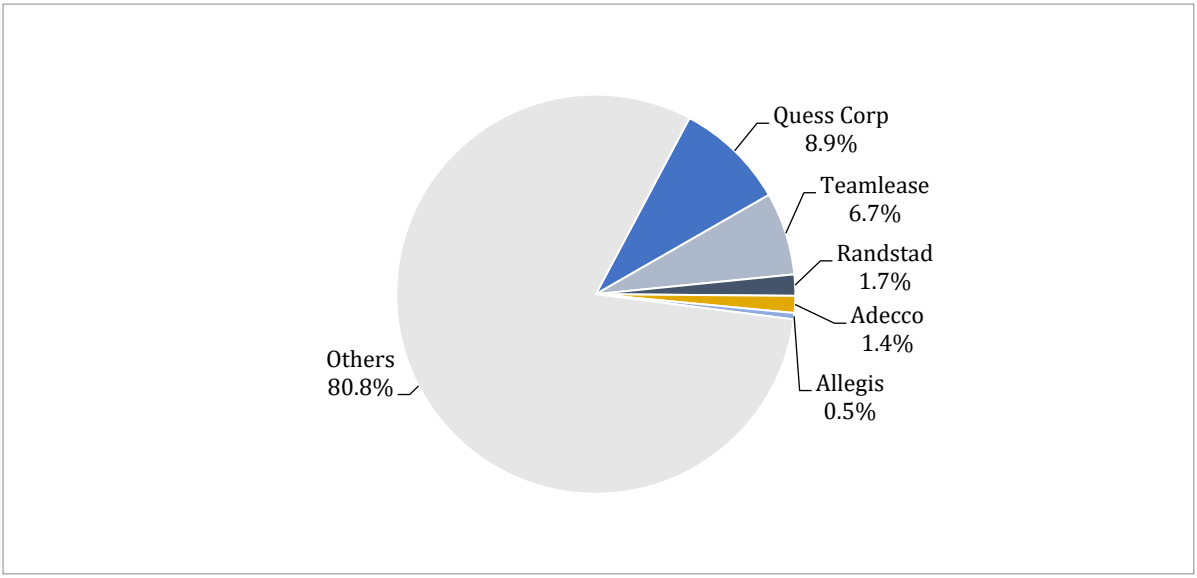
Source: Frost & Sullivan Analysis

[22] https://www.nationalskillsnetwork.in/covid-19-impact-strengthening-indias-healthcare-workforce-through-effective-skilling/

Market Share Analysis

Total number of staffing companies operating in this segment is less when compared with IT and General Staffing Solution market. This is attributable to the high-skilled nature of the job requirement and the emphasis on quality laid by end user organizations.

Professional Staffing Solutions Segment Market: Market Share Analysis, India, FY2021



Source: Frost & Sullivan Analysis

Permanent Staffing Solutions Segment Analysis

Permanent Staffing Solutions comprises of two main segments, 'Search' and 'Recruitment'. Search is a niche category focusing on hiring CXOs and Board level positions in an organization. Recruitment is mainly attributed to mid- and junior/entry-level hiring.

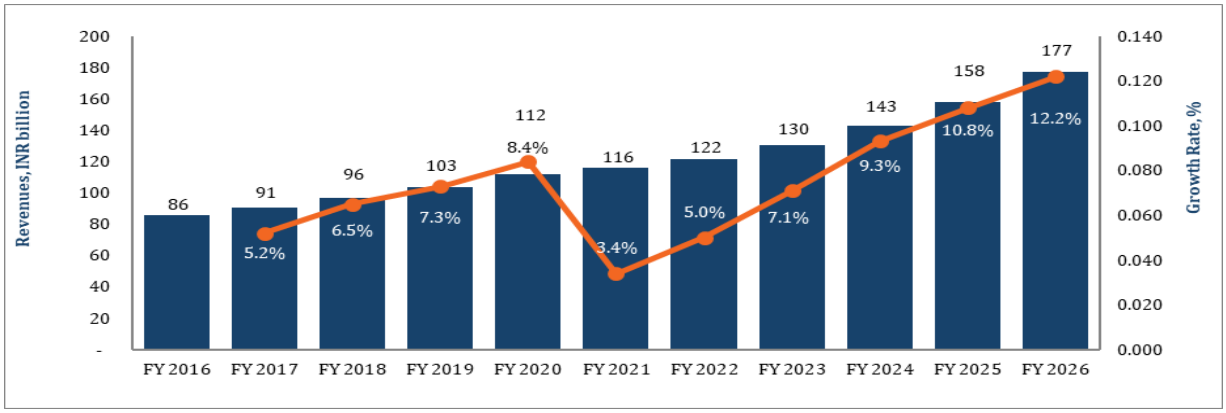
Market Size and Overview

As organizations start looking for skilled executives with domain and management skills, along with the evolution of new roles such as the CSOs, the search for talent is expected to get tougher. We expect greater reliance by industry on recruitment and staffing agencies to fulfil their talent requirements.

Organizations are trying to increase women manpower in their top management teams in India. This is driven by the need to tap into an existing talent pool and educated and qualified manpower. Search for female C-level executives has been on the rise. However, the success rate in finding the right candidate has not kept pace with the demand.

Permanent Staffing Solutions segment is estimated at INR 116 billion in FY 2021 and has recorded a CAGR of 6.8% from FY 2016 – FY 2020. In the COVID-19 year (FY2021) the segment grew by 3.4% and the same is forecasted to grow by a CAGR of 8.8% from FY2021 – FY2026 to reach INR 177 billion.

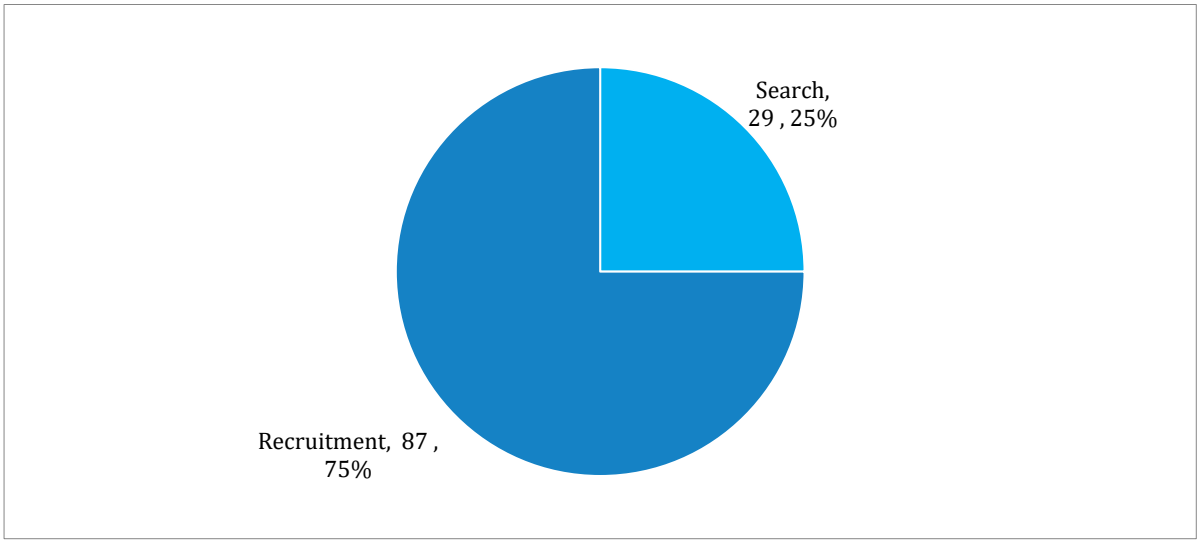
Permanent Staffing Solutions Segment Market: Historic & Forecast Revenue Trend, India, FY2016 – FY2026



Source: Frost & Sullivan Analysis

Recruitment forms a substantial part of the Permanent Staffing segment catering to the junior and mid-level positions, at 75% of the total market for Permanent Staffing Solutions and the remaining 25% is contributed by the Search sub-segment.

Permanent Staffing Solutions Segment Market: Breakdown by Sub-segments, India, FY2021 (INR Million)



Source: Frost & Sullivan Analysis

Recruitment Process Outsourcing (RPO) as an offering

Globally, companies have recognized and incorporated RPO as an integral part of their HR function and have derived significant cost synergies even while achieving significant widening of the HR management span. RPO is however still at a nascent stage in India with organizations evaluating the pros and cons of incorporating RPOs as part of their HR strategy. RPO services are mainly needed for junior- and mid-level employees due to the high volume of recruitments that happen at this level. There are three types of RPO services being offered in the market – End-to-End, Project, and Process based RPO.

- *End-to-End RPO*: In this process, the entire recruitment process is outsourced. It includes activities such as writing job descriptions, sourcing, running internal referral programs, screening, short-listing, background checks, on-boarding etc. This includes offering similar service to multiple office locations of a single company.

- *Project based RPO*: In this type of service, the entire process of recruitment is outsourced but is limited to a single office set-up. For example, if an organization is setting up a new project office in a particular city then the organization would outsource the entire manpower requirement to an RPO service provider.

- *Process based RPO*: In this type of service, a part or few parts of the entire process in outsourced. For example, an organization might outsource just the sourcing and screening activities of a recruitment process.

Competition Overview

Permanent Staffing Solutions Segment Market is highly fragmented with large MNCs such as Kelly Services, Michael Page and Randstad and large Indian companies such as ABC Consultants dominating the market. There are also numerous small regional and local recruitment companies operating in the market. Top executive search firms include Egon Zehnder International Inc., Russell Reynolds Associates Inc., and Spencer Stuart, Michael Page International Plc. etc.

Key Financial Information of Major Companies

Revenue from Operations Trend (INR Million)

Company	FY2019	FY2020	FY2021
Quess Corp	85,270	109,915	108,369
TeamLease	44,476	52,007	48,815
Adecco	21,228	21,320	NA
Randstad	21,092	20,506	NA
Genius Consultants	10,491	11,720	NA
ManpowerGroup	17,038	18,447	NA
FirstMeridian*	13,984	20,584	21,102

NA – Not Available
Source: Annual Reports and Investor Presentations
Quess Corp, TeamLease and FirstMeridian values represent consolidated financials
** From the Company*

EBITDA Margin Trend

Company	FY2019	FY2020	FY2021
Quess Corp	5.5%	6.0%	4.2%
TeamLease	2.1%	1.8%	2.0%
Adecco	2.2%	-0.04%	NA
Randstad	-0.7%	1.2%	NA
Genius Consultants	1.1%	2.2%	NA
ManpowerGroup	0.9%	1.0%	NA
FirstMeridian*	0.6%	2.1%	1.9%

NA – Not Available
Source: Annual Reports and Investor Presentations
Quess Corp, TeamLease and FirstMeridian values represent consolidated financials
** From the Company*

PAT Margin Trend

Company	FY2019	FY2020	FY2021
Quess Corp	3.0%	-3.9%	0.7%
TeamLease	2.2%	0.7%	1.6%
Adecco	1.3%	-0.6%	NA
Randstad	-0.1%	0.4%	NA
Genius Consultants	1.2%	1.8%	NA
ManpowerGroup	1.1%	-0.2%	NA
FirstMeridian*	-2.8%	-1.0%	-1.6%

NA – Not Available
Source: Annual Reports and Investor Presentations
Quess Corp, TeamLease and FirstMeridian values represent consolidated financials
** From the Company*

Working Capital Days Trend

Company	FY2019	FY2020	FY2021
Quess Corp	27.9	20.2	31.9
TeamLease	6.1	-0.5	21.4
Adecco	31.9	18.8	NA
Randstad	10.4	4.4	NA
Genius Consultants	11.5	10.1	NA
ManpowerGroup	-7.8	-19.3	NA
FirstMeridian*	17.0	6.9	18.3

NA – Not Available
Source: Annual Reports and Investor Presentations
Quess Corp, TeamLease and FirstMeridian values represent consolidated financials
** From the Company*

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 21 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors" on page 29 for a discussion of certain risks that may affect our business, financial condition, or results of operations, "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 235 and 325, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the nine months period ended December 31, 2021, the financial years ended March 31, 2021 and 2020 and the period February 20, 2018 to March 31, 2019 included herein is derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 235. The Restated Consolidated Financial Information is based on our audited consolidated financial statements and is restated in accordance with the Companies Act, 2013, and the ICDR Regulations. Our audited consolidated financial statements are prepared in accordance with Indian Accounting Standards ("**Ind AS**"), which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Risks relating to investments in an Indian company – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition" on page 58. Additionally, please see Proforma Condensed Combined Financial Information as at and for the nine months period ended December 31, 2021, and as at and for the year ended March 31, 2021, on page 312, which has been prepared for illustrative purposes to show the effects of the acquisitions of RLabs Enterprise Services Limited and CBSI India Private Limited on our Restated Consolidated Financial Information. Please also see "Definitions and Abbreviations" on page 5 for certain terms used in this section.*

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to FirstMeridian Business Services Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to FirstMeridian Business Services Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Assessment of Staffing Solutions Market in India" dated May 2022 ("**F&S Report**") prepared by Frost & Sullivan ("**F&S**"). We commissioned the F&S Report on November 15, 2021 and paid an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. Further, a copy of the F&S Report shall be available on the website of our Company at https://firstmeridian.com/investors in compliance with applicable laws. Further, the F&S Report is not a recommendation to invest or disinvest in any company covered in the report. The views expressed in the F&S Report are that of F&S. Prospective investors are advised not to unduly rely on the F&S Report. For further details and risks in relation to commissioned reports, see "Risk Factors — Certain sections of this Draft Red Herring Prospectus contain information from F&S Report which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 56.*

OVERVIEW

Within only four years since our inception, we have become India's third largest staffing company, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). We provide a wide range of service offerings, including (1) general staffing and allied services, by offering contract staffing solutions, workforce automation solutions and trade marketing solutions to meet business needs of clients across diverse industries; (2) global technology solutions, offered through short- and long-term technology contract staffing solutions for clients; and (3) other HR services, including permanent recruitment, recruitment process outsourcing ("**RPO**"), pharmaceutical and healthcare staffing, facility management and engineering and technical staffing solutions.

Our revenue from operations increased to ₹21,102.86 million for the year ended March 31, 2021 from ₹20,584.37 million for the year ended March 31, 2020 and ₹13,984.41 million for the period February 20, 2018 to March 31, 2019, representing a CAGR of approximately 22.84%. Our revenue from operations amounted to ₹20,694.07

million for the nine months period ended December 31, 2021. The number of our Associates increased to 118,082 as at March 31, 2022, as compared to 108,832 as at December 31, 2021, 95,228 as at March 31, 2021, 86,690 as at March 31, 2020 and 86,168 as at March 31, 2019.

Our services are offered under a set of distinct brands, as set forth in the table below:

Segment	Service	Brand
General staffing and allied services	Staffing solutions	
	Workforce automation solutions	
	Trade marketing solutions	
Global technology solutions	Contract staffing solutions for niche mid to senior level positions across global captive centers, product-based companies and other technology companies	
	Contract staffing services for niche mid to senior level positions for clients based outside India	
	Contract staffing solutions for entry to mid-level roles across technology companies	
Other HR services	Permanent recruitment	
	Recruitment process outsourcing	
	Pharmaceutical and healthcare staffing	
	Facility management	
	Engineering and technical staffing solutions	

We have a pan-India presence with over 50 branch offices for sourcing and recruitment in 75 cities with 118,082 Associates deployed at over 3,500 locations as at March 31, 2022. The human resource services industry in India is a highly fragmented market, with the five largest staffing companies occupying a market share of 12%, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). Given that the staffing industry benefits from economies of scale, as one of the three largest human resource services platforms with a wide branch network, we have an advantage over regional and smaller players in the human resource services industry.

We have developed sector-specific capabilities that have enabled us to serve a diverse client base in a wide range of industries, including telecommunications, retail, banking, financial services and insurance ("**BFSI**"), construction and infrastructure, information technology ("**IT**") and information technology enabled services ("**ITES**"), e-commerce, manufacturing and engineering, and logistics. Certain of our key clients are set out in the following table:

Name of clients	Logo	Sector
Adani Ports and Special Economic Zone Limited		Construction and infrastructure
Dell International Services India Private Limited		Retail

Name of clients	Logo	Sector
PhonePe Private Limited		BFSI
Usha International		Retail
Exide Industries Limited		Manufacturing and engineering
Eureka Forbes Limited		Retail

The following table sets forth a breakdown of our revenue from operations for the periods indicated by client industry:

	For the nine months period ended December 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2020		For the period February 20, 2018 to March 31, 2019	
	(₹ in million)	*(%)*	*(₹ in million)*	*(%)*	*(₹ in million)*	*(%)*	*(₹ in million)*	*(%)*
Telecommunications	4,927.73	23.81	2,986.21	14.15	2,190.67	10.64	1,515.46	10.84
Retail	4,697.56	22.70	5,611.93	26.59	5,031.60	24.44	3,358.10	24.01
BFSI	2,903.50	14.03	3,837.85	18.19	4,386.17	21.31	2,744.71	19.63
Construction and infrastructure	2,024.26	9.78	2,416.49	11.45	2,116.69	10.28	1,279.23	9.15
IT/ITES	1,300.60	6.28	1,028.12	4.87	950.31	4.62	427.72	3.06
E-commerce	1,242.58	6.00	1,624.53	7.70	998.00	4.85	610.02	4.36
Manufacturing and engineering	1,213.31	5.86	1,134.95	5.38	653.25	3.17	523.70	3.74
Logistics	899.31	4.35	1,051.59	4.98	1,843.34	8.96	1,818.83	13.01
Other industries	1,485.21	7.18	1,411.19	6.69	2,414.34	11.73	1,706.64	12.20
Revenue from operations	**20,694.07**	**100.00**	**21,102.86**	**100.00**	**20,584.37**	**100.00**	**13,984.41**	**100.00**

As at March 31, 2022, we had a total of 1,212 clients, consisting of 923 clients from our general staffing and allied services business, 100 clients from our global technology solutions business and 189 clients from our other HR services business. We provide our clients with Associates to operate in various functional roles, such as sales and marketing, customer services, warehouse management, delivery and factory staff. Our recruiting team consisted of 446 recruiting members as at March 31, 2022 and 414 recruiting members as at December 31, 2021, which increased from 241, 203 and 190 as at March 31, 2021, March 31, 2020 and March 31, 2019, respectively. Our recruiting team adopts a multi-tiered sourcing strategy which involves centralized sourcing from our head office, local sourcing from branch offices and alternative sourcing through other channels such as job portals, freelance recruiters supported by our mobile application and other sourcing agencies. See "*— Our Technology Applications — Other Tools — Integrated Sourcing Services*" on page 186 for details. We also work with independent contractors whenever required to ensure additional workforce during peak hiring seasons.

Since our inception, we have kept technology at the forefront of all our offerings covering all our stakeholders, including employees, clients, Associates and candidates. We had a technology team consisting of 50 members as at March 31, 2022 and 44 members as at December 31, 2021, which leads the development and maintenance of existing and new technology products used in our business. Our technology applications, including DigiHire, our recruitment platform and DigiHR, our internal human resources management software platform ensure that we have standardized back-end processes and systems and a structured tracking of each of our businesses. Technology has played a key role in streamlining our internal processes and policies across our companies and establishing a unified system of working across our companies. To our clients, we offer technology solutions, including DigiTrac and Infield, to enable better workforce management as well as to build analytics. Through DigiOne, we provide client centric dashboards that assist our clients to track their recruitment status, offers and onboarding on a live

basis with better visibility. To our Associates, we offer technology solutions to achieve the following:

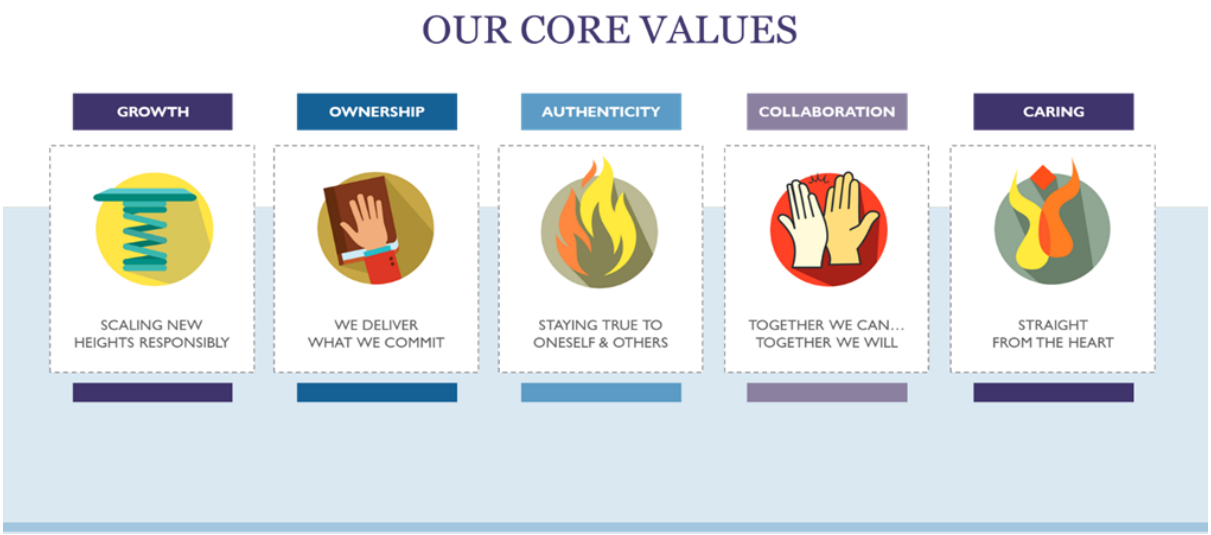
- *Paperless onboarding*. DigiTrac, supported through our DigiOne in the back-end, enables onboarding remotely, with a less than 24-hour turnaround time for onboarding of Associates;

- *Employee helpdesk*. DigiTrac is a one-stop self-service solution for all Associates to access their attendance records and payslips, as well as our policies and training documents.

See "– *Our Technology Applications*" on page 184 for further details.

We are managed by a professional and experienced management team with deep and extensive market and industry expertise.

OUR CORE VALUES



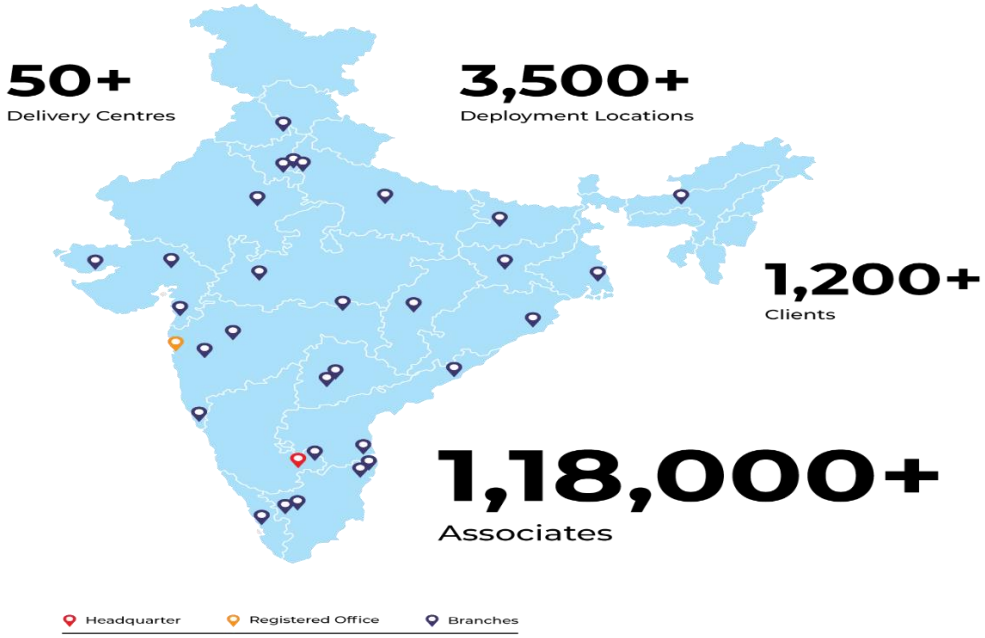
COMPETITIVE STRENGTHS

India's third largest staffing company in an industry characterized by economies of scale

We are India's third largest staffing company, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). We have a pan-India presence with over 50 branch offices for sourcing and recruitment in 75 cities, and Associates deployed at over 3,500 locations as at March 31, 2022. We deployed 118,082 Associates as at March 31, 2022, as compared to 108,832 as at December 31, 2021, 95,228 as at March 31, 2021, 86,690 as at March 31, 2020 and 86,168 as at March 31, 2019. For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, our revenue from operations was ₹20,694.07 million, ₹21,102.86 million, ₹20,584.37 million and ₹13,984.41 million, respectively. Given that the staffing industry benefits from economies of scale, as one of the three largest pan-India companies with a wide branch network, we have an advantage over regional and smaller players in the human resource services industry in terms of strong recruitment capabilities and use of automation and technology. Our recruiting team consisted of 446 recruiting members as at March 31, 2022 and 414 recruiting members as at December 31, 2021 located in over 50 branch offices in India. We hired 117,988 Associates in the year ended March 31, 2021. We achieved a milestone of payrolling over 100,000 Associates in September 2021, and reached an Associate headcount of 118,082 as at March 31, 2022. For our general staffing and allied services business, our Associate to core ratio, as calculated by the number of Associates divided by the number of core employees (which equals the number of employees minus the number of Associates), was 153:1, 144:1, 124:1, 115:1 and 106:1, respectively, as at March 31, 2022, December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019.

Our large geographical presence enables us to offer services to clients who have operations at multiple locations across India. The following map illustrates our presence across India through the location of our branch offices

and deployment locations of our Associates, respectively, as at March 31, 2022:



We believe that our market position puts us in an advantageous position to capitalize on favorable macroeconomic landscape and grow our business. In addition, our scale of operations has enabled us to leverage centralized operations to provide comprehensive solutions to our clients with a short turn-around time.

Diversified business across multiple end user industries and clients

Our core business is providing general staffing and allied services across diverse industries. Our general staffing and allied services business is our largest business segment in terms of revenue from operations. Owing to our scale of operations, we have developed deep expertise around the human resource functions across different industries for our general staffing and allied services and are well equipped to cater to our clients' needs.

Across our entire service offerings, we have a diverse client base from a variety of industries, with telecommunications, retail, BFSI and construction and infrastructure industries contributing ₹4,927.73 million, ₹4,697.56 million, ₹2,903.50 million and ₹2,024.26 million, respectively, to our revenue from operations for the nine months period ended December 31, 2021, representing approximately 23.81%, 22.70%, 14.03%, and 9.78%, respectively, of our total revenue from operations for the nine months period ended December 31, 2021. See "*Our Business – Overview*" on page 172 for details of the breakdown of our revenue from operations for the periods indicated by client industry for the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019. For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, we derived revenue from operations of ₹9,365.68 million, ₹9,631.33 million, ₹9,405.54 million and ₹6,336.71 million, respectively, from our top ten clients, representing approximately 45.67%, 46.10%, 45.90% and 45.53%, respectively, of our total revenue from operations. A few of our marquee clients include Adani Ports and Special Economic Zone Limited, Dell International Services India Private Limited, PhonePe Private Limited, Usha International, Exide Industries Limited and Eureka Forbes Limited. We have relationships with these clients for an average of five years.

Demonstrated track record of organic and inorganic growth and integration

We have an established track record of organic and inorganic growth through strategic acquisitions to enhance the scale of our business operations and diversify our revenue streams. These acquisitions have been instrumental in our rapid growth over the past four years since our inception to become the third largest staffing company in India, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). The table below sets out a timeline

of certain of our past acquisitions:

Period	Company/Business acquired	Business segment
June 2018	Innovsource Services Private Limited. It is a company in the business of providing contractual and/or temporary staffing.	General staffing and allied services
June 2018	Innovsource Facilities Private Limited. It is a company in the business of providing facilities management services.	Other HR services (facility management services)
July 2018	V5 Global Services Private Limited. It is a company in the business of providing outsourced manpower for staffing in companies across India.	General staffing and allied services
September 2018 (1)	Affluent Global Services Private Limited. It is a company in the business of manpower outsourcing and providing staffing services in India for information and technology companies.	Global technology solutions
July 2020	The business of talent acquisition in the pharmaceutical and healthcare verticals under the name "Cornucopia V5".	Other HR services (pharmaceutical and healthcare staffing services)
September 2020	CBSI India Private Limited. It is a company in the business of providing staff augmentation and/or permanent recruitment services to information and technology clients.	Global technology solutions
February 2022(2)	RLabs Enterprise Services Limited. It is a company in the business of IT staffing and consultancy, providing staff augmentation, IT consultation and managed services solutions to clients.	Global technology solutions

Notes:

(1) We acquired 73.01% of the issued and paid-up capital of Affluent Global Services Private Limited in September 2018, and the remaining issued and paid-up capital of Affluent Global Services Private Limited in August 2020, December 2021 and February 2022.

(2) We acquired 75% of the issued and paid-up capital of RLabs Enterprise Services Limited in February 2022, and the remaining issued and paid-up capital of RLabs Enterprise Services Limited on or prior to June 30, 2022.

We have successfully integrated these businesses, thereby increasing our revenue, profitability and operating efficiencies, resulting in increased operating margins for our business. They have also strengthened our value proposition to our clients. For example, the businesses which we acquired have diversified our service offerings, which enable us to cross-sell additional services to our existing clients. As a group, we strive to ensure that all our Subsidiaries have a common vision, mission, value and unified human resource and people-related policies.

Our acquisitions include the acquisitions of Innovsource Services Private Limited, V5 Global Services Private Limited and Affluent Global Services Private Limited, which had a revenue CAGR of 16.96%, 36.88% and 59.31%, respectively, for the period February 20, 2018 to March 31, 2019 to the year ended March 31, 2021. Other acquisitions include CBSI India Private Limited and Cornucopia V5. The headcount of CBSI India Private Limited increased from 322 at the time of our acquisition in September 2020 to 750 as at December 31, 2021. We started offering pharmaceutical and healthcare staffing services under the name "Cornucopia V5" since we acquired from H.R. Cornucopia Private Limited as a going concern and on a slump sale basis, its business of talent acquisition in July 2020.

In February 2022, we acquired RLabs Enterprise Services Limited, a contract staffing solutions provider with 1,182 professionals as at December 31, 2021, having various skill sets, including systems, applications and products technologies, artificial intelligence and robotics, mobility, cloud computing and enterprise storage. It has a client base of over 30 companies across India. The technology solutions we offer under our acquired Subsidiaries, including CBSI India Private Limited, Affluent Global Services Private Limited, and RLabs Enterprise Services Limited, are expected to complement each other to realize scale effects. In March 2022, our

Subsidiary, V5 Global Services Private Limited, entered into an agreement to acquire the assets including, *inter alia,* the accounts receivable, and certain contracts of Dataformix Technologies Private Limited, a company in the business of providing staff augmentation and payrolling services, with an aim to further enhance our technology solution offerings. Under this agreement to acquire certain assets of Dataformix Technologies Private Limited, the closing date for the transaction will depend on, among other things, the satisfaction of certain conditions precedent. The consummation of the acquisition is subject to the satisfaction of the conditions precedents as specified in the agreement.

We have thus included in this Draft Red Herring Prospectus the Proforma Condensed Combined Financial Information as at and for the nine months period ended December 31, 2021 and as at and for the year ended March 31, 2021 to illustrate the impact of the acquisitions of RLabs Enterprise Services Limited and CBSI India Private Limited as if the acquisitions had taken place on April 1, 2020. Below are selected items from the Proforma Condensed Combined Financial Information as at and for the nine months period ended on December 31, 2021 and the year ended March 31, 2021:

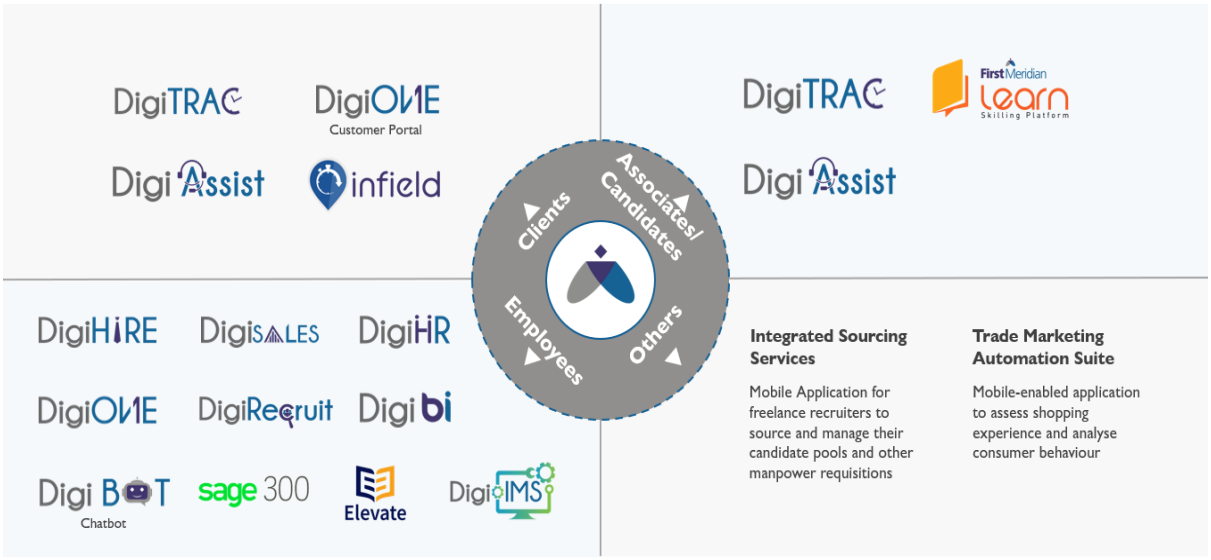
Particulars	**As at / for the nine months period ended December 31, 2021**	**As at / for the year ended March 31, 2021**
	(₹ in million)	
Revenue from operations	21,590.03	22,391.08
Profit/(Loss) for the period/year	288.88	(284.65)
Equity share capital	722.19	722.19
Total Equity	2,833.83	2,470.40

See "*Risk Factors — Our Restated Consolidated Financial Information includes impact of acquisitions made by our Company over different financial reporting periods. However, the effects of our recent acquisitions are not fully reflected in our Restated Consolidated Financial Information, and our Restated Consolidated Financial Information may not accurately represent our future financial performance. Further, the Proforma Condensed Combined Financial Information may not be indicative of our future performance*" on page 44.

For further details relating to our acquisitions, please see "*History and Certain Corporate Matters – Details regarding Material Acquisitions or Divestments of Business or Undertakings, Mergers, Amalgamations or any Revaluation of Assets, in the last 10 years*" on page 199.

Technological capabilities and streamlined operations to ensure operational efficiency and stakeholder satisfaction

We have implemented processes and systems that have allowed us to enhance operational performance, particularly our ability to identify the right human resources to suit our clients' needs. We have built a robust eco-system of technological capabilities and an integrated in-house technological platform, supplemented by third party software through partnerships. See "*— Our Technology Applications*" on page 184 for details. Our services are integrated on an inter-connected and scalable technological platform which spans across sourcing, recruitment, performance management, payroll and invoicing services. It improves our operational efficiencies and provides us with a strong base to add new capabilities which can be further leveraged through our strategic acquisitions. Further, it caters to different stakeholders, including our employees, clients, Associates and candidates. The following diagram illustrates our technology suite:



In line with our long-term strategic priorities of bringing a higher degree of process efficiency and effectiveness as well as a greater degree of stakeholder satisfaction, we share technology, finance and accounting, and human resource services across all the companies within the Group. For technology, the shared services cover development, testing, support and infrastructure. For finance and accounting, the shared services include compliance, payroll, invoicing, vendor and employee payments, treasury operations taxation, secretarial and procurement management. For human resources, the shared services include human resource center of excellence, human resource shared services, business human resource, as well as administration, innovation and growth center. Collectively, this enables us to build a scalable shared services unit within the Group in order to leverage efficiencies across our different divisions and streamline our operations.

Strong and proven track record of sustained growth

We are a fast growing company with an asset-light business model. Within only four years since our inception, we have become India's third largest staffing company, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). Our CAGR in terms of revenue from operations was 22.84% from the period February 20, 2018 to March 31, 2019 to the year ended March 31, 2021. We deployed 118,082 Associates as at March 31, 2022, as compared to 108,832 as at December 31, 2021, 95,228 as at March 31, 2021, 86,690 as at March 31, 2020 and 86,168 as at March 31, 2019.

Highly qualified, experienced and entrepreneurial management team

We have an experienced senior management team with significant experience in the staffing and business services industry. Our Whole Time Director and Group Chief Executive Officer, Sudhakar Balakrishnan, has expertise in sales, marketing, human resource, strategy and profit and loss management, and was the former country director of Adecco India Private Limited. Satish Srinivasan, our Group Chief Financial Officer, has more than 25 years of experience in accounts, finance and risk management, and was the former Executive Vice President and Chief Financial Officer at CMS IT Services Private Limited and Vice President (Business Finance) at Wipro Limited. Amitabh Sagar, our Group Chief Human Resource Officer, has more than 15 years of experience in human resource management, and was the former Chief Human Resource Officer at Poly Medicure Limited. Anurag Gupta, our President (IT Staffing), has more than 23 years of experience in P&L, operations leadership and management, and was the former Chief Executive Officer – CenterQ of Quess Corp Limited and Vice President at Capgemini India Private Limited and Capgemini Australia Pty. Limited. Manmeet Singh, our Deputy Chief Executive Officer of V5 Global Services Limited, has more than 14 years of experience in business management and operations across industries, and was the former President at Manpower Services India Private Limited. C. Anand Sundar Raj, our Chief Executive Officer (General Staffing and Allied Services), has more than 25 years of experience in P&L sales and business development, and was the former Chief Executive Officer at Quess Corp Limited. Vamshidhar Guthikonda, our President - Mergers and Acquisitions, Strategy and Investor Relations, has 20 years of experience in investment banking and M&A transactions, and was the President (M&A and Investor Relations) at SIS Group Enterprises and also the former co-founder and director of iAngel Services Private

Limited (Seed X). Monali Joshi, our Company Secretary and Compliance Officer, has more than seven years of experience in secretarial work, and is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. For details, see "*Our Management — Key Managerial Personnel*" on page 226.

BUSINESS STRATEGIES

Develop new areas of growth by diversifying our service offerings into other aspects of the human resource services value chain

We intend to diversify our service offerings by providing more solutions across the entire human resource services value chain, including:

- with respect to the general staffing and allied services business, which is an economy-driven volume-oriented business, we are strengthening our local sourcing arm at our branch offices and exploring localized demand centers, such as logistics hubs and special economic zones, outside major metros;

- we are increasingly focusing on margin accretive businesses, such as global technology solutions, permanent recruitment, RPO, pharmaceutical and healthcare staffing and human resource technological solutions;

- we are seeking to move up the value chain by offering fully managed staffing services, where our services extend beyond human resources services to a more complete business process. We started with providing trade marketing solutions and Infield, which automates retail sales and marketing workflow, in addition to staffing solutions. We intend to further explore other areas where we can extend our services similarly.

We are also creating new organic business units engaged in engineering and technical staffing, finance, accounting and legal staffing sectors across our entire group of companies with existing cashflows. See "*— Our Strengths – Demonstrated track record of organic and inorganic growth and integration*" for details.

Invest in technology to stay ahead of competition

Technology is at the forefront of our business, and is the key enabler of our core general staffing and allied services business across diverse industries, as well as for our other businesses. As at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our investment in software rights amounted to ₹56.25 million, ₹45.71 million, ₹28.63 million and ₹20.27 million, respectively. We will continue to invest in technology for two key purposes:

(i) to improve productivity in the execution of our current functions and verticals. As a large staffing services business, we have a huge database of candidates to meet the requirements of our clients. The advent of new technologies such as artificial intelligence, machine learning and other analytical tools when applied to the large pool of data that we have can help to differentiate ourselves from our competitors and enable us to serve our clients better. We will continue to invest in the latest technologies and build our analytical engines in order to improve our operational efficiencies;

(ii) to enable us to better serve our clients by providing them with the required technological tools and products. We have a dedicated team that develops such tools and products. Such tools and products will help us to strengthen our relationship with our clients, as we are able to better value-add to their overall systems and processes. We will also continue to build additional tools for our workforce management solutions that we can cross-sell to our clients which will aid them in various aspects of their business such as performance, productivity tracking and market intelligence.

Drive operating margin improvements

We intend to drive operating margin improvements by:

- focusing on investments in businesses which generate high margins. For example, global technology solutions business generates higher margin and is expected to grow at a steeper pace at a CAGR of 20.2% from the year ended March 31, 2021 to the year ending March 31, 2026, as compared to general staffing

and allied services business, which is expected to grow at a CAGR of 17.1% over the same period (*Source: F&S Report*). Four out of our eight acquisitions since July 2018 were in the global technology solutions business;

- increasing the scale of our business. We expect our margins to improve as our scale increases, as selling, general and administrative expenses are relatively fixed in nature and will not increase substantially as our scale increases; and

- increasing productivity through use of technology. Increasing usage of technology in various areas along the value chain from recruitment (DigiOne) to sales (DigiSales) is expected to improve productivity and shorten turnaround time in hiring, training and business development efforts. We intend to continue to invest in technology so as to stay ahead of our competition and achieve our goals efficiently. See "*Our Business – Business Strategies – Invest in technology to stay ahead of our competition*" on page 180 for details.

Pursue strategic acquisitions to develop scale and capabilities

In the past, we entered new sectors through various acquisitions, which have been instrumental in our rapid growth. See " — *Competitive Strengths — Demonstrated track record of organic and inorganic growth and integration*" on page 176 for details. We intend to further pursue strategic acquisitions that will enable us to leverage our existing assets and offer our clients more comprehensive and attractive services. We adopt a disciplined approach towards acquisitions, with each potential acquisition transaction going through multiple levels of evaluation from the transaction teams to our Board. Every acquisition has to fit a strategic need and be financially prudent. Our acquisition strategy is aimed at deepening and broadening our expertise and offerings across our business lines and expanding the geographical coverage of our offerings. Through acquisitions, we intend to enhance our presence in certain existing segments, such as general staffing and allied services and global technology solutions, as well as expand into new segments, such as engineering staffing, finance and accounting outsourcing, human resource outsourcing and legal staffing, with a focus on the segments which may yield high margin. We also intend to expand our human resource technology solutions through acquisitions in the technology space.

DESCRIPTION OF OUR BUSINESS

Our Operations

Our operations include three broad business segments: (1) general staffing and allied services, (2) global technology solutions and (3) other HR services, including permanent recruitment, RPO, pharmaceutical and healthcare staffing, facility management and engineering and technical staffing solutions.

The following table sets forth a breakdown of our revenue from operations for the periods indicated by segment:

	For the nine months period ended December 31, 2021		**For the year ended March 31, 2021**		**For the year ended March 31, 2020**		**For the period February 20, 2018 to March 31, 2019**	
	(₹ in million)	***(%)***	***(₹ in million)***	***(%)***	***(₹ in million)***	***(%)***	***(₹ in million)***	***(%)***
General staffing and allied services	18,833.72	91.01	19,691.84	93.31	19,381.48	94.16	13,213.62	94.49
Global technology solutions	1,544.64	7.46	1,041.60	4.94	803.11	3.90	405.25	2.90
Other HR services	309.29	1.49	360.42	1.71	399.78	1.94	365.54	2.61
Unallocated*	6.42	0.03	8.99	0.04	-	-	-	-
Revenue from operations	20,694.07	100.00	21,102.86	100.00	20,584.37	100.00	13,984.41	100.00

**Refers to revenue generated from IT development services.*

The following table sets forth a breakdown of our EBITDA and EBITDA Margin for the periods indicated by

segment:

	For the nine months period ended December 31, 2021		For the year ended March 31,2021		For the year ended March 31, 2020		For the period February 20, 2018 to March 31, 2019	
	EBITDA (₹ in million)	***EBITDA Margin (%)***	***EBITDA (₹ in million)***	***EBITDA Margin (%)***	***EBITDA (₹ in million)***	***EBITDA Margin (%)***	***EBITDA (₹ in million)***	***EBITDA Margin (%)***
General staffing and allied services	304.22	1.62	278.66	1.42	334.84	1.73	200.43	1.52
Global technology solutions	254.41	16.47	189.99	18.24	127.06	15.82	30.22	7.46
Other HR services	12.64	4.09	(7.34)	(2.04)	(0.64)	(0.16)	9.63	2.63

We are a digital first organization that constantly endeavors to improve our technology tools and technology solutions. We have implemented processes and systems that have allowed us to enhance operational performance, particularly our ability to identify the right human resources to provide to our clients to suit their needs. We have built an eco-system of technological capabilities and an integrated technological platform in-house, supplemented by third party software. This integrated technological platform improves our operational efficiencies and provides us with a strong base to add new capabilities which can be further leveraged through our strategic acquisitions. Further, it caters to different stakeholders, including our employees, clients, Associates and candidates.

General Staffing and Allied Services Business

General staffing and allied services business is our core business, through which we provide contract staffing solutions to meet business needs of our clients across diverse industries, including telecommunications, retail, BFSI, construction and infrastructure, IT and ITES, manufacturing and engineering, e-commerce and logistics, to serve functions such as sales and marketing, customer services, warehouse management, delivery and factory staff. It requires us to identify Associates that fit the skill requirements of our clients and place them with our clients while such Associates remain on our rolls. We earn a monthly fee on their salaries. Under certain contracts with our clients, we earn a one-time fee for each Associate we place in addition to such a monthly fee. The solutions we provide under the general staffing and allied services business include:

- *Staffing solutions,* including manpower solutions, payroll management and apprentice hiring under the National Apprentice Promotion Scheme launched by the Government of India. Our staffing solutions are provided under our "INNOV" and "V5 Global" brands.

- *Workforce automation solutions,* which are human resource related technology applications we provide to serve our clients. Our workforce automation solutions include:

    - *DigiTrac.* DigiTrac is a one-stop, mobile-enabled employee self-service platform that streamlines and automates the human resource workflow from candidate onboarding and documentation to leaves, attendance, fuel mileage tracking, claims and reimbursements. DigiTrac is our solution to save costs, time and effort spent on routine human resource related tasks, optimizing the human resource workflow. It is a value-added service that we provide to our clients and is not a standalone technology solution.

    - *Infield.* Infield is a suite of sales force automation and trade marketing applications which automates retail sales and marketing workflow. It streamlines retail marketing strategy, improves overall operational efficiency, enhances client experiences and provides business leaders with a bird's-eye view of their end-to-end operations across locations. Infield provides a track of activities by employees hired for our clients, including attendance through geo-tagging and geo-fending, lead management, sales tracking, retail marketing, stocking and reporting. It is a value-added service that we provide to our clients and can also be provided as a standalone technology solution.

- *Trade marketing solutions.* As part of our value-added services under the general staffing and allied services business, in addition to marketing related staffing solutions, we provide a range of technology-enabled trade marketing solutions, including visual merchandising, brand activation campaigns, loyalty

management programs and retail audit. See "— *Our Technology Applications — Other Tools — Trade Marketing Automation Suite*" on page 186 for details. We provide trade marketing solutions under our "Brand Pulse" brand.

As at March 31, 2022, we had 923 clients for our general staffing and allied services, including a number of multi-national corporations, as compared to 887 as at December 31, 2021, 884 as at March 31, 2021, 726 as at March 31, 2020 and 639 as at March 31, 2019. Our general staffing and allied services allow our clients to leverage outsourced workforce so as to effectively respond to fluctuations of workforce demands, maintain the quality of workforce and manage labor costs. We deployed 114,162 Associates as at March 31, 2022, as compared to 106,104 as at December 31, 2021, 92,422 as at March 31, 2021, 84,276 as at March 31, 2020 and 83,751 as at March 31, 2019, for our general staffing and allied services. We have the expertise and capability to meet the workforce demands of our clients in different industry segments across different locations in India, and we have been appreciated by our clients with regards to providing "just-in-time" workforce to support their business needs.

For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, our consolidated revenue from our general staffing and allied services business was ₹18,833.72 million, ₹19,691.84 million, ₹19,381.48 million and ₹13,213.62 million, respectively, representing 91.01%, 93.31%, 94.16% and 94.49% of our total revenue from operations, respectively. As at March 31, 2022, December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our Associate to core ratio, as calculated by the number of Associates divided by the number of core employees (which equals the number of employees minus the number of Associates), was 153:1 144:1, 124:1, 115:1 and 106:1, respectively.

Global Technology Solutions Business

We offer IT-related staffing on short- and long-term technology assignments for our clients on a contract-to-hire model, under which we assign our Associates to clients for a fixed contractual period. Our global technology solutions services are provided through (i) Affluent Global Services Private Limited, which offers contract staffing solutions for niche mid to senior level positions across global captive centers, product-based companies and other technology companies globally, (ii) Remote Tech WorkForce, which offers contract staffing services for niche mid to senior level positions based outside India, and (iii) CBSI India Private Limited and more recently after our acquisition of it, RLabs Enterprise Services Limited, which offer contract staffing solutions for entry to mid-level roles across technology companies. As at March 31, 2022, we had 100 clients for our global technology solutions services, including multinational corporations in the BFSI, IT products, consulting, healthcare, retail and telecommunications sectors, as compared to 93 as at December 31, 2021, 61 as at March 31, 2021, 30 as at March 31, 2020, and 14 as at March 31, 2019. Through our global technology solutions business, we provide them with an easy access to an extensive network of talented technology professionals. We had 2,831 Associates for our global technology solutions business as at March 31, 2022, as compared to 1,553 as at December 31, 2021, 838 as at March 31, 2021, 351 as at March 31, 2020 and 288 as at March 31, 2019.

For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, our consolidated revenue from our global technology solutions business was ₹1,544.64 million, ₹1,041.60 million, ₹803.11 million and ₹405.25 million, respectively, representing 7.46%, 4.94%, 3.90% and 2.90% of our total revenue from operations, respectively.

Other HR Services Business

For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, our consolidated revenue from our other HR services was ₹309.29 million, ₹360.42 million, ₹399.78 million and ₹365.54 million, respectively, representing 1.49%, 1.71%, 1.94% and 2.61% of our total revenue from operations, respectively.

Permanent recruitment

Through permanent recruitment services, we identify permanent staff for our clients and charge clients a one-time recruitment fee for each successful recruitment. We mainly serve clients in the IT/ITES and BFSI sectors for our permanent recruitment services. As at March 31, 2022 and December 31, 2021, we had over 129 and 100 clients, respectively, for our permanent recruitment services. By leveraging our trusted brand, industry knowledge and

expertise, we help our clients access the people they need on a timely basis. We have a team of approximately 45 recruitment consultants. Our permanent recruitment business serves our clients well, particularly because most of our clients have temporary as well as permanent staffing requirements and we can cater to both needs. We provide permanent recruitment services under our "FirstMeridian Professional" brand.

*Recruitment Process Outsourcing ("**RPO**")*

We provide enterprise-based, project-based and hybrid RPO solutions to our clients across different industries in order to help them optimize their business operations. Our enterprise-based RPO solutions deploy talent experts to clients. Our project-based RPO solutions deploy talent experts to clients for short-term sourcing needs that are complex and voluminous. Our hybrid RPO solutions cover a range of end-to-end outsourcing of permanent recruitment and contracting processes, ranging from sourcing, selection, onboarding, attendance, payroll and compliance. Our RPO services are provided under our "PhilippeRead" brand.

Pharmaceutical and healthcare staffing

Our pharmaceutical and healthcare staffing services help pharmaceutical and healthcare organizations develop talent strategies and workforce automation solutions. In particular, we seek to fulfil the growing demand for talent in the project management, sales, product development, research and development, legal and regulatory departments of the pharmaceutical and healthcare industry. We provide pharmaceutical and healthcare staffing services under the name "Cornucopia V5".

Facility management

We offer a range of customized and cost-effective solutions to commercial, residential and institutional facilities. Through facility management services, we charge our clients a monthly fee for Associates, machinery and materials deployed for the services. Our facility management services are primarily provided under Innovsource Facilities Private Limited. The facility management services we provide include: (i) soft services, such as housekeeping, mailroom management, landscaping, indoor floral arrangement, pantry management and deep cleaning; (ii) technical services, such as technical operation and maintenance services, minor civil work, water and drainage management, environment, health and safety audit and electrical and security audit; (iii) support services, such as helpdesk, front desk, concierge, reprographics and administrative and purchase management; and (iv) pest control services.

Engineering and technical staffing solutions

We offer a range of business services for engineering and technical staffing services. We assist engineering companies in recruiting candidates for engineering roles across multiple sectors, including oil and gas, power and energy, and mining and metals. We provide engineering and technical staffing solutions under our "Edison Engineering" brand.

Our Technology Applications

We have built an integrated technological platform. We are a digital first organization and intend to have technology as the forefront of the delivery of our services, utilizing advanced technology solutions across all of our offerings. As part of our technology innovation, we had a technology team consisting of 50 members as at March 31, 2022 and 44 members as at December 31, 2021, who are constantly looking out for technology tools that meet our needs, which we procure and customize to further meet our requirements. The implementation of these technology tools across our Group is a key step to our integration of newly acquired entities into our Group.

Some of our key technology applications are:

Tools for Clients. Our tools for clients include:

- *DigiTrac and Infield.* DigiTrac and Infield are our in-house products. See "*— Our Operations — General Staffing and Allied Services Business — Workforce Automation Solutions*" on page 182 for details.

- *DigiAssist.* It is our in-house product which automates the end-to-end support and query resolution

system for both our clients and our Associates, with 24/7 toll free hotline, email and WhatsApp support. For our clients, DigiAssist takes care of new client queries as well as provide back-end support for existing clients and ongoing projects.

- *DigiOne*. Its client portal (i) displays real-time analytics dashboard that helps to track the status of hiring and track hiring projects' performance, and (ii) manages matters relating to Associates' leaves, timesheets, attendance requests, reimbursement requests and resignation requests.

Tools for Employees. Our tools for our employees include:

- *DigiHire.* It is our new-generation recruitment platform that digitizes end-to-end recruitment workflow, including demand management, sourcing and parsing of candidate profiles, offer management and onboarding, with a career portal for candidates, a vendor portal and business intelligence enabled dashboards and analytics.

- *DigiSales.* It is our sales client relationship management system that automates the sales process from lead management to contracting.

- *DigiHR.* It is our internal human resources management software platform to manage internal hiring, travel and claims, attendance, leaves and timesheets, training, benefits, compliance and appraisals, acting as a one-stop employee self-service platform.

- *DigiOne*. It is our in-house enterprise resource planning solution that automates the end-to-end workflow of our general staffing and allied services, from demand management and candidate shortlisting to selection, offer, onboarding, payroll and invoicing. It also has a client portal. See "— *Tools for clients*" on page 184 for details.

- *DigiRecruit.* It is our in-house mobile app for field recruiters which enables them to manage their staffing open requirements on the go. It is integrated with DigiOne, which acts as the back-end enterprise resource planning platform for our general staffing and allied services.

- *DigiBI.* It is our business intelligence engine with real-time visual dashboards and automated reporting, business insights and governance. It is integrated into our core business processes to track business trends and derive actionable insights for enhancing the future business performance.

- *DigiBot.* It is a chatbot that automates sales leads, client queries, associate queries and candidate applications.

- *Sage 300.* It is our enterprise management platform that centralizes and automates the accounting, financial reporting and analytics functions.

- *Elevate.* It is our learning management system with more than 90 certification courses. It is integrated into DigiHR, and all courses are accessible to all our employees. With Elevate, we are empowering our colleagues with high-impact, mobile-enabled online learning courses that they can take on the move. For the management, we have enabled a comprehensive analytics dashboard to track the upskilling and progress of each employee.

- *DigiIMS.* It is our internal IT support portal and mobile app that enables all users to raise IT tickets and report IT incidents, request added IT infra services and refer to self-help tips.

Tools for Associates and Candidates. Our tools for Associates and candidates include:

- *DigiTrac*. In addition to clients, DigiTrac is also available for our Associates. See "— *Our Operations* — *General Staffing and Allied Services Business* — *Workforce Automation Solutions*" on page 182 for details.

- *FM Learn.* It is an in-house mobile-enabled online skilling platform we recently introduced to promote

continuous learning as a work culture, especially for the frontline workforce. FM Learn empowers its learners with training materials to acquire new skills, become familiar with recent technological trends and help achieve their professional goals and promote career growth.

- *DigiAssist.* It is our in-house product which automates the end-to-end support and query resolution system for both our clients and our Associates, with 24/7 toll free hotline, email and WhatsApp support. For our Associates, DigiAssist boosts their experience by providing quick, round-the-clock responses and issue resolutions. For our candidates, DigiAssist simplifies the process of inquiring about jobs and registering their profiles for future vacancies.

Other Tools. Our other tools include:

- *Integrated Sourcing Services*. We provide a mobile application for freelance recruiters to source and manage their candidate pools and other manpower requisitions.

- *Trade Marketing Automation Suite*. In connection with our trade marketing solutions, we provide a mobile-enabled application to assess shopping experience and analyse consumer behaviour. See " — *Description of Our Business — Our Operations — General Staffing and Allied Services Business — Trade Marketing Solutions*" on page 182 for further details of our trade marketing solutions.

Competition

We compete in the staffing solutions industry, which is highly fragmented in India with more than 2,000 companies operating in this market (*Source: F&S Report*). The organized market consists of 20 to 30 companies and is dominated by international and national companies, with the five largest staffing companies occupying a market share of 12%, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). In addition to us, other major players in the staffing solutions market in India include Quess Corp, TeamLease, Randstad, Manpower Group[23], Adecco, Collabera, and Kelly Services (*Source: F&S Report*). We are the third largest staffing company in India with a market share of 1.4% of the staffing solutions market in the year ended March 31, 2021, while Quess Corp and TeamLease have a market share of 4.4% and 3.4%, respectively, of the staffing solutions market in the year ended March 31, 2021, in terms of revenue (*Source: F&S Report*).

We operate in a highly competitive industry. We compete based on a number of factors, including network of offices, client relationships, technological and operational excellence, and organic and inorganic growth and integration.

Trademarks

We have an ongoing trademark and service mark registration program pursuant to which we register our brand names, trade names, trademarks, service marks and logos. As on the date of this Draft Red Herring Prospectus, we and our Subsidiaries have 39 trademark registrations for logos in India. Our registered logos include, amongst others, logos for DigiTrac, DigiHire, and DigiHR under Classes 9 and 35 of the Trade Marks Act, 1999. The abovementioned trademarks are widely used for marketing and advertising, among their other uses.

The following table sets forth the particulars of our registered trademarks for words and logos:

Applicant company	Description	Class	Type of Trademark	Registration No.	Valid/Renewed up to
FirstMeridian Business Services Limited	FirstMeridian	35	Logo	4524113	June 8, 2030
V5 Global Services Private Limited	V5 Global	35	Logo	4415229	January 21, 2030
Innovsource Private Limited	INNOVSOURCE	43	Logo	2961820	May 13, 2025
Innovsource Private Limited	INNOVSOURCE	42	Logo	2961822	May 13, 2025
Innovsource Private Limited	INNOVSOURCE	41	Logo	2961824	May 13, 2025

[23] For the avoidance of doubt, Manpower Group is unrelated to our Promoter, Manpower Solutions Limited.

Applicant company	Description	Class	Type of Trademark	Registration No.	Valid/Renewed up to
Innovsource Private Limited	INNOVSOURCE	36	Logo	2961826	May 13, 2025
Innovsource Private Limited	INNOVSOURCE	35	Logo	2961828	May 13, 2025
Innovsource Private Limited	INNOVSOURCE	45	Logo	2961817	May 13, 2025
Innovsource Private Limited	INNOV	45	Logo	2961818	May 13, 2025
Innovsource Private Limited	INNOV	43	Logo	2961819	May 13, 2025
Innovsource Private Limited	INNOV	41	Logo	2961823	May 13, 2025
Innovsource Private Limited	INNOV	36	Logo	2961825	May 13, 2025
Innovsource Private Limited	INNOV	35	Logo	2961827	May 13, 2025
FirstMeridian Business Services Private Limited	Digibi	9	Logo	4698320	October 12, 2030
FirstMeridian Business Services Private Limited	DigiSales	9	Logo	4698325	October 12, 2030
FirstMeridian Business Services Private Limited	DigiOne	9	Logo	4698323	October 12, 2030
FirstMeridian Business Services Limited	DigiHR	9	Logo	4698322	October 12, 2030
FirstMeridian Business Services Limited	DigiHire	9	Logo	4698321	October 12, 2030
FirstMeridian Business Services Limited	FirstMeridian College Connect	35	Logo	4703998	October 15, 2030
Innovsource Services Private Limited	Imanage Services	35	Logo	4704005	October 15, 2030
Innovsource Services Private Limited	Happy Associates	45	Word	4550778	June 30, 2030
First Meridian Business Services Limited	Infield	9	Logo	4698110	July 1, 2029
First Meridian Business Services Limited	Infield	42	Logo	4698111	October 12, 2030
FirstMeridian Business Services Limited	Philippe read	35	Logo	5070561	August 2, 2031
FirstMeridian Business Services Limited	Philippe read	35	Word	5070562	August 2, 2031
CBSI India Private Limited	CBSI Global	35	Word	5103956	August 25, 2031
CBSI India Private Limited	CBSI Global	41	Word	5103957	August 25, 2031
CBSI India Private Limited	CBSI Global	42	Word	5103958	August 25, 2031
CBSI India Private Limited	CBSI	35	Logo	5103959	August 25, 2031
CBSI India Private Limited	CBSI	41	Logo	5103960	August 25, 2031
CBSI India Private Limited	CBSI	42	Logo	5103961	August 25, 2031
RLabs Enterprise Services Limited	RLABS	9	Logo	3780788	March 17, 2028
RLabs Enterprise Services Limited	RLABS	35	Logo	3780790	March 17, 2028

Applicant company	Description	Class	Type of Trademark	Registration No.	Valid/Renewed up to
RLabs Enterprise Services Limited	RLABS	41	Logo	3780792	March 17, 2028
RLabs Enterprise Services Limited	RLABS	42	Logo	3780794	March 17, 2028
RLabs Enterprise Services Limited	RLABS Enterprise Services	41	Word	3780791	March 17, 2028
RLabs Enterprise Services Limited	RLABS	41	Logo	3780792	March 17, 2028
RLabs Enterprise Services Limited	RLABS Enterprise Services	42	Word	3780793	March 17, 2028
RLabs Enterprise Services Limited	RLABS	42	Logo	3780794	March 17, 2028

In addition to the above registered trademarks, as on the date of this Draft Red Herring Prospectus, our Company and our Subsidiaries namely, V5 Global Services Private Limited and CBSI India Private Limited, have eight pending trademark applications in India, of which: (a) three applications have been objected to by the relevant Registrars of Trade Marks including an application for trademark registration for the word "FirstMeridian" under Class 35 of the Trade Marks Act, 1999, and (b) five applications have been accepted by the relevant Registrars of Trade Marks, but are open for any potential oppositions from third parties for the next three to four months.

The following table sets forth the status and particulars of the pending applications filed by our Subsidiaries and us, with the relevant Registrar of Trade Marks:

Application No.	Trademark	Applicant	Status
5091700	FirstMeridian (Word)	FirstMeridian Business Services Limited	Objected
5068005	FM learn (Logo)	FirstMeridian Business Services Limited	Objected
4698834	Brandpulse (Logo)	V5 Global Services Private Limited	Objected
4724647	Digi Recruit (Logo)	FirstMeridian Business Services Limited	Accepted
4703999	DigiAssist (Word)	FirstMeridian Business Services Limited	Accepted
4698367 4698368	DigiTrac (Logo)	FirstMeridian Business Services Limited	Accepted
4550777	Happy Associates (Logo)	Innovsource Services Private Limited	Accepted

In addition, we have also issued legal notices to various entities and individuals for, *inter alia*, incorporating companies using the words "Innovsource" and "FirsMeridian", as well as an opposition application under Class 42 of the Trade Marks Act, 1999, in relation to an application for registration of the logo "Innov Your People Partner", which is currently pending. See "*Risk Factors — Internal Risks — Risks relating to our business — Any failure to register our trademarks may have an adverse effect on our business and goodwill. Further, our intellectual property rights may be infringed upon or we may infringe the intellectual property rights of third parties*" on page 48 for details.

Employees

As at March 31, 2022, December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we had 1,352, 1,219, 1,065, 912 and 916 core employees, respectively, and 118,082, 108,832, 95,228, 86,690, and 86,168 Associates, respectively. Remuneration to our permanent employees comprises a fixed component as well as variable pay. Variable pay consists of direct incentives and shared incentives. Our direct and shared incentives are linked to performance targets being achieved by employees. We have an annual performance appraisal system for all employees. Annual increments are awarded only for employees who meet minimum performance standards.

Sales and Marketing

Our focus on understanding our clients' business requirements, combined with our delivery capabilities, is critical for ensuring continued client engagement and satisfaction. We believe that our process driven sales and account management structure, with a focus on increasing engagement with existing clients and acquiring new clients through our sales teams, is important to our business success. Our sales team has a dedicated delivery channel to focus on relationship with new clients and nurture it to a critical level before transitioning to the respective business segment teams.

Insurance

We maintain certain mandated insurance coverage on all our assets located at our head office and on all our movable assets in branch premises owned by us against fire, earthquake and related perils. Our insurance policies are generally annual policies that we renew regularly. Set forth below is a list of certain insurance policies that we maintain:

(i) Group medical and personal accident policy;
(ii) Employee deposit link insurance;
(iii) Group term life insurance;
(iv) Commercial general liability;
(v) Directors and officers liability cover policy;
(vi) Compact policy for assets;
(vii) Compact policy for laptops;
(viii) Electronic equipment insurance policy; and
(ix) Standard fire and special perils policy.

Corporate Social Responsibility Initiatives

As part of our corporate social responsibility initiatives, we are engaged in an initiative called the Epilepsy Prevention and Integrated Care (EPIC) programme, in collaboration with Rotary Bangalore IT Corridor and Sakra World Hospital. The EPIC programme will enable community education for the identification and treatment of epilepsy. The programme allows low-cost medical treatment, free medical care and consultation in epilepsy camps, removal of social stigma around epilepsy and creating equal opportunities for people with epilepsy. The Epilepsy mobile app will be a common epilepsy care platform for patients, caretakers, doctors and non-government organisations, featuring independent, user role-specific dashboards, activities, appointments and calendar, patient records, documents, and more.

We are also engaged in *Shanti Bhavan* project, which is an initiative to serve 250 children from poor families in South India. The project focuses on providing shelter, food, clothing and medical care for these children. The project also provides educational opportunities to these children, and funds renovation and expansion of bathrooms for girls' dormitories to improve sanitation and hygiene standards.

The amount we spent on corporate social responsibility initiatives was nil, ₹10.03 million, ₹1.78 million and ₹0.20 million for the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019. However, we have, in the past, been unable to spend the required amount on corporate social responsibility because we did not find suitable charitable organization, healthcare projects, environment and animal welfare, education and rural development activity. The shortfall as at December 31, 2021 was ₹4.60 million. See "*Restated Consolidated Financial Information — Notes to the Restated Consolidated Financial Information — 26.2 Corporate Social Responsibility*" on page 273 for details.

Properties

We do not own the underlying property for any of our branch offices in India, including our registered office and corporate office. Our registered office is located in 501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai, Mumbai City, Maharashtra, India, 400042. Our corporate office is located in Unit no.5, 3rd Floor, RBD Icon Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India. We have entered into lease agreements in respect of all our immovable properties including our registered office, corporate office and regional branch offices.

KEY REGULATIONS AND POLICIES

Given below is an indicative summary of certain sector specific and relevant laws and regulations in India, which are applicable to our Company's business operations in India. The information in this section has been obtained from publications available in the public domain. Taxation statutes such as the Income-tax Act, 1961, and the Central Goods and Service Tax Act, 2017, and other miscellaneous regulations and statutes apply to us as they do to any Indian company.

The description of the applicable regulations as given below has been provided in a manner so as to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summaries are based on the current provisions of applicable law, which are subject to change, modification, or amendment by subsequent legislative, regulatory, administrative, or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see "Government and Other Approvals" on page 357.

***The Contract Labour (Regulation and Abolition) Act, 1970** ("**CLRA Act**")*

The CLRA Act was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA Act is applicable to every establishment in which 20 or more workmen are or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the preceding 12 months, 20 or more workmen. Every principal employer of an establishment to which the CLRA Act applies, shall apply for registration of the establishment with the appropriate registering office and get registered. Under the CLRA Act, the principal employer has to provide essential amenities like canteens, rest rooms, drinking water facilities and first aid facilities if the same is not provided by the contractor. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative that the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

Contravention of the provisions of the CLRA Act and the rules and regulations thereunder is punishable with imprisonment of up to three months and a fine of up to ₹1,000, or both and an additional fine of ₹100 for every day during which such contravention continues after conviction for the first such contravention.

The Employees' State Insurance Act, 1948 ("ESI Act")

The ESI Act was enacted to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provisions for certain other matters in relation thereto. Employment injury means a personal injury to an employee caused by accident or an occupational disease arising out of and in the course of his employment, being an insurable employment. The ESI Act applies to all factories that are non-seasonal in nature and establishments that are notified by the appropriate state government in consultation with the Government of India from time to time. All employees in establishments covered by the ESI Act are required to be insured and the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities. The ESI Act provides for a need based social insurance scheme under which the employer and employee must contribute certain percentage of the monthly wage of the employees as prescribed by the Government of India from time to time to the Employee State Insurance Corporation established under the ESI Act.

If any contribution payable under this Act is not paid by the principal employer, he shall be liable to pay simple interest at the rate of 12% p.a. or at such higher rate as may be specified in the regulations till the date of its actual payment under the ESI Act.

The Payment of Wages Act, 1936 ("POW Act")

The POW Act was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law were made by them. It applies to the persons employed in a factory, industrial or other establishment, where the monthly wages payable are less than ₹ 24,000 whether directly or indirectly, through a sub-contractor and provides for the imposition of fines on persons responsible for payment of wages and deductions and lays down wage periods. Employers have to compulsorily maintain register of wages, register of fines, register of deduction for damages or loss, and register of advances in the prescribed forms.

Contravention of the provisions shall be punishable with fine which shall not be less than ₹ 1,500 (Rupees One Thousand Five Hundred only), but which may extend to ₹7,500 (Rupees Seven Thousand Five Hundred only), according to the respective sections of POW Act violated. Repeated conviction under the same provision is punishable with imprisonment for a term which shall not be less than 1 (one) month, but which may extend to 6 (six) months and fine which may extend to ₹22,500 (Rupees Twenty-Two Thousand Five Hundred only) under the POW Act.

The Minimum Wages Act, 1948 ("Min Wages Act")

The Min Wages Act was enacted for fixing minimum rates of wages in certain employments. The provisions of the Minimum Wages Act are applicable on every employment that employs more than 1000 personnel in a State. Under the Min Wages Act every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

Any employer who pays to any employee less than the minimum rates of wages fixed for that employee's class of work, or less than the amount due to him under the provisions of the Min Wages Act, shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to five hundred rupees.

The Payment of Bonus Act, 1965 ("POB Act")

The POB Act, as amended was enacted to provide for the payment of bonus to persons employed in certain establishments where 20 (twenty) or more persons are employed on the basis of profits or on the basis of production or productivity and for matters connected therewith. Under the POB Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹ 100 (Rupees one hundred only), whichever is higher, provided the employee has worked in the establishment for not less than 30 (thirty) working days in that year. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under the POB Act.

Contravention of the provisions of the POB Act by a company is punishable with imprisonment for a term of up to 6 (six) months or a fine of up to ₹ 1,000 (Rupees one thousand only) or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("EPF Act")

The EPF Act, was enacted to provide for the institution of provident funds, pension fund and deposit-linked insurance fund for employees in factories and other establishments mandating registration of such establishments employing twenty or more persons or class of such establishments which the Central Government may, by notification in the Official Gazette, specify in this behalf. An establishment with less than 20 (twenty) employees can voluntarily opt for PF registration to protect employee's benefits. Under the EPF Act, every employee whose wages are under ₹ 15,000 (Rupees Fifteen Thousand only) has to mandatorily contribute towards EPF and Employee Pension Scheme **("EPS")** if his/her wages (Basic + Dearness Allowance). If an employee is drawing wages over ₹ 15,000 per month, then he can ask for PF deductions from his salary. Both the employees and employers contribute 12% of the basic wages and dearness allowance to the provident fund (PF) account. The

EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

Any person who contravenes the provisions of the EPF Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹ 10,000 (Rupees Ten Thousand only), according to the respective sections of POW Act violated. Repeated conviction under the same provision is punishable with imprisonment for a term which shall not be less than 1 (one) month, but which may extend to 5 (five) years and fine which may extend to ₹25,000 (Rupees Twenty-Five Thousand only) under the POW Act.

The Payment of Gratuity Act, 1972 ("Gratuity Act")

The Gratuity Act was enacted to provide for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, shops or other establishments and for matters connected therewith or incidental thereto at the time of termination of services. The Gratuity Act applies to employees engaged in establishments in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months; and as the Government of India may, by notification, specify, provided the employee has rendered his services for a period not less than 5 (five) years: (a) on his /her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). The maximum gratuity exemption as per IT Act is ₹ 20,000 (Rupees Twenty Thousand only).

Any person who contravenes the provisions of the Gratuity Act would be punishable with imprisonment that can extend up to 2 (two) years and fine which may extend up to ₹ 20,000 (Rupees Twenty Thousand only), according to the respective sections of the Gratuity Act violated.

The Equal Remuneration Act, 1976 ("ER Act")

The ER Act was enacted to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. The ER Act provides for setting up of Advisory committees to promote employment opportunities for women. Every Advisory Committee shall consist of not less than ten persons, to be nominated by the appropriate Government, of which one-half shall be women. Every employer should maintain such registers and other documents in relation to the workers employed by the employer in the prescribed manner given under the ER Act. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law.

Any person who contravenes the provisions of the ER Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹ 10,000 (Rupees Ten Thousand only), according to the respective sections of the ER Act violated.

The Employees Compensation Act, 1923 ("EC Act")

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 (seven) days of receiving a notice. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act")

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers

must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). 'Workplace' under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

The POSH Act mandates for constitution of an Internal Complaints Committee by every employer of a workplace along with constitution of Local Complaints Committee" to receive complaints of sexual harassment from establishments where the Internal Committee has not been constituted due to having less than ten workers or if the complaint is against the employer himself. Where the employer contravenes the provisions of the POSH Act, he would be punishable with fine which may extend up to ₹ 50,000 (Rupees Fifty Thousand only).

Shops and commercial establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

The Maternity Benefit Act, 1961 ("Maternity Benefit Act")

The Maternity Benefit Act was enacted to regulate the employment of women in certain establishment for certain period before and after childbirth and to provide for maternity benefit and certain other benefits and is applicable to establishments in which 10 (ten) or more persons are employed. The Maternity Benefit Act provides that a woman will be paid maternity benefit at the rate of her average daily wage in the 3 (three) months preceding her maternity leave, provided the woman has worked for the employer for at least 80 (eighty) days in the 12 (twelve) months preceding the date of her expected delivery. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than eight weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

In case of any contravention of the provisions of the Maternity Benefit Act or the rules made thereunder by the employer, he shall be punishable with imprisonment which may extend up to 1 (one) year, or with fine which may extend to ₹ 5,000/ (Rupees Five Thousand only), or with both.

Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 ("ISMW Act")

The ISMW Act was enacted to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. The ISMW Act applies to every principal employer and/or every contractor who employs or employed, 5 (five) or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding twelve months. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed.

Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to one year or with fine which may extend to ₹1,000 (Rupees One Thousand only) or with both.

The Industrial Disputes Act, 1947 ("ID Act")

The ID Act was enacted to make provisions for, *inter alia*, the investigation and settlement of industrial disputes. "Industrial dispute" under the ID Act means any dispute or difference between employers and employers, or between employers and workmen, or between workmen and workmen, which is connected with the employment

or non-employment or the terms of employment or with the conditions of labour, of any person. The ID Act enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and other matters related to industrial employees and employers.

The ID Act is only applicable to "workmen" under this statute. The ID Act defines a 'workman' as any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, and for the purposes of any proceeding under the ID Act in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute, excluding any person employed in the police service or as an officer or other employee of a prison; or in a managerial, administrative, or supervisory capacity; or is subject to the Air Force Act, Navy Act or Army Act.

The Industrial Employment (Standing Orders) Act, 1946 ("IE Act")

The IE Act requires the employers in industrial establishments to define with sufficient precision the conditions of employment under them and to make the said conditions known to workmen employed by them. The IE Act is mandatorily applicable to every industrial establishment wherein one hundred or more workmen are employed or were employed on any day of the preceding twelve months. The employer is required to prepare draft standing order, which he proposes to adopt and submit the same to the certifying officers for certification, which would, subsequent to the certification have the force of the law like any other enactment.

An employer who fails to submit draft standing orders as required by the IE Act or who modifies his standing orders otherwise than in accordance with the IE Act, shall be punishable with fine which may extend to ₹ 5,000 (Rupees Five Thousand only) and in the case of a continuing offence with a further fine which may extend to two hundred rupees for every day after the first during which the offence continues.

Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 ("Child Labour Act")

The Child Labour Act was enacted to prohibit the engagement of children in all occupations and to prohibit the engagement of adolescents in hazardous occupations and processes and the matters connected therewith or incidental thereto. "Child" under the Child Labour Act means a person who has not completed his fourteenth year of age or such age as may be specified in the Right of Children to Free and Compulsory Education Act. specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The Child Labour Act also provides for health and safety measures to be complied with by the employer.

The Apprentices Act, 1961 ("Apprentices Act")

The Apprentices Act was enacted to provide for the regulation and control of training of apprentices and for matters connected therewith. "Apprentice" under the Apprentices Act means a person who is undergoing a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

Relevant Labour Welfare Fund Legislations ("LWF Acts")

In order to look after the welfare of the workers by providing financial assistance to the workers in case of need, the relevant state legislatures have enacted LWF acts exclusively focusing on welfare of the workers. LWF Acts usually provide for the constitution of a Labour Welfare Fund and for the establishment of a Labour Welfare Board for the financing of activities to promote welfare of labour in the relevant state and for conducting activities and for matters connected therewith.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette

by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, inter alia, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Contract Labour (Regulation & Abolition) Act, 1970.

The Code on Social Security, 2020 ("Social Security Code")

The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. The code proposes to subsume, inter alia, the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employee's Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, inter alia, the Employees' State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Wages, 2019 (the "Wage Code")

The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India. The code proposes to subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. In pursuance of the code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.

National Apprenticeship Promotion Scheme ("NAPS")

NAPS was launched in August 2016 by Government of India to promote apprenticeship in the country by providing financial incentives, technology and advocacy support. The Regional Directorates of Skill Development and Entrepreneurship under Directorate General of Training are the implementing agencies in their regions in respect of all "Designated Trades" under the Act for all establishments falling under the Central Government jurisdiction. National Skill Development Corporation (NSDC) and CEOs of the Sector Skill Councils are the implementing agencies in their sectors in respect of "Optional Trades" for the establishment under the Central Government jurisdiction. The respective State Governments are the appropriate authorities in respect of any establishments other than those falling under the Central Govt. jurisdiction. State Apprenticeship Advisers (SAA) are implementing agencies in their regions in respect of all "designated trades" a well as "optional trades" for State Public Sector Units and private establishment falling under their jurisdiction as per the Apprentices Act 1961.

Laws related to Intellectual Property Rights

The Trademarks Act, 1999 ("Trademarks Act")

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming

to be the proprietor of a trademark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademarks Rules, 2017 have subsequently been enacted and implemented, which have overhauled the regime with respect to assignment and transmission, statement of use, well known trademarks, opposition proceedings, etc.

Other applicable laws

Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act recognises contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), in April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate.

The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

Laws governing foreign investments

Foreign investment in India is governed by the provisions of FEMA Non-Debt Instruments Rules along with the FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulates the mode of payment and reporting requirements for investments in India by a person resident outside India. The DPIIT in October 2020 has issued the consolidated Foreign Direct Investment Policy of 2020, which lays down certain guidelines and conditions for foreign direct investment in various sectors.

As per the FDI Circular read with Press Note, 100% foreign direct investment is permitted under the automatic route for human resources and management of human resources functions. In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

Companies Act and other laws

In addition to the above, our Company is also required to comply with the Companies Act, 2013 and rules framed thereunder, the Competition Act, 2002 and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as "FirstMeridian Business Services Private Limited" in Bengaluru as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 20, 2018 issued by the Registrar of Companies, Karnataka at Bengaluru. Thereafter, the registered office of our Company shifted from Bengaluru, Karnataka to Mumbai, Maharashtra, and a fresh certificate of incorporation, dated November 23, 2021, was issued to our Company by the RoC (on account of change in address of the registrar of companies from Karnataka to Maharashtra). Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on January 19, 2022 and consequently, the name of our Company was changed to its present name, 'FirstMeridian Business Services Limited', and a fresh certificate of incorporation dated February 1, 2022 was issued by the RoC to our Company.

Changes in the registered office

Our Company was originally incorporated with its registered office at No. 9, 3rd Floor, 9th Main, 2nd Block, Jayanagar, Bengaluru 560 011, Karnataka, India. Details of subsequent changes in the registered office of our Company are set forth below:

Effective Date	Details of change	Reasons for change
March 1, 2018	44/A, Datta Prabhas, 1st Main Road, 3rd Phase, JP Nagar, Bengaluru 560 078, Karnataka, India	Administrative convenience
October 15, 2018	Unit no.5, 3rd Floor, Ferns Icon, Outer Ring Road, Marathalli Post, Bengaluru 560 037, Karnataka, India	Administrative convenience
September 29, 2021	501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai city, Mumbai 400 042, Maharashtra, India	Administrative convenience

The Registered Office of our Company is currently situated at 501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Mumbai City, Maharashtra, India.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are as mentioned below:

1. *"To carry on and render services people for healthcare and medical services and other technology based services for business, personnel and solutions for smart cities, people parking and transport solutions, rendering of all services whether incidental to the above in India and outside India.*

2. *To carry on and render advisory and consultancy services in the fields of finance, legal, accounting, secretarial, investment, management, technical, administrative including economic, industrial and taxation and to act as consultants and advisers in all their respective branches, including without prejudice to the generality of the above matters in India and outside India.*

3. *To carry on the business of providing facilities for management services, smart city solutions, payroll services, background verification services, overseas manpower recruitment, supply of manpower, engineering manpower supply, supply of people for industrial maintenance, selecting, taking personnel, interviewing, training and employing all types of executives, middle management staff, junior level staff, workers, labourers skilled/unskilled required by various industries and organizations including providing labour contractors, industrial, commercial, housing and workers for office management and to conduct employment bureau and to provide consultancy and other related services in connection with requirements of persons, personnel and manpower supply in India and abroad."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association of our Company

Set out below are the amendments to the Memorandum of Association of our Company in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution	Nature of amendment
June 1, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each to ₹ 7,500,000 divided into 750,000 equity shares of ₹ 10 each.
June 11, 2018	Clause III A of the Memorandum of Association was amended to reflect alteration of object no.3 in the main objects of the Company, which was substituted to: *"3. To carry on the business of providing facilities for management services, smart city solutions, payroll services, background verification services, overseas manpower recruitment, supply of manpower, engineering manpower supply, supply of people for industrial maintenance, selecting, taking personnel, interviewing, training and employing all types of executives, middle management staff, junior level staff, workers, labourers skilled/unskilled required by various industries and organizations including providing labour contractors, industrial, commercial, housing and workers for office management and to conduct employment bureau and to provide consultancy and other related services in connection with requirements of persons, personnel and manpower supply in India and abroad."*
June 26, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 7,500,000 divided into 750,000 equity shares of ₹ 10 each to ₹338,600,500 divided into 33,860,050 equity shares of ₹ 10 each.
June 29, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹338,600,500 divided into 33,860,050 equity shares of ₹ 10 each to ₹902,934,600 divided into 90,293,460 equity shares of ₹ 10 each.
July 9, 2021	Clause II of the Memorandum of Association was amended to facilitate the change in the registered address office our Company from the State of Karnataka (within the Jurisdiction of Registrar of Karnataka, Bengaluru) to the State of Maharashtra (within the Jurisdiction of Registrar of Companies at Mumbai).
December 20, 2021	Clause I of the Memorandum of Association was amended to reflect a change in the name of our Company to *"FirstMeridian Business Services Limited*", pursuant to conversion into a public limited company.
	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹902,934,600 divided into 90,293,460 equity shares of ₹ 10 each to ₹1,250,000,000 divided into 125,000,000 equity shares of ₹ 10 each.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Details
2018	Our Company was incorporated.
2018	Acquisition of Innovsource Services Private Limited and Innovsource Facilities Private Limited
2018	Acquisition of V5 Global Services Private Limited.
2018	Acquisition of Affluent Global Services Private Limited.
2020	Acquisition of a business vertical, "Cornucopia V5"
2020	Acquisition of CBSI India Private Limited.
2021	We reached the total headcount of 108,832 Associates, crossing 100,000 mark for the first time.
2022	Acquisition of RLabs Enterprise Services Limited.
2022	Agreement by our Subsidiary, V5 Global Services Private Limited to acquire certain assets, including the contracts of Dataformix Technologies Private Limited
2022	We reached the total headcount of 118,082 Associates.

Launch of key products or services, entry in new geographies or exit from existing market

For details of key products or services launched by our Company, entry in new geographies or exit from existing markets, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 172 and 325, respectively.

Key awards, accreditations, and recognition

The table below sets forth some of the key awards, accreditations and recognitions received by our Company.

Calendar Year	Key Awards and Accreditations
2021	Awarded the Indian Achievers' Award 2021 for "Emerging Company" by the Indian Achievers' Forum.
2021	Awarded in the Rotary Category of "Disease Prevention & Treatment" for exemplary work with sustainable impact, at the Rotary CSR Awards 2021.

Significant financial and/or strategic partnerships

Our Company does not have any significant financial or strategic partners as of the date of this Draft Red Herring Prospectus.

Time and cost overrun

Our Company has not experienced any time or cost overruns in respect of our business operations, as at the date of this Draft Red Herring Prospectus.

Defaults or rescheduling or restructuring of borrowings with financial institutions or banks

No payment defaults or rescheduling or restructuring have occurred in relation to any borrowings availed by our Company from any financial institutions or banks, nor have any such borrowings or loans been converted into Equity Shares as on date of this Draft Red Herring Prospectus.

Accumulated profits or losses

There are no accumulated profits or losses of any Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Information.

Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of business or undertakings, mergers, amalgamations or any revaluation of assets in the last 10 years immediately preceding the date of this Draft Red Herring Prospectus:

1. ***Share Purchase Agreement dated April 14, 2018 entered among our Company, Innovsource Private Limited, Raja Sekhar Reddy, Shishir Rambhau Gorle, Innovsource Services Private Limited and Innovsource Facilities Limited ("Innovsource Services & Facilities SPA")***

   Pursuant to two separate business transfer agreements each dated April 9, 2018, Innovsource Private Limited sold and transferred in a slump sale, as a going concern, its business undertaking including assets, liabilities, contracts, permits and licenses, intellectual property, moveable properties, immoveable property, employees, insurance policies, records and tax benefits, in relation to its business of providing: (i) contractual and/ or temporary staffing ("**Services Business"**) to Innovsource Services Private Limited; and (ii) facilities management services ("**Facilities Business**") to Innovsource Facilities Private Limited respectively. Thereafter, pursuant to the Innovsource Services & Facilities SPA, our Company acquired the entire issued and paid-up share capital of Innovsource Services Private Limited and Innovsource Facilities Private Limited, for an aggregate cash consideration of ₹1,348.30 million, on June 28, 2018.

2. ***Share Purchase and Shareholders' Agreement dated April 18, 2018 entered among our Company, V5 Global Services Private Limited, Satya Prasan Rajguru, Specvision Holding Pte. Ltd. Singapore, Vikram Khanna, Mani Sharma, Rajendra Kumar Jain and Sanjay Kumar Gupta ("V5 SPSA")***

Pursuant to the V5 SPSA, our Company acquired the entire issued and paid-up share capital of V5 Global Service Private Limited, a company engaged in providing outsourced manpower for staffing in companies across India. The transaction was for a total cash consideration of ₹ 715.56 million, and in accordance with the terms of the V5 SPSA, wherein our Company acquired in two tranches: (a) 76.08% of the issued and paid-up capital of V5 Global Services Private Limited on July 5, 2018; and (b) 23.92% of the issued and paid-up capital of V5 Global Services Private Limited on December 3, 2021.

3. ***Share Purchase and Shareholders' Agreement dated July 31, 2018 between our Company, Affluent Global Services Private Limited, Start 2 Scale Ventures LLP, Rasama Estates LLP, Shailesh Narayan, Sudhakar Balakrishnan and Seedthree Trading LLP ("Affluent SPSA")***

Pursuant to the Affluent SPSA, our Company acquired the entire issued and paid-up share capital of Affluent Global Services Private Limited, a company engaged in the business of providing outsourced manpower for staffing to companies in India. The above-mentioned acquisition was implemented in the following manner:

(i) 5,774 equity shares amounting to 56.01% of the issued and paid-up share capital of Affluent Global Services Private Limited, were acquired from Start 2 Scale Ventures LLP, Rasama Estates LLP, Shailesh Narayan and Sudhakar Balakrishnan through sale for an aggregate cash consideration of ₹ 495.33 million on September 17, 2018;

(ii) 1,753 equity shares amounting to 17.00% of the issued and paid-up share capital of Affluent Global Services Private Limited, were acquired from Start 2 Scale Ventures LLP, Rasama Estates LLP, and others on September 17, 2018, in consideration of the simultaneous issuance and allotment of 3,394,243 Equity Shares of our Company having a face value of ₹ 10 to Seedthree Trading LLP, with such allotment being made on September 17, 2018;

(iii) the parties to the Affluent SPSA entered into a settlement agreement dated August 17, 2020, pursuant to which Rasama Estates LLP transferred 246 equity shares, amounting to 2.39% issued and paid-up share capital of Affluent Global Services Private Limited to our Company on August 21, 2020, and Start 2 Scale Ventures LLP transferred 666 equity shares, amounting to 6.46% of issued and paid-up share capital of Affluent Global Services Private Limited to our Company on August 20, 2020;

(iv) pursuant to exercise of the call option by our Company under the Affluent SPSA (**"Call Option**"), 491 equity shares amounting to 4.76% of the issued and paid-up share capital of Affluent Global Services Private Limited, were acquired from Rasama Estates LLP and Start 2 Scale Ventures LLP for a total cash consideration of ₹ 70.00 million in the following manner: (a) ₹ 50.00 million on December 30, 2021 to Rasama Estates LLP and Start 2 Scale Ventures LLP, (b) ₹ 10.00 million on May 2, 2022 to Start 2 Scale Ventures LLP and (iii) ₹ 10.00 million on May 7, 2022 to Start 2 Scale Ventures LLP; and

(v) pursuant to exercise of the Call Option, 1,380 equity shares amounting to 13.38% of the issued and paid-up share capital of Affluent Global Services Private Limited, were acquired from Shailesh Narayan for an aggregate cash consideration of ₹ 55.50 million on February 14, 2022; and simultaneous issuance and allotment of 473,036 Equity Shares of our Company to Seedthree Trading LLP on February 16, 2022.

4. ***Share Purchase Agreement dated September 24, 2020 entered among our Company, CBSI India Private Limited, CBSI Asia Pacific Pte Ltd., and Vattikuti Technologies Private Limited ("CBSI SPA")***

Pursuant to the CBSI SPA, our Company acquired the entire issued and paid-up share capital of CBSI India Private Limited, a company engaged in the business of providing staff augmentation and/or permanent recruitment services to information and technology clients, for an aggregate consideration of ₹107.50 million on September 29, 2020. Subsequently, and in pursuance of the CBSI SPA, CBSI Asia Pte Ltd., entered into an assignment agreement with CBSI India Private Limited dated September 26, 2020 ("**CBSI Assignment Agreement**") whereby CBSI India Private Limited has been assigned the ownership rights and title over the trademark "CBSI", for its exclusive use in India in perpetuity. Further, CBSI Asia Pte Ltd., has also entered

into a trademark license agreement with CBSI India Private Limited dated September 26, 2020 ("**CBSI Trademark Agreement")** whereby CBSI India Private Limited has been granted a non-exclusive license to use the trademark "CBSI" outside India (other than in Hong Kong, China and Singapore), in perpetuity.

5. ***Business Transfer Agreement dated July 1, 2020 entered among V5 Global Services Private Limited (our Subsidiary), H.R. Cornucopia Private Limited and N. Ahmedali ("V5-Cornucopia BTA")***

Pursuant to the V5-Cornucopia BTA, V5 Global Services Private Limited acquired from H.R. Cornucopia Private Limited as a going concern and on a slump sale basis, its business of talent acquisition. Further, pursuant to the agreement, V5 Global Services Private Limited created a new business division under the name "Cornucopia V5" ("**Cornucopia V5**"), that specifically operates in the pharma and healthcare verticals in non-technology roles. The contingent consideration for the above business transfer shall be the product of the earnings before taxes (excluding any extraordinary or one-time gains or losses) of Cornucopia V5 for Fiscal 2023 ("**Final PBT**") and a relevant multiplier ("**Multiplier**"), with such amount being multiplied by 49%, as specified under the V5-Cornucopia BTA. The Multiplier shall depend on the range of the Final PBT and is as set out below.

Final PBT (in ₹)	Multiplier
Between 10-20 million	2
Between 20-30 million	2.5
More than 30 million	3

For details of contingent consideration for the above business transfer, see "*Financial Statements - Restated Consolidated Financial Information – Note 40.8*" on page 304.

6. ***Share Purchase Agreement dated January 11, 2022 entered among our Company, RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan, as amended by the amendment agreement dated February 1, 2022 entered among our Company, RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan (together, the "RLabs SPA")***

As per the RLabs SPA, our Company either directly or through its affiliates (as defined therein), agreed to acquire in two tranches, 100% of the issued and paid-up share capital of RLabs Enterprise Services Limited, a company engaged in the business of providing staff augmentation, IT consulting and managed services solutions to its clients, for a purchase consideration to be calculated in the manner specified in the RLabs SPA.

Pursuant to the above, our Company and Innovsource Services Private Limited (our Subsidiary) acquired in aggregate and as part of the first tranche, 75% of the issued and paid-up share capital of RLabs Enterprise Services Limited on February 2, 2022, wherein: (a) our Company acquired 722,493 equity shares amounting to 8.65% of the issued and paid-up share capital of RLabs Enterprise Services Limited; and (b) Innovsource Services Private Limited acquired 5,541,905 equity shares amounting to 66.35% of the issued and paid-up share capital of RLabs Enterprise Services Limited. The total purchase consideration for this tranche was ₹ 452.23 million as cash consideration.

Further, our Company is required to acquire the remaining 25% of the issued and paid-up share capital of RLabs Enterprise Services Limited in the second tranche on June 30, 2022 or any other date that may be decided by the parties to the RLabs SPA ("**RLabs Second Tranche**"). The purchase consideration for the RLabs Second Tranche ("**Rlabs Second Tranche Consideration**") shall be payable in cash and shall be a product of the EDITDA of RLabs Enterprise Services Limited for the Fiscal Year 2022 and certain price adjustments, to be determined in accordance with the procedures specified in the RLabs SPA.

Further, pursuant to an additional agreement to the RLabs SPA dated February 2, 2022, entered among our Company, RLabs Enterprise Services Limited and Vinodh Venkatesan ("**RLabs Additional Agreement**"), our Company agreed to pay Vinodh Venkatesan in two instalments, a consideration of ₹ 75.00 million for its purchase of 329,922 equity shares of RLabs Enterprise Services Limited held by Vinodh Venkatesan, as part of the RLabs Second Tranche. Such consideration shall be in addition to the portion of the RLabs Second Tranche Consideration, payable to Vinodh Venkatesan, under the RLabs SPA.

As per the RLabs Additional Agreement, our Company: (a) transferred ₹ 55.00 million to Vinodh Venkatesan through our Subsidiary, Innovsource Services Private Limited, on February 4, 2022 as part of the first instalment; and (b) is required to transfer the balance amount of ₹ 20.00 million on the release date i.e., September 30, 2025, or any other earlier date that may be decided by our Company, Vinodh Venkatesan and Renuka Tadakamalla, as specified in the RLabs SPA.

7. ***Transfer agreement dated March 15, 2022 entered into among our Subsidiary, V5 Global Services Private Limited and Dataformix Technologies Private Limited ("Dataformix TA")***

Pursuant to the Dataformix TA, our Subsidiary, V5 Global Services Private Limited has agreed to acquire certain assets including, *inter alia*, the accounts receivable or unbilled and certain specified contracts of Dataformix Technologies Private Limited, a company engaged in the business of staff augmentation and payrolling services, for a cash consideration of ₹ 15 million. Further, V5 Global Services Private Limited shall on the closing date of the transaction, also make an offer to employ certain categories of employees of Dataformix Technologies Private Limited, as per the terms and conditions specified in the Dataformix TA. The closing date for the transaction shall be a business day, which shall be no later than five business days from the date on which V5 Global Services Private Limited issues a notice of satisfaction of the relevant conditions precedent under the Dataformix TA, or such other date as may be agreed upon between V5 Global Services Private Limited and Dataformix Technologies Private Limited.

Shareholders' agreement and other agreements

Amended and restated Shareholders' Agreement dated June 11, 2018 (the "SHA") amongst our Company, our Promoter and New Lane Trading LLP as amended by: (a) the amendment agreement dated August 17, 2020 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP (the "First Amendment Agreement"); (b) the amendment agreement dated September 17, 2020 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP (the "Second Amendment Agreement"); and (c) the amendment agreement dated April 20, 2022 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP (the "Third Amendment Agreement").

The original SHA was executed on June 11, 2018, which set out, among other provisions, the *inter-se* rights and obligations of New Lane Trading LLP and our Promoter in relation to our Company, and governance, management, operation and other matters in connection therewith. Subsequently, Seedthree Trading LLP acceded to the terms of the original SHA after becoming a shareholder of the Company. Pursuant to the SHA as amended from time to time, our Promoter, has been granted certain rights in our Company, including board-nomination rights, pre-emptive rights to participate in any further issue of equity capital, a right of first offer and drag along rights in case of certain share transfers by the other parties, and information and inspection rights in our Company.

Further, till such time New Lane Trading LLP and Seedthree Trading LLP hold any securities in our Company and three years thereafter ("**Non-Compete Period**"), they shall not have any direct or indirect interest in any business or operations that directly competes in whole or substantially with our business, as detailed in the SHA. New Lane Trading LLP and Seedthree Trading LLP have further agreed to ensure that such non-compete obligations are also complied with by Sudhakar Balakrishnan, Shailesh Narayan and their respective affiliates.

Third Amendment Agreement: Pursuant to the Third Amendment Agreement, the SHA will stand automatically terminated upon listing and trading and trading of the Equity Shares of our Company pursuant to this Offer ("**Consummation of the IPO**"). Notwithstanding such termination, till such time that our Promoter remains a "promoter" (or any other term that a promoter may be referred to) of our Company under applicable laws, it shall have the right to nominate (a) two Promoter Nominee Directors (including their alternate directors) on our Board, and (b) one of the Promoter Nominee Directors on each committee or sub-committee of the Board. Following the Consummation of the IPO and notwithstanding the termination of the SHA, these nomination rights of the Promoter will be subject to the approval of the shareholders of our Company through a special resolution in the first general meeting convened after the Consummation of the IPO.

The Third Amendment Agreement shall stand automatically terminated upon the earlier of (a) December 31, 2022, or such later date as mutually agreed in writing by the parties to the SHA ("**IPO Long Stop Date**"), if Consummation of the IPO has not occurred by such date, or (b) the date on which our Board decides not to undertake this Offer.

In terms of the Third Amendment Agreement, certain waivers have been granted by the relevant Shareholders until the IPO Long Stop Date in respect of pre-emptive rights, rights of first offer, tag-along and other rights associated with a listing of the securities of our Company, information rights, as well as affirmative voting rights to the extent of actions and matters required for the facilitation of the Offer.

Agreements with Key Managerial Personnel, Director, Promoter or any other employee in relation to compensation or profit sharing

Except as disclosed below, there are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

The SHA provides for payment to certain employees of our Company (including Sudhakar Balakrishnan) with compensation ("**Management Promote**") based on the multiples of invested capital, internal rate of return and the aggregate proceeds received by Manpower (or its shareholders), New Lane or Seedthree upon certain disposition events in relation to their respective interests in our Company, including but not limited to, post-listing of the Equity Shares pursuant to this Offer. Manpower, New Lane or Seedthree will be responsible for payment of the Management Promote to such employees without any recourse or liability to our Company. Our Company will seek the approval of the Board of Directors and the Shareholders in relation to the Management Promote, post the listing of the Equity Shares, in compliance with Regulation 26(6) of the SEBI Listing Regulations. Our Company will also make appropriate disclosures of payments made under the Management Promote on an ongoing basis as may be required under applicable laws.

Key terms of other subsisting material agreements

Except as disclosed in "– *Shareholders' agreement and other agreements*" and "– *Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years*" on pages 202 and 199, respectively, our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Offer. Additionally, our Company is not aware of any other inter-se agreements or arrangements, deeds of assignment, acquisition agreements or other agreements of similar nature, and no clauses or covenants which are material and which need to be disclosed or which are, in each case, adverse/ pre-judicial to the interest of minority / public shareholders.

Holding company

Manpower Solutions Limited, our Promoter, is our holding company. For details of Manpower Solutions Limited, see "*Our Promoter and Promoter Group*" on page 229.

Joint venture

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture or an associate.

Guarantees given by the Promoter Selling Shareholder

Our Promoter, who is also a Selling Shareholder, has not provided any guarantees to any third parties on behalf of our Company, or its Subsidiaries, as on the date of this Draft Red Herring Prospectus.

OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has six Subsidiaries, of which five are direct Subsidiaries and one is an indirect Subsidiary.

Direct Subsidiaries

1. Innovsource Services Private Limited

Corporate information

Innovsource Services Private Limited was incorporated on March 6, 2016 under the Companies Act, 2013. Its registered office is situated at JollyBoard Tower 1, 5th Floor, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Maharashtra, India.

It is primarily engaged in the business of, *inter alia*, providing HR management services.

Capital structure and shareholding pattern

The authorised share capital of Innovsource Services Private Limited is ₹ 1,190,000,000 divided into 119,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 1,153,300,000 divided into 115,330,000 equity shares of ₹ 10 each.

The shareholding pattern of Innovsource Services Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of total shareholding (in %)
1.	FirstMeridian Business Services Limited	115,329,998	100.00[#]
2.	Vikram Ranjan Agarwal[*]	1	Negligible
3.	Shiv Maliwal	1	Negligible
Total		**115,330,000**	**100.00**

[*] *Beneficial interest in these equity shares is held by FirstMeridian Business Services Limited.*
[#] *Rounded off to the nearest integer.*

2. Innovsource Facilities Private Limited

Corporate information

Innovsource Facilities Private Limited was incorporated on February 28, 2017 under the Companies Act, 2013. Its registered office address is situated at JollyBoard Tower 1, 5th Floor, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Maharashtra, India.

It is primarily engaged in the business of, *inter alia*, providing housekeeping, property management, maintenance and recruitment services.

Capital structure and shareholding pattern

The authorised share capital of Innovsource Facilities Private Limited is ₹ 51,000,000 divided into 5,100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 48,900,000 divided into 4,890,000 equity shares of ₹ 10 each.

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of total shareholding (in %)
1.	FirstMeridian Business Services Limited	4,889,998	100.00[#]
2.	Vikram Ranjan Agarwal[*]	1	Negligible
3.	Shiv Maliwal	1	Negligible
Total		**4,890,000**	**100.00**

[*] *Beneficial interest in these equity shares is held by FirstMeridian Business Services Limited.*
[#] *Rounded off to the nearest integer.*

3. V5 Global Services Private Limited

Corporate information

V5 Global Services Private Limited was incorporated on September 20, 2005 under the Companies Act, 1956. Its registered office address is situated at II Floor, B-1/H-5, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi 110 044, India.

It is primarily engaged in the business of, *inter* alia, providing IT enable services, consultancy services and HR management services.

Capital structure and shareholding pattern

The authorised share capital of V5 Global Services Private Limited is ₹ 32,500,000 divided into 3,250,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 7,391,670 divided 739,167 equity shares into of ₹ 10 each.

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of total shareholding (in %)
1.	FirstMeridian Business Services Limited	739,165	100.00[#]
2.	Nilay Pratik[*]	1	Negligible
3.	Shiv Maliwal	1	Negligible
Total		**739,167**	**100.00**

[*] *Beneficial interest in these equity shares is held by FirstMeridian Business Services Limited.*
[#] *Rounded off to the nearest integer.*

4. Affluent Global Services Private Limited

Corporate information

Affluent Global Services Private Limited was incorporated on July 10, 2012 under the Companies Act, 1956. Its registered office address is situated at G-1, JST Silicon Tower, Kondapur, Hi-tech City Road, Rangareddi, Hyderabad -500084, Telangana, India.

It is primarily engaged in the business of *inter alia*, providing manpower placement, software development services, computer programming, information technology consultancy services, outsourcing services and related activities.

Capital structure and shareholding pattern

The authorised share capital of Affluent Global Services Private Limited is ₹ 1,000,000 divided into 100,000 of ₹ 10 each. Its issued, subscribed and paid-up capital is ₹ 103,100 divided into 10,310 of ₹ 10 each.

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of total shareholding (in %)
1.	FirstMeridian Business Services Limited	10,308	100.00[#]
2.	Nilay Pratik[*]	1	Negligible
3.	Shiv Maliwal	1	Negligible
Total		**10,310**	**100.00**

[*] *Beneficial interest in these equity shares is held by FirstMeridian Business Services Limited.*
[#] *Rounded off to the nearest integer.*

5. CBSI India Private Limited

Corporate information

CBSI India Private Limited was incorporated on December 23, 2013, under the Companies Act, 1956. Its registered office address is situated at JollyBoard Tower 1, 5th Floor, I Think Techno Campus, Kanjurmarg East, Mumbai 400 042, Maharashtra, India.

It is primarily engaged in the business of, *inter alia*, providing manpower placement, development of software applications, providing outsourcing services for all processes, sub processes and other related services.

Capital structure and shareholding pattern

The authorised share capital of CBSI India Private Limited is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each. Its issued, subscribed and paid-up capital is ₹5,078,650 divided into 507,865 equity shares of ₹10 each.

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital (in %)
1.	FirstMeridian Business Services Limited	507,863	100.00[#]
2.	Nilay Pratik[*]	1	Negligible
3.	Shiv Maliwal	1	Negligible
Total		**507,865**	**100.00**

[*] *Beneficial interest in these equity shares is held by FirstMeridian Business Services Limited.*
[#] *Rounded off to the nearest integer.*

Indirect Subsidiary

1. RLabs Enterprise Services Limited

Corporate information

RLabs Enterprise Services Limited was incorporated as "iLabs Enterprise Services Private Limited" on March 6, 2013 under the Companies Act, 1956. Subsequently, it was converted into a public limited company and its name was changed to its present name "RLabs Enterprise Services Limited", and a fresh certificate of incorporation dated March 10, 2018 was issued by the Registrar of Companies, Telangana at Hyderabad. Its registered office address is situated at H.No.6-3-883/6/B, Singhania Towers, Panjagutta, Hyderabad, Telangana - 500 082, India.

It is primarily engaged in the business of, *inter alia*, providing staff augmentation, IT consulting and managed services.

Capital structure and shareholding pattern

The authorised share capital of RLabs Enterprise Services Ltd. is ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each. Its issued, subscribed and paid-up capital is ₹ 83,525,310 divided into 8,352,531 equity shares of ₹ 10 each.

S. No.	Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital (in %)
1.	Innovsource Services Private Limited	5,541,900	66.35
2.	Renuka Tadakamalla[**]	1,340,584	16.05
3.	FirstMeridian Business Services Limited	722,493	8.65
4.	Vinodh Venkatesan[**]	329,922	3.95
5.	Malladi Vasu[**]	250,576	3.00
6.	Prameela Aitharaju[**]	167,051	2.00
7.	Manish Mehta[*]	1	Negligible
8.	Nilay Pratik[*]	1	Negligible
9.	Satish Srinivasan[*]	1	Negligible
10.	Surya Sudheer Meduri[*]	1	Negligible
11.	Shiv Bhagwanlal Maliwal[*]	1	Negligible
Total		**8,352,531**	**100.00**

[*] *Beneficial interest in these equity shares is held by Innovsource Services Private Limited.*
[**] *As on the date of this Draft Red Herring Prospectus, these equity shares are held in the name of Axis Trustee Services Limited (acting as an escrow agent). For details, see "History and Certain Corporate Matters – Details regarding Material Acquisitions or Divestments of Business or Undertakings, Mergers, Amalgamations or any Revaluation of Assets, in the last 10 years - Share Purchase Agreement dated January 11, 2022 entered among our Company, RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan, as amended by the amendment agreement dated February 1, 2022 entered among our Company,*

RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan" on page 199.

Common pursuits between our Subsidiaries and our Company

Some of our Subsidiaries are either engaged in or are authorised by their respective constitutional documents to engage in the same line of business as that of our Company. Except as disclosed under "- *Our Subsidiaries*" and "*Other Financial Information – Related Party Transactions*" on pages 204 and 322, respectively, there are no common pursuits between our Subsidiaries and our Company.

Business interest of our Subsidiaries in our Company

Except as disclosed in "*Our Business*" and "*Financial Information – Restated Consolidated Financial Information*" on page 172 and 235, our Subsidiaries do not have or propose to have any business interest in our Company.

OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have a minimum of three and a maximum of fifteen Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of seven Directors. For details on the strength of our Board, as permitted and required under the Articles of Association, see "*Main Provisions of Articles of Association*" on page 406.

Our Board

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

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Name: **Avinash Vashishta** *Designation:* Chairperson and Independent Director *Date of Birth*: April 23, 1961 *Address:* 268, 4th Cross, 2nd Block, Near Nexus, RMV 2nd Stage, Bengaluru 560 094, India *Occupation*: Service *Nationality:* United States of America *Term*: Three years from April 12, 2022 *Period of directorship*: Since April 12, 2022 *DIN:* 01693170	61	***Indian Companies*** • Athena Global Technologies Limited • Myspaces Innovations Private Limited • Vaishnavkripa Realty Private Limited • Medley Medical Solutions Private Limited ***Foreign companies*** N.A.
Name: **Aduthuraiperumalkoil Ramachandran Chandrasekharan** *Designation:* Independent Director *Date of Birth*: September 19, 1952 *Address:* C 2 Krishna Chith Apartments, 10 Third Main Road, Gandhinagar, Adyar, Chennai, 600 020, India *Occupation*: Professional *Nationality:* Indian *Term*: Three years from April 12, 2022 *Period of directorship*: Since April 12, 2022 *DIN:* 01794721	69	***Indian Companies*** • Ashok Leyland John Deere Construction Equipment Company Private Limited (*under liquidation*) ***Foreign companies*** N.A.
Name: **Pooja Prabhakar** *Designation:* Independent Director *Date of Birth*: September 11, 1976 *Address:* No. 2276, Vag Jyothi, 22nd Cross Office K.R. Road, Banashankari 2nd Stage, Bengaluru, 560 070, India *Occupation*: Business	45	***Indian Companies*** N.A. ***Foreign companies*** N.A.

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Nationality: United States of America *Term*: Three years from April 12, 2022 *Period of directorship*: Since April 12, 2022 *DIN:* 08403819		
Name: **Richa Arora** *Designation:* Independent Director *Date of Birth*: October 26, 1963 *Address:* D - 2806 Ashok Towers, Parel, Mumbai 400 012, India *Occupation*: ESG Consultant *Nationality:* Indian *Term*: Three years from April 12, 2022 *Period of directorship*: Since April 12, 2022 *DIN:* 07144694	58	***Indian Companies*** • Snapdeal Limited ***Foreign companies*** N.A.
Name: **Manish Mehta** *Designation:* Non- Executive, Nominee Director* *Date of Birth*: July 19, 1976 *Address:* Flat No. D-3205, Ashok Towers, Tower D, Dr. Babasaheb Ambedkar Road, Near ITC Grand Central, Mumbai 400 012, India *Occupation*: Service *Nationality:* Indian *Term*: Liable to retire by rotation *Period of directorship*: Since September 11, 2018 *DIN:* 06442038	45	***Indian Companies*** • Lotus Surgicals Private Limited • Samara India Advisors Private Limited ***Foreign Companies*** N.A.
Name: **Nilay Pratik** *Designation:* Non- Executive, Nominee Director* *Date of Birth*: February 08, 1985 *Address:* 405/ 4th Floor, Augustus Building, Raheja Acropolis ST Road, Deonar Pada Road, Chembur, T.F. Donar, Kurla Mumbai 400 088, India *Occupation*: Service *Nationality:* Indian	37	***Indian Companies*** • Paradise Food Court Private Limited • Affluent Global Services Private Limited • V5 Global Services Private Limited • Mombay Retail Private Limited • Innovsource Services Private Limited • Innovsource Facilities Private Limited • CBSI India Private Limited • RLabs Enterprise Services Limited ***Foreign Companies***

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other directorships
Term: Liable to retire by rotation *Period of directorship*: Since March 21, 2018 *DIN:* 07692750		N.A.
Name: **Sudhakar Balakrishnan** *Designation:* Whole Time Director and Group Chief Executive Officer *Date of Birth*: October 25, 1960 *Address:* Villa No.226 Phase 1, Varthur Road, Adarsh Palm Meadows, Ramagondanahalli, Whitefield, Bengaluru 560 066, India *Occupation*: Service *Nationality:* Indian *Term*: Five years from April 22, 2022 *Period of directorship*: Since March 21, 2018 *DIN:* 00062956	61	***Indian Companies*** • Affluent Global Services Private Limited • V5 Global Services Private Limited • Innovsource Service Private Limited • Innovsource Facilities Private Limited • CBSI India Private Limited • RLabs Enterprise Services Limited ***Foreign Companies*** N.A.

[*] *Nominee Directors of the Promoter of our Company, i.e., Manpower Solutions Limited.*

Brief profiles of our Directors

Avinash Vashistha is the Chairperson and an Independent Director of our Company. He obtained his bachelor's degree of technology in the field of electrical engineering from Indian Institute of Technology, Kanpur in 1982 and his master's degree in computer science from University of Alberta in 1985. He also holds a master's degree in business administration from the University of Phoenix in 1993. He has expertise in the technology, consulting, capital and innovation sector. Before his association with our Company, he has held the position of a Whole time Director on the board of Accenture Services Private Limited, the CEO with Tholons Inc and a director of Bluebook Bangalore Private Limited. He has also been on the board of directors of Vaishnavkripa Realty Private Limited, Myspaces Innovations Private Limited, and Medley Medical Solutions Private Limited. He has been an active board and national member of American Chamber of Commerce, Federation of Indian Chambers of Commerce and Industry("**FICCI**"), Confederation of Indian Industry ("**CII**") and National Association of Software and Service Companies ("**NASSCOM**") and Institute of Directors, India. He has been associated with our Company since April 12, 2022.

Aduthuraiperumalkoil Ramachandran Chandrasekharan ("**A. R. Chandrasekharan**") is an Independent Director of our Company. He obtained his bachelor's degree in commerce (Hons.) from the University of Calcutta in 1972 and has also completed his bachelor's degree in Law from the University of Bombay in 1982. He is an associate member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India, apart from being a certified associate of the Indian Institute of Bankers. He has expertise in sectors like manufacturing, engineering, banking, finance and information technology. Prior to his association with our Company, he has served on the Board of Ashley Atleams India Limited, Ashley Bio-Fuels Limited, Adyar Property Holding Company Private Limited, Hinduja Tech Limited and Hinduja Foundries Limited, Automotive Infotronics Limited and Ashok Leyland John Deere Construction Equipment Company Private Limited. He has been associated with our Company since April 12, 2022.

Pooja Prabhakar is an Independent Director of our Company. She obtained her bachelor's degree in Information Science & Engineering from Bangalore University in 1998 and a master's degree in science from Central Connecticut State University in 2003. She obtained a Certificate in Managing Risk in Organisations from London School of Economics in 2018. She has expertise in the legal, technology & insurance sectors. In the past, she has

also been associated with also associated with the United Health Group, CIGNA Healthcare and Essential Logic. Currently she is the Managing Partner of BCP Associates. She has also been a recipient of numerous awards including Woman Achiever Award & Woman Leadership Award- Excellence in Legal at 7th edition of Future Woman Leader Digital Summit & Awards 2021 and Lex Falcon Award 2021 for impactfully contributing to the Legal industry with great knowledge, reach, innovative ideas, suggestions, futuristic spirit and approach. She has been associated with our Company since April 12, 2022.

Richa Arora is an Independent Director of our Company. She obtained her Bachelor of Arts degree in Economics from Delhi University in 1985 and post graduate diploma in management from Indian Institute of Management, Ahmedabad in 1987. She also obtained a Chevening/Gurukul scholarship certificate in Globalisation and Leadership form European Institute, London School of Economics and Political Science. She has expertise in strategic visioning, marketing, operations and ESG. She has previously been on the Board of Tata Group entities, Tata Unistore Limited and NourishCo Beverages Limited. She was also the Chief Operating Officer (Consumer Products Business) at Tata Chemicals Limited and has also worked with Tata Consumer Products Limited. She is currently the Managing Partner and Chief Executive Officer-- ESG Stewardship Services at ECube Investment Advisors Private Limited and a Director on the board of Snapdeal Limited. She has been associated with our Company since April 12, 2022.

Manish Mehta is a Non- Executive Nominee Director of our Company. He obtained his bachelor's degree of engineering in the field of civil engineering from the University of Roorkee in 1997 and has completed his degree of Master of Science in transportation from the Massachusetts Institute of Technology in 2001. Further, he has pursued Master's in Business Administration from the Harvard University in 2008. He has expertise in the field of inter alia investment and private equity business. Prior to joining our Company, he was associated with Lehman Brothers, Barclays Global Investors, N.A., and Grove Capital US Services LLC. He is also currently working in the capacity of Managing Director with Samara India Advisors Private Limited. He has been associated with our Company since September 11, 2018.

Nilay Pratik is a Non- Executive Nominee Director of our Company. He obtained his bachelor's degree in technology in the field of electrical engineering from the Indian Institute of Technology, Roorkee in 2007. He has completed his post graduate diploma in management from the IIM Kozhikode in 2010. He has expertise in consulting and private equity. Currently, he holds the position of Vice President at Samara India Advisors Private Limited. In the past, he has been associated with Aumentis Consulting, MXV Consulting Private Limited, and Manhattan Associates (India) Development Centre Private Limited. He has been associated with our Company since March 21, 2018.

Sudhakar Balakrishnan is the Whole Time Director and the Group Chief Executive Officer of our Company. He obtained the bachelor's degree of arts in corporate secretaryship in 1983 and the master's degree of arts in Social Work from the University of Madras in 1985. He has completed a leadership development program from the IMD Business School in 2007, a senior leadership program from the INSEAD in 2010 and an advanced senior leadership course in social media from Hyper Island, Stockholm in 2013. He has been associated with our Company since March 21, 2018. He has expertise in human resource, strategy formulation and profit and loss management. In the past he was a Country Director at Adecco India Private Limited, and has also been associated with Finmac Systems Limited, Foresight Marketing Private Limited, Foresight Power Systems Private Limited and**,** ABC Consultants Private Limited. He has also held the position of Head of the Human Resource Department in Satyam Infoway Limited in the past.

Relationship between our Board of Directors and Key Managerial Personnel.

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

Arrangements or understandings with major shareholders, customers, suppliers or others

Except Manish Mehta and Nilay Pratik who have been appointed pursuant to Shareholders' Agreement dated June 11, 2018, as amended on April 20, 2022, none of our Directors have been presently appointed or selected as a director pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or

others. For more information on the Shareholders' Agreement, see "*History and Certain Corporate Matters – Shareholders' Agreement and Other Agreements*" on page 202.

Service contracts with Directors

Sudhakar is entitled to certain post termination benefits, for details please see " - *Terms of appointment of Directors - Appointment details of our Whole Time Director - Employment Agreement dated June 6, 2018 between our Company and Sudhakar Balakrishnan, as amended through an amendment agreement dated April 20, 2022 between our Company and Sudhakar Balakrishnan*" on page 212.

Furthermore, except the statutory benefits upon termination of their employment in our Company or superannuation, no other Director, are entitled to any benefit upon retirement or termination of employment or superannuation. There are no service contracts entered into with any Directors, which provide for benefits upon retirement or termination of employment.

Borrowing Powers of our Board of Directors

Subject to applicable laws, our Board can borrow sums of money for the purpose of our Company with or without security upon such terms and conditions as the Board may think fit which, together with the monies borrowed by the company (apart from temporary loans obtained from the Company's banker in the ordinary course of business) shall not exceed the aggregate paid- up share capital, free reserves and securities premium account of our Company.

Further, as per the Board resolution dated September 15, 2021, and pursuant to the provisions of Section 179(3)(d) and other applicable provisions of the Companies Act, 2013 and read with rules made thereunder, our Board is authorised to borrow money as and when required by our Company upon terms and conditions as may be mutually agreed with lenders.

Terms of appointment of Directors

1. *Appointment details of our Whole Time Director*

Sudhakar Balakrishnan

Sudhakar Balakrishnan is the Whole Time Director and the Group Chief Executive Officer of our Company. He was appointed as the Group Chief Executive Officer of our Company, pursuant to the employment agreement dated June 6, 2018, which was subsequently amended through an amendment agreement dated April 20, 2022. Pursuant to the Board resolution dated March 30, 2022, and special resolution dated April 22, 2022, he was re-appointed as the Whole time Director of the Company for a term of five years with effect from April 22, 2022 and was paid remuneration of ₹ 17.90 million for the financial year ended on March 31, 2022.

Details of the remuneration that Sudhakar Balakrishnan is entitled to for the Fiscal Years 2023 to Fiscal Year 2025, and the other terms of his employment are enumerated below:

- Fixed Remuneration is ₹ 16.5 million to a maximum of ₹ 30 million.
- Variable pay, incentives or bonus will be in the range of 20% on the fixed salary component, the actual percentage shall be determined by the Board basis the recommendation of the Nomination and Remuneration Committee.
- Reimbursement of actual expenses including but not limited to telephone, travelling, hotel bill, accommodation, conveyance, entertainment and other miscellaneous expenses and incidents incurred for and on behalf of and for the business of our Company, in accordance with our Company's policies.
- Perquisites and other benefits including but not limited to stock option perquisites, reimbursement of medical expenses, leave travel concession, provident fund, company-maintained car, fuel, driver or annuity fund, special allowance, leave encashment, gratuity, and mobile/ telephone as per our Company's policies.
- Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Whole Time Director shall be paid remuneration by way of salary and perquisites as set above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of Companies Act, from time to time with the approval of the shareholders of the Company through a special resolution.

For details of stock options granted to Sudhakar Balakrishnan, see "*Capital Structure – Employee Stock Option Scheme*" on page 102.

Employment Agreement dated June 6, 2018 between our Company and Sudhakar Balakrishnan, as amended through an amendment agreement dated April 20, 2022 between our Company and Sudhakar Balakrishnan (together, the "Employment Agreement")

The Employment Agreement sets forth the terms and conditions governing Sudhakar Balakrishnan's appointment and employment as the Group Chief Executive Officer, including his duties and responsibilities, compensation and non-compete, non-solicit and non-disclosure obligations and termination provisions. It stipulates that during his tenure as Group Chief Executive Officer of the Company, Sudhakar will be appointed on our Board. The Employment Agreement further states that Sudhakar's tenure as Group Chief Executive Officer will extend till the completion of the twenty-fourth month on the date on which the majority shareholder of the Company (as of 12 months of the effective date of the agreement) disposes of majority of its shareholding in our Company to a third party.

In terms of the Employment Agreement, Sudhakar is entitled to certain benefits in case of termination without cause, or upon exigent circumstances, including payment of a certain component of his fixed remuneration or the entitlement to certain stock options.

Furthermore, please see "*History and Certain Corporate Matters - Agreements with Key Managerial Personnel, Director, Promoter or any other employee in relation to compensation or profit sharing*" on page 203, for a description of compensation payable by certain shareholders of our Company to certain employees (including, Sudhakar Balakrishnan) of the Company in connection with dealings in securities of our Company.

2. *Remuneration details of our Independent Directors*

Pursuant to the Board resolution dated April 12, 2022, and special resolution of our shareholders dated April 22, 2022, as on the date of this Draft Red Herring Prospectus, our Independent Directors are entitled to receive remuneration or compensation from our Company to the following extent:

S. No.	Name of the Director	Remuneration (in ₹ million)
1.	Avinash Vashistha	1.75*
2.	A. R. Chandrasekharan	2.00**
3.	Richa Arora	2.15**
4.	Pooja Prabhakar	1.65**

* *Additionally, entitled to reimbursement of expenses incurred by him to attend Board or committee meetings up to ₹ 1.9 million.*
** *Additionally, entitled to reimbursement of expenses incurred by them to attend Board or committee meetings.*

The remuneration paid to the Independent Directors is, either by way of fees for attending the meetings of Board and its committees, reimbursement of expenses incurred by them to attend Board or committee meetings, and/ or in such other way as may be approved by the Board.

As the independent directors have been appointed on the Board in the present Fiscal Year, hence no remuneration has been paid in the Financial Year 2022.

3. *Remuneration details of our Non-Executive Director*

As on the date of this Draft Red Herring Prospectus, our Non-Executive Directors are not entitled to receive any remuneration or compensation (including sitting fees) from our Company and accordingly no remuneration has been paid to our Non-Executive Directors in Financial Year 2022.

4. *Remuneration paid to our Directors by our Subsidiaries*

There is no remuneration paid or payable to our Directors by our Subsidiaries during the Fiscal Year 2022.

Contingent and deferred compensation payable to our Directors

Except as disclosed in this section "*Our Management*" and "*Capital Structure*", there is no contingent or deferred compensation payable by our Company/ Subsidiaries, as the case may be, to our Directors by our Company.

Bonus or profit-sharing plan for Directors

Except as disclosed above in this section "*Our Management*", our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Shareholding of our Directors in our Company

Our Articles do not require the Directors to hold any qualification shares.

Details of our Directors who hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus are as follows:

Name	Number of Equity Shares	Percentage of pre-Offer share capital
Sudhakar Balakrishnan	90,866[*]	0.12%
Manish Mehta	1[**]	*Negligible*
Nilay Pratik	1[**]	*Negligible*

[*]*Additionally, Sudhakar Balakrishnan is one of the partners of New Lane Trading LLP, which holds 4,764,589 Equity Shares of our Company.*
[**]*In relation to these Equity Shares, the New Lane Trading LLP is the beneficial owner.*

For details of stock options granted to Sudhakar Balakrishnan, see "*Capital Structure – Employee Stock Option Scheme*" on page 102.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, bonus and reimbursement of expenses, if any, payable to them.

Certain Directors may be deemed to be interested to the extent of Equity Shares and employee stock options, held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares.

Interest in promotion or formation of our Company

Except for Manish Mehta and Nilay Pratik, Nominee Directors of the Promoter of our Company, none of our Directors have any interest in the promotion or formation of our Company as of the date of this Draft Red Herring Prospectus.

Interest in property

None of our Directors are interested in any property acquired by our Company or proposed to be acquired by it.

Other than as disclosed in "*Other Financial Information – Related Party Transactions*" and "*Financial Information – Restated Consolidated Financial Information*" on pages 323 and 235, respectively and except as disclosed herein above, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which our Directors are directly or indirectly interested and no payments have been made to our Directors in respect of the contracts, agreements or arrangements which are proposed to be made with our Directors other than in the normal course of business.

Confirmations

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on any stock exchanges(s) during their term of tenure in such company.

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of tenure in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, or company in which he is interested, in connection with the promotion or formation of our Company.

Changes in our Board of Directors during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of Change	Designation (at the time of appointment/ cessation)	Description and Reason
Avinash Vashishta	April 12, 2022	Chairperson and Independent Director	Appointment
A. R. Chandrasekharan	April 12, 2022	Independent Director	Appointment
Pooja Prabhakar	April 12, 2022	Independent Director	Appointment
Richa Arora	April 12, 2022	Independent Director	Appointment
Ankur Vidyasagar Gulati	April 8, 2022	Director	Resignation
Jiten Umesh Poojara	April 8, 2022	Director	Resignation
Martin Epeli Robinson	April 8, 2022	Alternate Director	Resignation
John Chi On Ho	April 8, 2022	Director	Resignation
Somwrita Biswas	February 9, 2022	Director	Resignation
Somwrita Biswas	April 28, 2021	Director	Appointment
Niladri Mukhopadhyay	March 31, 2021	Director	Resignation
Martin Epeli Robinson	November 13, 2020	Alternate Director	Appointment
Bandaru Venkaiah Naidu	August 17, 2020	Director	Resignation
Ankur Vidyasagar Gulati	December 11, 2019	Director	Appointment
Niladri Mukhopadhyay	October 23, 2019	Director	Appointment

Note: This table does not include changes such as regularizations or change in designations.

Corporate Governance

In addition to the Companies Act, 2013, the provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

As on the date of filing this Draft Red Herring Prospectus, our Company has seven Directors of which one is a Whole Time Director, two are Non-Executive Directors and four are Independent Directors. Our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations and the Companies Act, 2013, particularly, in relation to composition of our Board of Directors and constitution of board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility & Environment, Social and Governance Committee; and
(e) Risk Management Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

The details of the committees required to be constituted by our Company under the Companies Act, 2013 and the SEBI Listing Regulations are as follows:

Audit Committee

The Audit Committee currently comprises of:

Name	Position in the committee	Designation
A. R. Chandrasekharan	Chairperson	Independent Director
Richa Arora	Member	Independent Director
Manish Mehta	Member	Non- Executive Nominee Director

The Audit Committee was constituted pursuant to a resolution passed by our Board in its meeting held on April 22, 2022. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on April 22, 2022, *inter alia*, include:

a) Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   ii) changes, if any, in accounting policies and practices and reasons for the same;
   iii) major accounting entries involving estimates based on the exercise of judgment by management;
   iv) significant adjustments made in the financial statements arising out of audit findings;
   v) compliance with listing and other legal requirements relating to financial statements;
   vi) disclosure of any related party transactions; and
   vii) modified opinion(s) in the draft audit report;

e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval; reviewing, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency (if applicable) monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

f) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

g) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

h) Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to related party transactions;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

i) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

j) Scrutiny of inter-corporate loans and investments;

k) Valuation of undertakings or assets of the Company, wherever it is necessary;

l) Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.

m) Evaluation of internal financial controls and risk management systems;

n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussion with internal auditors of any significant findings and follow up thereon;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) To review the functioning of the whistle blower mechanism;

u) Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

v) Carrying out any other function as is mentioned in the terms of reference of the audit committee; and

w) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

x) To formulate, review and make recommendations to the Board to amend the terms of reference of Audit Committee from time to time;

y) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

z) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiaries exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

aa) The Audit Committee shall review compliance with the provisions of the SEBI Insider Trading Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;

bb) To consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders; and

cc) Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The Audit Committee shall mandatorily review the following information:

a) management discussion and analysis of financial condition and results of operations;
b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
c) management letters / letters of internal control weaknesses issued by the statutory auditors;
d) internal audit reports relating to internal control weaknesses; and
e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
f) statement of deviations:

   i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
   ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

g) To review the financial statements, in particular, the investments made by any unlisted subsidiary; and
h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The powers of the Audit Committee shall include the following:

a) to investigate any activity within its terms of reference;
b) to seek information from any employee of the Company;
c) to obtain outside legal or other professional advice; and
d) to secure attendance of outsiders with relevant expertise, if it considers necessary.
e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations"

The Company Secretary and Compliance Officer shall act as Secretary to the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently consists of:

Name	Position in the committee	Designation
Richa Arora	Chairperson	Independent Director
Avinash Vashishta	Member	Chairperson and Independent Director
Nilay Pratik	Member	Non- Executive Nominee Director

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board in its meeting held on April 22, 2022. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on April 22, 2022, *inter alia*, include:

a) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may

   i) use the services of an external agencies, if required;

   ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
   iii) consider the time commitments of the candidates;

b) The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

   ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

c) Formulating criteria for evaluation of performance of independent directors and the Board;

d) Devising a policy on diversity of Board;

e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

f) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

g) Recommending to the board, all remuneration, in whatever form, payable to senior management;

h) Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;

i) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

j) Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);

k) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

l) Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

m) Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

i) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

n) Carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

o) Performing such other functions as may be necessary or appropriate for the performance of its duties; and Perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

p) Administering the ESOP Scheme, 2019 including the following:

i) Determining the eligibility of employees to participate under the ESOP Scheme;

ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

iii) Date of grant;

iv) Determining the exercise price of the option under the ESOP Scheme;

v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

x) The grant, vest and exercise of option in case of employees who are on long leave;

xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

xii) The procedure for cashless exercise of options;

xiii) Forfeiture/ cancellation of options granted;

xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value

of the option to the employee remains the same after the corporate action;

- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

q) Construing and interpreting the ESOP Scheme 2019 and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee currently comprises of:

Name	Position in the committee	Designation
Avinash Vashishta	Chairperson	Chairperson and Independent Director
Sudhakar Balakrishnan	Member	Whole Time Director and Group Chief Executive Officer
Manish Mehta	Member	Non- Executive Nominee Director

The Stakeholders' Relationship Committee was constituted pursuant to a resolution passed by our Board in its meeting held on April 22, 2022. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on April 22, 2022, *inter alia*, include:

The powers of the Stakeholders Relationship Committee shall be as follows:

a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;

b) Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

c) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

d) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;

e) Review of measures taken for effective exercise of voting rights by shareholders;

f) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;

g) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

h) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

i) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company; and

j) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Corporate Social Responsibility & Environment, Social and Governance Committee ("CSR & ESG Committee")

The CSR & ESG Committee currently comprises of:

Name	Position in the committee	Designation
Sudhakar Balakrishnan	Chairperson	Whole Time Director and Group Chief Executive Officer
Richa Arora	Member	Independent Director
Pooja Prabhakar	Member	Independent Director

The Corporate Social Responsibility & Environment, Social and Governance Committee was constituted pursuant to a resolution passed by our Board in its meeting held on April 22,, 2022. The scope and functions of the Corporate Social Responsibility & Environment, Social and Governance Committee are in accordance with Section 135 of the Companies Act, 2013 and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on April 22, 2022, inter alia, include:

a) To formulate and recommend to the Board, a Corporate Social Responsibility & Environment, Social and Governance Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

b) To review and recommend the amount of expenditure to be incurred on the activities referred to in (a) and amount to be incurred for such expenditure shall be as per the applicable law;

c) To identify corporate social responsibility & environment, social and governance policy partners and corporate social responsibility & environment, social and governance policy programmes;

d) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility & environment, social and governance activities and the distribution of the same to various corporate social responsibility & environment, social and governance programmes undertaken by the Company;

e) To delegate responsibilities to the corporate social responsibility & environment, social and governance team and supervise proper execution of all delegated responsibilities;

f) To review and monitor the Corporate Social Responsibility & Environment, Social And Governance Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility & environment, social and governance programmes ;

g) To do such other acts, deeds and things as may be required to comply with the applicable laws; and;

h) To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility & environment, social and governance of the Company.

i) The Corporate Social Responsibility & Environment, Social and Governance Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility & environment, social and governance policy, which shall include the following:

(i) the list of corporate social responsibility & environment, social and governance projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
(ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
(iv) monitoring and reporting mechanism for the projects or programmes; and

j) details of need and impact assessment, if any, for the projects undertaken by the Company; and
k) to perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority."

Risk Management Committee

The Risk Management Committee currently comprises of:

Name	Position in the committee	Designation
Pooja Prabhakar	Chairperson	Independent Director
A.R. Chandrasekharan	Member	Independent Director
Nilay Pratik	Member	Non- Executive Nominee Director

The Risk Management Committee was constituted by a resolution of our Board dated April 22, 2022.

The terms of reference of the Risk Management Committee include the following:

a) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:

i) A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and

iii) Business continuity plan

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To approve the process for risk identification and mitigation;

f) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

g) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

h) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

i) To consider the effectiveness of decision making process in crisis and emergency situations;

j) To balance risks and opportunities;

k) To generally, assist the Board in the execution of its responsibility for the governance of risk;

l) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

m) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

n) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

o) To implement and monitor policies and/or processes for ensuring cyber security;

p) To review and recommend potential risk involved in any new business plans and processes;

q) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

r) To monitor and review regular updates on business continuity;

s) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

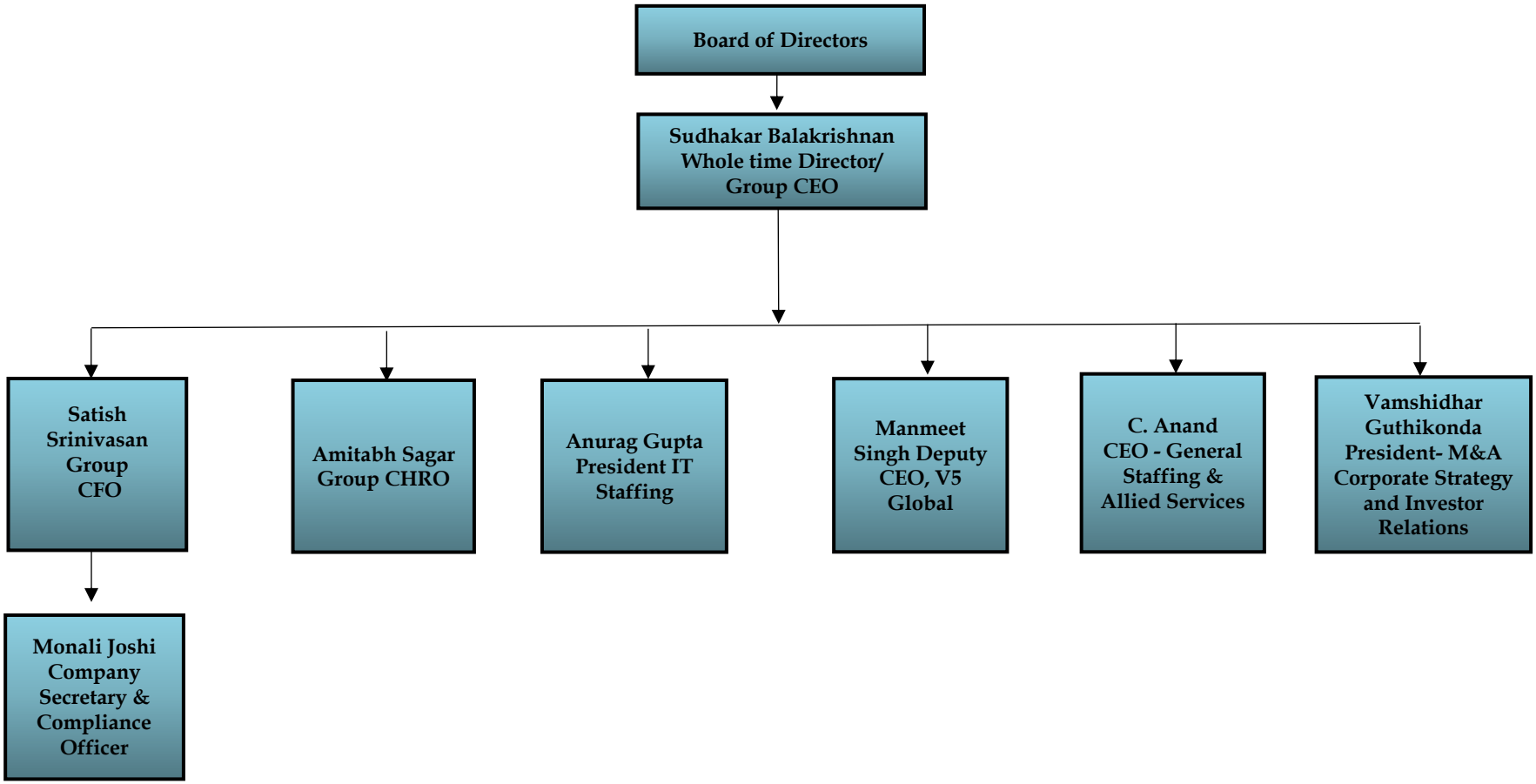
t) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

u) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

v) Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

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MANAGEMENT ORGANISATION STRUCTURE



Key Managerial Personnel

In addition to our Whole Time Director and Group Chief Executive Officer, Sudhakar Balakrishnan, whose details are provided in *"Our Management – Brief Profiles of our Directors"* on page 210. The details of our other Key Management Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Satish Srinivasan is the Group Chief Financial Officer of the Company. He has been associated with our Company since July 1, 2018. He is an associate member of the Institute of Chartered Accountants of India and holds a bachelor's degree in commerce from the Madurai Kamaraj University, Madurai, Tamil Nadu obtained in 1992. He has more than 25 years of experience in accounts, finance and risk management. Prior to joining our Company, he was the Executive Vice President and Chief Financial Officer at CMS IT Services Private Limited and Vice President - Business Finance at Wipro Limited. In the Fiscal Year 2022, he received a remuneration of ₹ 9.37 million.

Amitabh Sagar is the Group Chief Human Resource Officer of the Company. He has been associated with our Company since August 27, 2018. He holds a bachelor and a masters' degree in arts from Punjab University. He has completed diploma in training and development from Indian Society for Training and Development, Delhi in 2002 and has also received a post graduate certificate in human resource management from XLRI Jamshedpur School of Management in 2005. He has more than 15 years of experience in human resource management. Prior to joining our Company, he worked as a Chief Human Resource Officer at Poly Medicure Limited. In the past he has been associated with Prefetti Van Melle India Private Limited, Mahindra & Mahindra Limited (Swaraj division), Avery Dennison (India) Private Limited and PepsiCo India Holdings Private Limited. In the Fiscal Year 2022, he received a remuneration of ₹ 6.11 million.

Anurag Gupta is the President- IT Staffing of the Company. He has been associated with our Company since August 1, 2018. He obtained his bachelors' degree in technology from Kanpur University in 1994 and a master's degree in business administration jointly awarded by HEC Paris, New York University Leonard N Stern School of Business and the London School of Economics and Political Science in 2012. He also completed his post graduate diploma in business management from the Institute of Productivity and Management, Meerut in 1996. He has more than 23 years of experience in P&L, operations leadership and management. Prior to joining our Company, he was the Chief Executive Officer- CenterQ of Quess Corp Limited and also held the position of Vice President at Capgemini India Private Limited and Capgemini Australia Pty. Limited. In the past he was associated with, Gulf Bank, Kuwait, GE India, ICICI Bank and IDBI Bank, Kanbay. In the Fiscal Year 2022, he received a remuneration of ₹ 6.90 million.

Manmeet Singh is the Deputy Chief Executive Officer of V5 Global Services Private Limited. He joined our material subsidiary V5 Global Services Private limited on May 28, 2020. He obtained a bachelors' degree in engineering from Nagpur University and post graduate diploma in software capability maturity model implementation from the Indian Institute of Management & Technology in 2004. He has completed the core curriculum from Harvard Business School. He has more than 14 years of experience in business management and operations across industries. Prior to joining our Company, he was the President at Manpower Services India Private Limited. In the past he has been associated with iGATE Global Process Outsourcing Limited (now Capgemini), Information Technologies India Ltd (now Espire Info-labs) and FCS Software Solutions Limited. In the Fiscal Year 2022, he received a remuneration of ₹ 7.41 million from V5 Global Services.

C. Anand Sundar Raj is the Chief Executive Officer - General Staffing & Allied Services of the Company. He has been associated with our Company since March 15, 2021. He obtained bachelors' degree in electronics and communication engineering from Bharathidasan University, Tiruchirappalli, Tamil Nadu in 1995. He has also completed his post graduate diploma in human resource management from Pondicherry University in 1999. He has more than 25 years of experience in P&L sales and business development. Prior to joining our Company, he was the Chief Executive Officer at Quess Corp Limited and has also been associated with Adecco India Private Limited, Omam Consultants Private Limited and Sukhvarsha Management Services in various roles. In the Fiscal Year 2022, he received a remuneration of ₹ 7.02 million.

Vamshidhar Guthikonda is the President - Mergers and Acquisitions, Strategy and Investor Relations of the Company. He has been associated with our Company since December 20, 2021. He is an associate member of the Institute of Cost and Works Accountants of India. He obtained bachelor's degree in commerce from Osmania University in 1997 and a post graduate diploma in management from Indian Institute of Management, Bangalore in 2000. He has more than 20 years of experience in investment banking and M&A transactions. Prior to joining our Company, he was President (M&A and Investor Relations) at SIS Group Enterprises and was also the former

co-founder and director of iAngel Services Private Limited (Seed X). He has also been associated with Graziano Trasmissioni India Private Limited, Yahoo India Limited, Allegro Capital Advisors Private Limited and ICICI Securities Limited. In the Fiscal Year 2022, he received a remuneration of ₹ 2.19 million.

Monali Joshi is the Company Secretary and Compliance Officer of the Company. She has been associated with our Company since July 24, 2019. She obtained bachelors' degree in commerce from the University of Mumbai in 2008. She is an associate member of the Institute of Company Secretaries of India. She is also associated with our subsidiary, Innovsource Services Private Limited as a Company Secretary. She has more than seven years of experience in secretarial work. In the Fiscal Year 2022, she received a remuneration of ₹ 0.97 million.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company or our Subsidiaries as the case maybe. The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Relationship among Key Managerial Personnel

The Key Managerial Personnel of our Company are not related to each other.

Bonus or profit-sharing plan for the Key Managerial Personnel

With respect to our Key Managerial Personnel, except for performance based discretionary short-term and long-term incentives, retention or signing bonuses paid in accordance with their respective terms of appointment, none of our Key Managerial Personnel are a party to any bonus or profit-sharing plan or have received any compensation in the Fiscal Year 2022 pursuant to any bonus or profit-sharing plan from our Company.

Please see "*History and Certain Corporate Matters - Agreements with Key Managerial Personnel, Director, Promoter or any other employee in relation to compensation or profit sharing*" on page 203, for a description of compensation payable by certain shareholders of our Company to certain employees (including, Sudhakar Balakrishnan) of the Company in connection with dealings in securities of our Company.

Shareholding of Key Managerial Personnel

Other than as provided under "*Our Management - Shareholding of our Directors in our Company"* on page 214, the details of Equity Shares held by the Key Managerial Personnel in our Company, as on date of this Draft Red Herring Prospectus are as below:

Sr. No.	Name of the Key Managerial Personnel	Number of Equity Shares held*
1.	Satish Srinivasan	54,520
2.	Amitabh Sagar	35,374
3.	Anurag Gupta	45,433
4.	Manmeet Singh	37,006
5.	Anand Sundar Raj C	54,565
6.	Monali Joshi	3,635

**Additionally, Satish Srinivasan and Anurag Gupta are partners of New Lane Trading LLP, which holds 4,764,589 Equity Shares of our Company.*

Except as disclosed above and for Sudhakar Balakrishnan's shareholding as disclosed under " - *Shareholding of our Directors in our Company*" on page 214, and as disclosed in "*Capital Structure - Employee stock option schemes*" on page 102 hereunder none of our Key Managerial Personnel hold any equity shares in our Company as on the date of this Draft Red Herring Prospectus.

Service Contracts with Key Managerial Personnel

Sudhakar is entitled to certain post termination benefits, for details please see "- *Terms of appointment of Directors* - Appointment *details of our Whole Time Director - Employment Agreement dated June 6, 2018 between our Company and Sudhakar Balakrishnan, as amended through an amendment agreement dated April 20, 2022 between our Company and Sudhakar Balakrishnan*" on page 212.

Except for the statutory benefits upon termination of their employment in our Company or superannuation, no other Key Managerial Personnel, are entitled to any benefit upon retirement, termination of employment or superannuation and there are no service contracts entered into with any Key Managerial Personnel, which provide for benefits upon retirement or termination of employment.

Interests of Key Managerial Personnel

For details of the interest of our Whole Time Director in our Company, see "*Our Management - Interest of our Directors*" on page 214. Our Key Managerial Personnel (other than our Whole Time Director) are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service including the extent of stock options granted to them under the ESOP Scheme. Further, some of our Key Managerial Personnel are interested to the extent of Equity Shares held by them, their relatives or by entities in which they are associated as a director and to the extent of benefits arising out of such shareholding. For details, please see "*– Shareholding of the Key Managerial Personnel*" above.

Contingent and deferred compensation payable to the Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel by our Company or Subsidiaries as the case maybe.

Changes in the Key Managerial Personnel during the last three years

The changes in our Key Managerial Personnel in the last three years is as follows:

Name	Designation	Date of change	Reason for change
Vamshidhar Guthikonda	President - Mergers and Acquisitions, Strategy and Investor Relations of the Company	December 20, 2021	Appointment
C. Anand Sundar Raj	Chief Executive Officer- General Staffing & Allied Services	March 15, 2021	Appointment
Manmeet Singh	Dy. CEO of V5 Global Services Private Limited	May 28, 2020	Appointment
Sudhakar Balakrishnan	Group CEO	October 23, 2019	Appointment
Monali Joshi	Company Secretary	July 24, 2019	Appointment
Swati Medatwal	Company Secretary	July 1, 2019	Resignation

Note: This table does not include changes such as regularizations or change in designations.

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any Key Managerial Personnel of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been presently appointed or selected as a Key Managerial Personnel pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Employee stock option and stock purchase schemes

For details of the employee stock option scheme of our Company, see "*Capital Structure – Employee Stock Option Plan*" on page 102.

OUR PROMOTER AND PROMOTER GROUP

Manpower Solutions Limited is the Promoter of our Company. As on the date of this Draft Red Herring Prospectus, Manpower Solutions Limited holds 67,329,517 Equity Shares of our Company, constituting 87.38% of the issued, subscribed, and paid-up equity share capital of our Company.

For details of the build-up of our Promoter's shareholding in our Company, see "*Capital Structure - Details of shareholding of our Promoter and Promoter Group in the Company - Build-up of Promoter's shareholding in our Company"* on page 98.

Details of our Promoter

Manpower Solutions Limited

Corporate Information

Manpower Solutions Limited was incorporated pursuant to the certificate of incorporation on April 30, 2018 at Port Louis, Mauritius, as a private company limited by shares under the laws of Republic of Mauritius. The registered office of Manpower Solutions Limited is located at Sanne House, Bank Street, Twenty-Eight Cybercity, Ebene 72201, Republic of Mauritius.

The corporate identification number of Manpower Solutions Limited is 155787 C1/GBL.

The main objects of Manpower Solutions Limited is to invest in Indian portfolio companies providing human resource services, software and other technical services for human resource services and/or management services provided from time to time. There has been no change in the nature of business of Manpower Solutions Limited since its incorporation.

Board of directors of Manpower Solutions Limited

As on the date of this Draft Red Herring Prospectus, the board of directors of Manpower Solutions Limited comprises of the following:

1. Gulshan Raj Ramgoolam - Additional Director
2. Nandinee Boodhoo - Additional Director
3. John Chi On Ho - Nominee Director
4. Jiten Umesh Poojara - Nominee Director
5. Martin Epeli Robinson - Alternate Director

Shareholding pattern of Manpower Solutions Limited

The shareholding pattern of Manpower Solutions Limited as on the date of this Draft Red Herring Prospectus is as follows:

Name of shareholders	Number of class A1 shares	Number of class B1 shares	Number of class C1 shares	Number of class A shares	Number of class B shares	Number of class C shares	Number of Class D1 shares**	Number of Class E1 shares**	% of the total voting capital
Janchor Partners Pan Asia Master Fund	0	8,294,286	0	0	17,850,000	0	0	0	48.84*
Emerald Strategic Holdings Pte Ltd.	2,250,000	0	0	12,750,000	0	0	0	0	33.39*
Samara Capital Partners Fund II Limited	0	0	6,439,252	0	0	5,950,000	0	0	17.77*
Samara Capital Management Limited	0	0	0	0	0	0	100	100	Nil*
Total									**100.00**

* *The classes A, B, C, D1 and E1 of shares do not carry any voting rights.*

***The issuance of the shares will be effective upon approval from the Financial Services Commission, Mauritius.*

Shareholders' agreement

Samara Capital Partners Fund II Limited ("**Samara**"), Janchor Partners Pan-Asian Master Fund ("**Janchor**"), Emerald Strategic Holdings Pte. Ltd. ("**Emerald**"), Samara Capital Management Limited ("**Samara GP**") and Manpower have entered into a shareholders' agreement dated July 8, 2018 (subsequently amended by agreements dated September 17, 2020 and May 6, 2022) ("**Manpower SHA**") to record, among other items, the mutual understanding and *inter se* rights and obligations of Samara, Janchor, Emerald and Samara GP as shareholders of Manpower (collectively, the "**Manpower Shareholders**"). Pursuant to the Manpower SHA, certain of the Manpower Shareholders are entitled to nominate directors on the board of directors of Manpower, in addition to information rights, rights in relation to shareholder exits and affirmative voting rights on certain actions to be undertaken by our Promoter. The Manpower SHA also sets out certain rights and obligations in the context of sale and transfers of securities of Manpower.

Promoters of Manpower Solutions Limited

The promoters of our Promoter, identified on the basis of their shareholding in our Promoter, are Samara Capital Partners Fund II Limited, Janchor Partners Pan-Asian Master Fund and Emerald Strategic Holdings Pte. Ltd. However, none of Samara Capital Partners Fund II Limited, Janchor Partners Pan-Asian Master Fund or Emerald Strategic Holdings Pte. Ltd. are individually in control of our Promoter.

Samara Capital Partners Fund II Limited is a public company, limited by shares, incorporated on October 10, 2012, under the laws of Mauritius. Samara Capital Partners Fund II Limited is authorised to act as Closed- End fund incorporated in Mauritius as public companies limited by shares. The board of directors of Samara Capital Partners Fund II Limited comprises of Justin Steinberg, Imrith Ramtohul and Dilshaad Banu Rajabalee.

Janchor Partners Pan-Asian Master Fund is an exempted company, incorporated on November 12, 2009, under the laws of the Cayman Islands. Janchor Partners Pan-Asian Master Fund is a regulated fund. The board of directors of Janchor Partners Pan-Asian Master Fund comprises of Jacon David Gray, John Chi On Ho and Warren David Keens.

Emerald Strategic Holdings Pte. Ltd. is a private limited company, incorporated on June 21, 2018, under the Singapore Company Act (Cap 50). Emerald Strategic Holdings Pte. Ltd. is authorised to act as a holding company. The board of directors of Emerald Strategic Holdings Pte. Ltd. comprises of Ms. Swee Oi LO, Ms. Ching Check TAN and Mr. Tsz Yin WU.

Change in control of Manpower Solutions Limited

There has been no change in the control of Manpower Solutions Limited in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number(s), company number of Manpower Solutions Limited will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Manpower Solutions Limited is registered as a private company limited by shares under the laws of Republic of Mauritius the laws of the Cayman Islands, and therefore registration and address details of the applicable registrar of companies, are not applicable.

Change in management and control of our Company

Manpower Solutions Limited is not the original promoter of our Company and has become Promoter of our Company, in terms of the SEBI ICDR Regulations, in the five years immediately preceding the date of this Draft Red Herring Prospectus. For further details, see *"History and Certain Corporate Matters— Shareholders' Agreement and Other Agreements"* and *"Capital Structure — Details of shareholding of our Promoter and Promoter Group in the Company — Build-up of our Promoter's shareholding in our Company"* on pages 202 and 98, respectively.

Our Board has, pursuant to a resolution dated April 12, 2022, identified Manpower Solutions Limited as the only Promoter of the Company.

Interests of our Promoter

Our Promoter is interested in our Company to the extent that they have promoted our Company; to the extent of its shareholding in our Company; any other distributions in respect of the Equity Shares held by it; and of its right to nominate directors on the Board of Directors (and committees thereof). For further details, see "*Capital Structure",* and "*History and Certain Corporate Matters*" on pages 89 and 197, respectively.

No sum has been paid or agreed to be paid to our Promoter or to any firm or company in which our Promoter is interested, in cash or shares or otherwise by any person either to induce it to become, or to qualify it as director or promoter or otherwise for services rendered by such Promoter or by such firm or company, in connection with the promotion or formation of our Company.

Interest of Promoter in the property of our Company

Our Promoter does not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Draft Herring Prospectus or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

Interest of Promoter in our Company other than as a Promoter

Except as stated in the sections titled "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and "*Other Financial Information - Related Party Transactions*" on pages 172, 197, 208 and 323, respectively, our Promoter does not have any interest in our Company other than as a promoter.

Payment of amounts or benefits to our Promoter or Promoter Group during the last two years

Except as stated in "*Other Financial Information - Related Party Transactions*" on page 323, no amount or benefit has been paid by our Company to our Promoter or the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus, nor is intended to be paid or given to our Promoter or the members of the Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoter with respect to the Equity Shares

There are no material guarantees given by our Promoter to third parties with respect to the Equity Shares of our Company.

Disassociation by Promoter in the last three years

Our Promoter has not disassociated itself from any companies or firms during the three years preceding the date of filing of this Draft Red Herring Prospectus.

Promoter Group

A. Natural persons who are part of the Promoter Group

There are no natural persons who are part of the Promoter Group.

B. Entities forming part of the Promoter Group

The companies and entities that form part of the Promoter Group are as follows:

Sr. No.	Name of Promoter Group entity
1.	Emerald Strategic Holdings Pte Ltd.
2.	Janchor Partners Pan Asia Master Fund

Other Confirmations

Our Promoter and members of our Promoter Group have not been declared as Wilful Defaulters or Fraudulent

Borrowers.

Our Promoter and members of the Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other authorities.

Our Promoter is not and has never been Promoter of any other company which is debarred from accessing the capital markets.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies of our Company, for the purpose of disclosure in this Draft Red Herring Prospectus, shall include:

(1) companies (other than the Promoter and the Subsidiaries of our Company) with which there were related party transactions, during the period for which financial information is disclosed in the Restated Consolidated Financial Information, as covered under the applicable accounting standards (i.e., Ind AS 24), and

(2) such other companies as considered material by the Board pursuant to the Materiality Policy.

With respect to (2) above, our Board in its meeting held on April 12, 2022 has adopted the Materiality Policy and has considered group companies of our Company to be such companies (other than the companies categorised under (1) above) that are a part of the Promoter Group (as defined in Regulation 2(1)(pp) of the SEBI ICDR Regulations) with which there were transactions with our Company during the most recent Financial Year, or the relevant stub period, included in the Restated Consolidated Financial Information, which individually or cumulatively in value, exceed 10% of the total restated consolidated revenue of our Company as derived from the Restated Consolidated Financial Information of the last completed full Financial Year.

Based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial condition of our Company. Our Company has adopted a dividend distribution policy ("**Dividend Policy**") pursuant to a resolution of the Board dated April 12, 2022. In terms of the Dividend Policy, the dividend pay-out, if any, shall be determined by the Board after taking into account a number of financial parameters, internal factors and external factors, including the distributable surplus available, our Company's liquidity position and future cash flow needs, capital expenditure requirements, the pay-out ratios of comparable companies, the prevailing taxation policy and macro-economic conditions.

No dividends have been paid our Company on the Equity Shares since its incorporation.

There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, see "*Risk Factors - We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements" on page* 53.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
501, Jollyboard Tower-1,
I Think Techno Campus,
Kanjurmarg (East).
Mumbai 400042

Dear Sirs / Madams,

1. We have examined the attached restated consolidated financial information of FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited) (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, 2020 and 2019, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the nine month period ended December 31, 2021, for the years ended March 31, 2021 and 2020 and for the period from February 20, 2018 to March 31, 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on April 22, 2022 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, the National Stock Exchange of India Limited and BSE Limited (collectively, the "Stock Exchanges") and Registrar of Companies, Maharashtra in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of this Restated Consolidated Financial Information by the Board of Directors of the Company, as aforesaid. The respective Board of Directors are also responsible for identifying and ensuring that the Group / company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 04, 2022 in connection with the proposed IPO of equity shares of the Issuer;

    b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence

supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

a) Audited special purpose consolidated interim financial statements of the Group as at and for the nine month period ended December 31, 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Special Purpose Consolidated Interim Ind AS Financial Statements"), which have been approved by the Board of Directors at their meeting held on April 22, 2022.

b) Audited consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2021, and 2020 (along with comparative audited consolidated Ind AS financial statements as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019) prepared in accordance with the Ind AS, specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Consolidated Ind AS Financial Statements"), which have been approved by the Board of Directors at their meetings held on September 29, 2021 and September 25, 2020 respectively. The comparative information as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019 included in the Consolidated Ind AS Financial Statements as at and for the year ended March 31, 2020 have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group as at and for the period from February 20, 2018 to March 31, 2019, prepared in accordance with the accounting standards notified under section 133 of the Act ("Indian GAAP") (the "Consolidated Indian GAAP Financial Statements"), which have been approved by the Board of Directors at their meeting held on September 27, 2019.

5. For the purpose of our examination, we have relied on:

a) Auditors' report issued by us dated April 22,2022 on Special Purpose Consolidated Interim Ind AS Financial Statements of the Group as at and for the nine-month period ended December 31, 2021 as referred to in paragraph 4(a) above.

b) Auditors' reports issued by us dated September 29, 2021 and September 25, 2020 on the Consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2021 and 2020 as referred in paragraph 4(b) above.

As indicated in our audit report dated September 25, 2020 referred above, the comparative financial information of the Group as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019 included in the Consolidated Ind AS Financial Statement as at and for the year ended March 31, 2020, have been prepared after adjusting the previously issued Consolidated Indian GAAP Financial Statements of the Group to comply with Ind AS. Adjustments made to the previously issued Consolidated Indian GAAP Financial Statements to comply with Ind AS have been audited by us.

c) Auditors' report issued by us dated September 27, 2019 on the Consolidated Indian GAAP Financial Statements of the Group as at and for the for the period from February 20, 2018 to March 31, 2019 as referred in paragraph 4(b) above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021 and 2020 and period from February 20, 2018 to March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2021;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Consolidated Interim Ind AS Financial Statements, Consolidated Ind AS Financial Statements and Consolidated Indian GAAP Financial Statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the Stock Exchanges and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
Partner
Membership No. 108262
UDIN: 22108262AHQDZX5691

Place: Mumbai
Date: April 22, 2022

FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
Restated Consolidated Statement of Assets and Liabilities
All amounts are ₹ in million unless otherwise stated

	Particulars	Note No.	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Assets					
1	**Non-current assets**					
	a. Property, plant and equipment	3	90.52	90.59	84.38	73.32
	b. Right-of-use asset	30.3	266.81	227.05	141.02	152.96
	c. Capital work-in-progress	4	-	-	-	13.89
	d. Goodwill	5	440.06	440.06	396.93	396.93
	e. Other intangible assets	6	89.86	295.38	884.71	1,517.89
	f. Intangible assets under development	6.3	8.90	-	-	-
	g. Financial assets	8	793.62	609.91	497.98	316.36
	h. Deferred tax asset (net)	9	120.01	72.22	38.73	58.99
	i. Non-current tax assets (net)		489.78	374.35	880.96	615.43
	j. Other non-current assets	10	1.23	0.82	-	-
	Total non-current assets		**2,300.79**	**2,110.38**	**2,924.71**	**3,145.77**
2	**Current assets**					
	a. Financial assets					
	i. Trade receivables	11	1,808.42	1,330.90	1,519.29	1,076.87
	ii. Cash and cash equivalents	12	994.75	491.23	778.88	893.73
	iii. Other bank balances	13	850.38	668.54	471.93	446.59
	iv. Loans	7	-	0.20	0.21	-
	v. Other financial assets	8	1,435.35	1,255.87	507.70	709.29
	b. Current tax assets (net)		-	315.50	142.05	-
	c. Other current assets	10	90.11	62.13	54.82	50.70
	Total current assets		**5,179.01**	**4,124.37**	**3,474.88**	**3,177.18**
	Total assets		**7,479.80**	**6,234.75**	**6,399.59**	**6,322.95**
	Equity and liabilities					
	Equity					
	a. Equity share capital	14	722.19	722.19	722.19	722.19
	b. Other equity	15	1,847.68	1,563.78	1,884.58	2,080.37
	Total equity		**2,569.87**	**2,285.97**	**2,606.77**	**2,802.56**
	Liabilities					
1	**Non-current liabilities**					
	a. Financial liabilities					
	i. Borrowings	16	-	1.26	4.35	7.88
	ii. Lease liabilities	30.5	191.12	164.14	89.16	90.76
	iii. Other financial liabilities	17	-	122.78	158.51	431.09
	b. Provisions	18	488.83	413.62	319.07	208.76
	c. Deferred tax liability (net)	9	58.68	181.42	138.68	256.23
	Total non-current liabilities		**738.63**	**883.22**	**709.77**	**994.72**
2	**Current liabilities**					
	a. Financial liabilities					
	i. Borrowings	16	35.43	75.94	221.07	3.05
	ii. Lease liabilities	30.5	88.17	70.94	61.69	70.55
	iii. Trade payables	19				
	-Total outstanding dues of micro and small enterprises		5.31	12.04	0.02	0.39
	-Total outstanding dues of creditors other than micro and small enterprises		277.45	172.11	143.98	80.62
	iv. Other financial liabilities	17	2,556.23	1,760.44	1,742.44	1,601.72
	b. Provisions	18	338.60	216.39	225.03	125.51
	c. Current tax liabilities (net)		1.14	-	-	-
	d. Other current liabilities	20	868.97	757.70	688.82	643.83
	Total current liabilities		**4,171.30**	**3,065.56**	**3,083.05**	**2,525.67**
	Total liabilities		**4,909.93**	**3,948.78**	**3,792.82**	**3,520.39**
	Total equity and liabilities		**7,479.80**	**6,234.75**	**6,399.59**	**6,322.95**

See accompanying notes to the Restated Consolidated Financial Information 1-48

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : April 22, 2022

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date : 22/04/22

Satish Srinivasan
Chief Financial Officer

Place:Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date : 22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : 22/04/22

FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
Restated Consolidated Statement of Profit and Loss
All amounts are ₹ in million unless otherwise stated

	Particulars	Note No.	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
I	**Income**					
	Revenue from operations	21	20,694.07	21,102.86	20,584.37	13,984.41
	Other income	22	52.36	138.90	169.64	60.02
	Total income (I)		**20,746.43**	**21,241.76**	**20,754.01**	**14,044.43**
II	**Expenses**					
	Purchase of traded goods		9.54	-	-	-
	Employee benefits expense	23	19,607.39	20,112.88	19,831.08	13,370.84
	Finance costs	24	26.37	29.12	18.59	12.69
	Depreciation and amortisation expense	25	323.88	765.49	759.55	518.83
	Other expenses	26	686.69	630.41	417.09	538.22
	Total expenses (II)		**20,653.87**	**21,537.90**	**21,026.31**	**14,440.58**
III	**Restated profit/(loss) before tax (I- II)**		**92.56**	**(296.14)**	**(272.30)**	**(396.15)**
IV	**Tax expenses**	27				
	Current tax		50.10	33.88	18.87	31.22
	Deferred tax (credit)/charge		(171.54)	6.54	(95.06)	(42.05)
	Total tax expense (IV)		**(121.44)**	**40.42**	**(76.19)**	**(10.83)**
V	**Restated profit/(loss) for the period/ year (III- IV)**		**214.00**	**(336.56)**	**(196.11)**	**(385.32)**
VI	**Other comprehensive income**					
	Items that will not be reclassified subsequently to Restated Consolidated Profit or Loss					
	- Gain/(loss) on remeasurements of the defined benefit plans		3.58	7.30	(7.40)	1.86
	- Income tax effect on above		(1.01)	(1.73)	2.23	(0.52)
VII	**Restated total comprehensive income/(loss) for the period/year (V+VI)**		**216.57**	**(330.99)**	**(201.28)**	**(383.98)**
VIII	**Restated earnings per equity share**	28				
	Basic (in ₹)		2.96	(4.66)	(2.72)	(5.34)
	Diluted (in ₹)		2.83	(4.66)	(2.72)	(5.34)

See accompanying notes to the Restated Consolidated Financial Information 1-48

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : April 22, 2022

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date : 22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date : 22/04/22

Satish Srinivasan
Chief Financial Officer

Place: Bangalore
Date : 22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : 22/04/22

FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
Restated Consolidated Statement of Cash Flows
All amounts are ₹ in million unless otherwise stated

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
A. Cash flows from operating activities				
Restated profit/(loss) for the period/year before tax	**92.56**	**(296.14)**	**(272.30)**	**(396.15)**
Adjustments for:				
Depreciation and amortisation expense	323.88	765.49	759.55	518.83
Gain on account of early termination of leases	(1.01)	(2.20)	-	(0.17)
Interest income	(44.84)	(101.68)	(68.43)	(49.22)
Net (gain)/loss on sale of property, plant and equipments	0.90	3.17	(1.56)	(0.12)
Finance costs	26.37	29.12	18.59	12.69
Provision no longer required written back	(0.33)	(12.26)	(8.34)	(6.07)
Dividend on investments in mutual funds	-	-	(0.09)	(1.47)
Provision for doubtful trade and other receivables including bad debts written off	11.77	13.42	4.66	74.19
Employee stock option amortisation (net of forfeiture)	67.33	10.19	5.49	-
Net (gain)/loss arising on fair valuation/settlement of put liability	38.17	(12.84)	(87.88)	12.03
Net gain arising on financial assets designated as FVTPL	(0.05)	-	-	(0.01)
Net gain arising on unrealised foreign exchange	(0.04)	-	-	-
Operating profit before working capital changes	**514.71**	**396.27**	**349.69**	**164.53**
Movements in working capital:				
(Increase)/ Decrease in assets :				
Trade receivables	(482.26)	224.54	(446.20)	172.66
Other assets	(397.59)	(805.94)	(7.93)	(520.70)
Increase/ (Decrease) in liabilities :				
Trade and other payables	98.93	(4.41)	71.32	37.32
Provisions and other liabilities	997.16	291.26	204.45	688.35
Cash generated from operations	**730.95**	**101.72**	**171.33**	**542.16**
Income taxes refund received/ (paid)	157.69	366.27	(409.85)	(310.28)
Net cash generated from/(used in) operating activities (A)	**888.64**	**467.99**	**(238.52)**	**231.88**
B. Cash flows from investing activities				
Purchase of property, plant and equipments and intangibles including capital advances	(57.74)	(77.07)	(44.32)	(37.12)
Purchase consideration paid net of cash acquired/ cash paid towards settlement of put liability	(50.00)	(278.58)	-	(1,841.11)
Proceeds from sale of property, plant and equipments	1.79	11.41	3.14	5.44
Dividend on investments	-	-	0.09	1.47
Bank deposits having original maturity of more than three months	(181.84)	(196.46)	(25.49)	(445.95)
Interest income	35.02	34.90	72.41	25.01
Net cash (used in)/generated from investing activities (B)	**(252.77)**	**(505.80)**	**5.83**	**(2,292.26)**
C. Cash flows from financing activities				
Proceeds/(repayment) from borrowing	(41.77)	(148.22)	214.49	(0.13)
Proceeds from share issued during the period/year	-	-	-	3,036.19
Payment of lease liabilities including interest payments	(80.15)	(89.83)	(92.09)	(80.67)
Interest paid	(10.43)	(11.79)	(4.56)	(1.28)
Net cash (used in)/generated from financing activities (C)	**(132.35)**	**(249.84)**	**117.84**	**2,954.11**
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	**503.52**	**(287.65)**	**(114.85)**	**893.73**
Cash and cash equivalents at the beginning of the period/year	491.23	778.88	893.73	-
Cash and cash equivalents at the end of the period/ year (refer note 12)	**994.75**	**491.23**	**778.88**	**893.73**

See accompanying notes to the Restated Consolidated Financial Information **1-48**

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Priv

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : April 22, 2022

Sudhakar Balakrishnan
Director
DIN- 00062956
Place: Bangalore
Date : 22/04/22

Satish Srinivasan
Chief Financial Officer

Place: Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date : 22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : 22/04/22

FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)
Restated Consolidated Statement of Changes in Equity
All amounts are ₹ in million unless otherwise stated

a. Equity share capital

For the nine months period ended December 31, 2021				
Balance as at April 1, 2021	**Changes in equity share capital due to prior period errors**	**Restated balance at April 1, 2021**	**Changes in equity share capital during the period**	**Balance as at December 31, 2021**
722.19	-	722.19	-	722.19

For the year ended March 31, 2021				
Balance as at April 1, 2020	**Changes in equity share capital due to prior period errors**	**Restated balance at April 1, 2020**	**Changes in equity share capital during the year**	**Balance as at March 31, 2021**
722.19	-	722.19	-	722.19

For the year ended March 31, 2020				
Balance as at April 1, 2019	**Changes in equity share capital due to prior period errors**	**Restated balance at April 1, 2019**	**Changes in equity share capital during the year**	**Balance as at March 31, 2020**
722.19	-	722.19	-	722.19

For the period ended March 31, 2019		
Balance as at February 20, 2018*	**Changes in equity share capital during the period**	**Balance as at March 31, 2019**
-	722.19	722.19

* Date of incorporation of Parent Company

b. Other equity

For the period ended December 31, 2021	Reserves and Surplus		Share option outstanding account	Total
	Securities premium reserve	Retained earnings		
Balance as at April 1, 2021	**2,464.36**	**(916.26)**	**15.68**	**1,563.78**
Changes in accounting policy or prior period errors	-	-	-	**-**
Restated balance at April 1, 2021	**2,464.36**	**(916.26)**	**15.68**	**1,563.78**
Restated profit for the period	-	214.00	-	**214.00**
Employee stock option amortisation (net of forfeiture)	-	-	67.33	**67.33**
Gain on remeasurements of the defined benefit plans (net of taxes)	-	2.57	-	**2.57**
Balance as at December 31, 2021	**2,464.36**	**(699.69)**	**83.01**	**1,847.68**

For the year ended March 31, 2021	Reserves and Surplus		Share option outstanding account	Total
	Securities premium reserve	Retained earnings		
Balance as at April 1, 2020	**2,464.36**	**(585.27)**	**5.49**	**1,884.58**
Changes in accounting policy or prior period errors	-	-	-	**-**
Restated balance at April 1, 2020	**2,464.36**	**(585.27)**	**5.49**	**1,884.58**
Restated loss for the year	-	(336.56)	-	**(336.56)**
Employee stock option amortisation (net of forfeiture)	-	-	10.19	**10.19**
Gain on remeasurements of the defined benefit plans (net of taxes)	-	5.57	-	**5.57**
Balance as at March 31, 2021	**2,464.36**	**(916.26)**	**15.68**	**1,563.78**

For the year ended March 31, 2020	Reserves and Surplus		Share option outstanding account	Total
	Securities premium reserve	Retained earnings		
Balance as at April 1, 2019	**2,464.36**	**(383.99)**	**-**	**2,080.37**
Changes in accounting policy or prior period errors	-	-	-	**-**
Restated balance at April 1, 2019	**2,464.36**	**(383.99)**	**-**	**2,080.37**
Restated loss for the year		(196.11)	-	**(196.11)**
Employee stock option amortisation (net of forfeiture)	-	-	5.49	**5.49**
Loss on remeasurements of the defined benefit plans (net of taxes)	-	(5.17)	-	**(5.17)**
Balance as at March 31, 2020	**2,464.36**	**(585.27)**	**5.49**	**1,884.58**

For the period ended March 31, 2019	Reserves and Surplus		Share option outstanding account	Total
	Securities premium reserve	Retained earnings		
Balance as at February 20, 2018	**-**	**-**	**-**	**-**
Changes in accounting policy or prior period errors	-	-	-	**-**
Restated balance at February 20, 2018	-	-	-	-
Restated loss for the period	**-**	(385.32)	**-**	**(385.32)**
Shares issued during the period	2,476.77	**-**	**-**	**2,476.77**
Less: Share issue expenses	(12.41)	**-**	**-**	**(12.41)**
Gain on remeasurements of the defined benefit plans (net of taxes)	**-**	1.33	**-**	**1.33**
Balance as at March 31, 2019	**2,464.36**	**(383.99)**	-	**2,080.37**

Refer note 15 for nature of reserves
See accompanying notes to the Restated Consolidated Financial Information 1-48

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Mukesh Jain
Partner
Membership No. 108262

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date : 22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date :22/04/22

Satish Srinivasan
Chief Financial Officer

Place: Bangalore
Date :22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : 22/04/22

Place: Mumbai
Date : April 22, 2022

1.Corporate Information

FirstMeridian Business Services Limited (formerly known as "FirstMeridian Business Services Private Limited") (the "Company" "Parent Company" or "FMB") was originally incorporated as a private limited company on February 20, 2018 is converted into a public limited company on February 01, 2022 with Company Identification No: U74999MH2018PLC371978. The Holding Company is engaged in business of providing management advisory services and staffing services. The Company is a subsidiary of Manpower Solutions Limited (Ultimate Holding Company) with effect from February 20, 2018. The registered office of the Company is located at 501, Jollyboard Tower-1, I Think Techno Campus, Kanjurmarg (East), Mumbai 400042

The Restated Consolidated Financial Information is prepared for the Holding Company and its subsidiaries together referred to as the "Group".

Name of the subsidiary	**% of holding as at**				**Country #**	**Principal activity**
	December 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**		
Innovsource Facilities Private Limited	100%	100%	100%	100%	India	Facility Management Services
Innovsource Services Private Limited	100%	100%	100%	100%	India	Manpower supply services
V5 Global Services Private Limited("V5")	100%	100%	76.1%##	76.1%##	India	Manpower supply services
Infield Infotech Services Private Limited**	100% of V5	100% of V5	100% of V5	100% of V5	India	IT enabled Services
Affluent Global Services Private Limited("Affluent")	86.1%##	81.3%##	73.0%##	73.0%##	India	Technology Services
Linktag Global Services Private Limited***	100% of Affluent	100% of Affluent	100% of Affluent	100% of Affluent	India	Technology Services
CBSI India Private Limited	100%	100%	NA	NA	India	Technology Services

** Merged with V5 Global Services Pvt Ltd effective April 1, 2019

*** Merged with Affluent Global Services Private Ltd effective April 1, 2021

#Principal place of business / country of incorporation

The Group has classified the shares held by the NCI shareholders together with the put options as financial liabilities by considering the contractual term and condition between the Group and the NCI holders where the Group has an obligation to deliver cash or variable number of the shares to the NCI shareholders in exchange for the shares held in the subsidiaries.

2. Basis of preparation, measurement and significant accounting policies

2.1 Basis of preparation

The Restated Consolidated Financial Information of the Group comprises of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, 2020 and 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the nine month period ended December 31, 2021 and for the years ended March 31, 2021 and March 31,2020 and for the period from February 20, 2018 to March 31, 2019 and the Summary of Significant Accounting Policies and explanatory notes (collectively, the 'Restated Consolidated Financial Information').

These Restated Consolidated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

These Restated Consolidated Financial Information have been compiled by the management from:

a) Audited special purpose consolidated interim financial statements of the Group as at and for the nine month period ended December 31, 2021 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard 34 "Interim Financial Reporting" (Indian Accounting Standards referred to as "Ind AS"), specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Special Purpose Consolidated Interim Ind AS Financial Statements"), which have been approved by the Board of Directors at their meeting held on April 22, 2022.

b) Audited consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2021 and March 31, 2020 (along with comparative audited consolidated Ind AS financial statements as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019) prepared in accordance with the Ind AS, specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the 'Consolidated Ind AS Financial Statements"), which have been approved by the Board of Directors at their meetings held on September 29, 2021 and September 25, 2020 respectively. The comparative information as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019 included in such financial statements have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group as at as at March 31, 2019 and for the period from February 20, 2018 to March 31, 2019, prepared in accordance with the accounting standards notified under section 133 of the Act ("Indian

GAAP") (the "Consolidated Indian GAAP Financial Statements"), which have been approved by the Board of Directors at their meeting held on September 27, 2019.

These accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of financial statements as at and for the nine month period ended December 31, 2021. These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of board meeting for adoption of the Audited Special Purpose Consolidated Interim Ind AS Financial Statements, Consolidated Ind AS Financial Statements and Consolidated Indian GAAP Financial Statements mentioned above.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021 and March 31, 2020 and for the period from February 20, 2018 to March 31, 2019 to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the nine month period ended December 31, 2021.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

The Restated Consolidated Financial Information are approved by Board of Directors on April 22, 2022.

The Restated Consolidated Financial Information are presented in Indian Rupees "INR" or "₹" and all values are stated as INR or ₹ million, except when otherwise indicated.

b. Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Parent. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Restated Consolidated Financial Information of the subsidiaries are included in the Restated Consolidated Financial Information from the date on which control commences until the date on which the control ceases.

Subsidiaries are consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. The intra-company balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. The Restated Consolidated Financial Information are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.

Non-controlling interests (NCI):

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parents of the Group and to the non-controlling interest, even if this results in the non-controlling interests have a deficit balance.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Parent loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

In case where the Group has written a put option with NCI in an existing subsidiary on their equity interest in that subsidiary then the Group evaluates access to the returns associated with the ownership interest. In case NCI still have present access to returns associated with the underlying ownership interest, then the Group has elected to account for put option as per the anticipated-acquisition method. Under the anticipated-acquisition method the put option is accounted for as an anticipated acquisition of the underlying NCI. This is independent of how the exercise price is determined (e.g., fixed or variable) and how likely it is that the option will be exercised. Subsequent to initial recognition, any changes in the carrying amount of the NCI liability is accounted through Restated Consolidated Statement of profit and loss account.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in Restated Consolidated Statement of Profit or Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Transaction costs that the Group incurs in connection with a business combination such as, finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Restated Consolidated Statement of Profit or Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Restated Consolidated Statement of profit or loss where such treatment would be appropriate if that interest were disposed-off.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as common control entities. Common control transactions are accounted using pooling of interest method. The Restated Consolidated Financial Information in respect of prior periods have been restated from the period that the Transferor Company became a subsidiary of the Transferee Company where the assets and liabilities of the transferee are recorded at their existing carrying values, the identity of reserves of the transferee company is preserved.

c. Current versus non-current classification

The Group presents assets and liabilities in the restated consolidated balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i. Expected to be realised or intended to be 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 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

d. Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

e. Basis of measurement

Basis of accounting

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS. Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
ii. Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
iii. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial instruments
- Share-based payment arrangements

f. Use of estimates and judgements

In preparing these Restated Consolidated Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Restated Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

i. Determination of useful lives of property, plant and equipment and intangibles; (Note 2.2(a))
ii. Impairment test of non-financial assets (Note 2.2(c))
iii. Recognition of deferred tax assets; (Note 2.2(m))
iv. Recognition and measurement of provisions and contingencies; (Note 2.2(f))
v. Fair value of financial instruments (Note 2.2 (d))
vi. Impairment of financial assets (Note 2.2 (d))
vii. Measurement of defined benefit obligations; (Note 2.2(j))
viii. Fair valuation of employee share options; (Note 2.2(j))

2.2 Significant accounting policies

a. Property plant and equipment

Recognition and measurement:

Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to the Restated Consolidated Statement of profit and loss during the reporting year in which they are incurred.

Depreciation:

Depreciation on property, plant and equipment, other than leasehold improvements, is provided under the straight-line method in the manner prescribed under Schedule II of the Act, except in the following case where the life is different than as indicated in Schedule II of the Act which is based on the technical evaluation of useful life carried out by the management:

Particulars	**Economic Useful Life of property, plant and equipment (Years)**
Furniture & Fixture	3-5 years

Leasehold improvements are depreciated over the tenure of lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

b. Intangible assets

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in Restated Consolidated Statement of profit and loss.

Other Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the Restated Consolidated Statement of profit and loss in the period in which the expenditure is incurred.

Amortisation is calculated to write off the cost of intangible assets using the straight-line method over their estimated useful lives, and is recognised in profit or loss.

The estimated useful lives as mentioned below :

Description of the asset	**Estimated Useful Life (Years)**
Computer Software	3
Customer relationship	3-7

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c. Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Restated Consolidated Statement of profit and loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

d. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

Financial assets

Initial recognition and measurement

Financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost,
- Fair value through profit (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost:

A financial instrument is measured at the Amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at Amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL):

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Restated Consolidated Statement of profit and loss.

Financial Liabilities at Amortised cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at Amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The Amortisation done using the EIR method is included as finance costs in the Restated Consolidated Statement of profit and loss.

Derecognition

A financial liability is derecognised 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 Restated Consolidated Statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Restated Consolidated Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

e. Cash and Cash Equivalents

Cash and cash equivalents in the Restated Consolidated balance sheet and Restated Consolidated cash flow statement includes cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

f. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the Restated Consolidated Financial Information where an inflow of economic benefit is probable.

g. Revenue recognition

The Group derives revenue primarily from General Staffing and Allied Services, Global Technology Solutions and Other HR services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over service to a customer. The method for recognising revenues and costs depends on the nature of the services rendered.

Revenue on time-and-material contracts are recognised as the related services are rendered and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance).

a) General Staffing and Allied Services:

Revenue from staffing services i.e., salary and incidental expenses of temporary associates along with services charges are recognised in accordance with the agreed terms as the related services are rendered. The Group acts as a principal for general staffing and allied services on such arrangements with customers and hence recognises the revenue on gross basis. Refer note J "Employee benefits" for policy relating to defined benefits.

b) Global Technology Solutions

Revenue is recognised upon transfer of control of promised services to customers at an amount that reflects the consideration which the Group expects to receive in exchange for those services.

c) Other HR services

Revenue from permanent recruitment services is recognised in accordance with the agreed terms as the related services are rendered.

h. Other income

Interest income

For all debt instruments measured at Amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

Dividend income

Dividends are recognised in the Restated Consolidated Statement of profit and loss on the date on which the Group's right to receive payment is established.

i. Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Restated Consolidated Statement of profit and loss.

j. Employee benefits

(i). Short-term Employee benefits

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Restated Consolidated Statement of profit and loss as the related service is provided.

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The determination of the fair value requires significant assumptions and judgements related to business projections, terminal growth, and weighted average cost of capital. The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity under "Employee Stock Options reserve", over the period that the employees become unconditionally entitled to the options. The expense is recorded separately for each vesting portion of the award as if the award, in substance, was multiple awards.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the awards are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(iii) Post-Employment Benefits

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans:

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

During the period ended December 31, 2021, the Group has changed its accounting policy to present component of defined benefit cost on net basis after considering right to reimbursement related to such defined benefits. (refer note 39).

l. Leases

As a Lessee:

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:
i. the contact involves the use of an identified asset
ii. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
iii. the Group has the right to direct the use of the asset.
The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

• fixed lease payments (including in-substance fixed payments), less any lease incentives;

• variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

• the amount expected to be payable by the lessee under residual value guarantees;

• the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

• payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Restated Consolidated Statement of Assets and Liabilities. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

• the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

• the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

• a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Restated Consolidated Statement of Assets and Liabilities. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

m. Taxation

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

• Current tax assets and liabilities are offset only if, the Group has a legally enforceable right to set off the recognised amounts; and

• intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

n. Foreign currency

Foreign currency transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Restated Consolidated Statement of profit or loss in the year in which they arise.

o. Dividend

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

p. Earnings per share:

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

r. Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group for the purpose of performance assessment and to make decisions for resource allocation.

The reporting of segment information in the Restated Consolidated Financial Information is the same as provided to the management for the purpose of performance assessment and resource allocation to the segments.

Segment accounting policies are in line with accounting policies of the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities and geographical operation of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses/income".

s. Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are material and non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group and to assist users of the Restated Consolidated Financial Information.

t. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The management has assessed the potential impact of the COVID-19 on the Restated Consolidated Financial information of the Group. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of this Restated Consolidated Financial information has used internal and external sources of information. Based on the assessment performed by the Group, and based on current estimates, the Group expects the carrying amount of these assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of this Restated Consolidated Financial information and the Group will continue to closely monitor any material changes to future economic conditions.

u. Recent accounting and other pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i. **Ind AS 103 – Reference to Conceptual Framework**
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its Restated Consolidated Financial information.

ii. **Ind AS 16 – Proceeds before intended use**
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its Restated Consolidated Financial information.

iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its Restated Consolidated Financial information.

iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its Restated Consolidated Financial information.

v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its Restated Consolidated Financial information.

3 Property, plant and equipment

Particulars	Data processing machines (Computer)	Furniture and fixtures	Office equipment	Vehicles	Leasehold improvements	Building	Total
Gross block							
Balance as at February 20, 2018	-	-	-	-	-	-	**-**
Additions for the period	10.26	4.13	11.54	-	4.45	-	**30.38**
Assets acquired through business combination (refer note 40)	20.95	11.69	20.14	20.87	0.83	-	**74.48**
Disposals for the period	-	-	(0.03)	(5.35)	-	-	**(5.38)**
Balance as at March 31, 2019	**31.21**	**15.82**	**31.65**	**15.52**	**5.28**	**-**	**99.48**
Additions for the year	21.17	4.35	8.34	-	-	14.85	**48.71**
Disposals for the year	(2.31)	(1.82)	(2.40)	(1.78)	-	-	**(8.31)**
Balance as at March 31, 2020	**50.07**	**18.35**	**37.59**	**13.73**	**5.28**	**14.85**	**139.88**
Additions for the year	35.37	18.15	6.47	-	-	-	**59.99**
Assets acquired through business combination (refer note 40)	0.26	0.01	0.13	-	-	-	**0.40**
Disposals for the year	(0.66)	(1.06)	(0.63)	-	-	(14.85)	**(17.21)**
Balance as at March 31, 2021	**85.04**	**35.45**	**43.56**	**13.73**	**5.28**	**-**	**183.06**
Additions for the period	22.18	2.51	8.65	-	4.96	-	**38.30**
Disposals for the period	(2.92)	(0.05)	(1.98)	(13.73)	-	-	**(18.68)**
Balance as at December 31, 2021	**104.30**	**37.91**	**50.23**	**-**	**10.24**	**-**	**202.68**
Accumulated depreciation							
Balance as at February 20, 2018	-	-	-	-	-	-	**-**
Depreciation expense for the period	9.64	4.31	7.51	3.97	0.73	-	**26.16**
Eliminated on disposal of assets for the period	-	-	-	-	-	-	**-**
Balance as at March 31, 2019	**9.64**	**4.31**	**7.51**	**3.97**	**0.73**	**-**	**26.16**
Depreciation expense for the year	15.36	4.18	11.20	3.56	1.23	0.57	**36.10**
Eliminated on disposal of assets for the year	(2.01)	(1.04)	(1.93)	(1.79)	-	-	**(6.77)**
Balance as at March 31, 2020	**22.99**	**7.45**	**16.78**	**5.74**	**1.96**	**0.57**	**55.49**
Depreciation expense for the year	19.01	5.44	10.22	3.30	1.07	0.56	**39.60**
Eliminated on disposal of assets for the year	(0.63)	(0.33)	(0.53)	-	-	(1.13)	**(2.62)**
Balance as at March 31, 2021	**41.37**	**12.56**	**26.47**	**9.04**	**3.03**	**-**	**92.47**
Depreciation expense for the period	18.87	5.37	8.00	2.47	0.97	-	**35.68**
Eliminated on disposal of assets for the period	(2.66)	(0.04)	(1.78)	(11.51)	-	-	**(15.99)**
Balance as at December 31, 2021	**57.58**	**17.89**	**32.69**	**-**	**4.00**	**-**	**112.16**
Net carrying amount							
Balance as at December 31, 2021	**46.72**	**20.02**	**17.54**	**-**	**6.24**	**-**	**90.52**
Balance as at March 31, 2021	**43.67**	**22.89**	**17.09**	**4.69**	**2.25**	**-**	**90.59**
Balance as at March 31, 2020	**27.08**	**10.90**	**20.81**	**7.99**	**3.32**	**14.28**	**84.38**
Balance as at March 31, 2019	**21.57**	**11.51**	**24.14**	**11.55**	**4.55**	**-**	**73.32**

3.1 The Group does not hold any immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) whose title deeds are not held in the name of the Group.

3.2 The Group has not revalued its property, plant and equipment during each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

3.3 There are no impairment losses recognised during each reporting period.

3.4 For the nine months period ended December 31, 2021, moveable plant and machinery of Innovsource Services Private Limited have been assigned (pari-passu) to ICICI Bank against the borrowing taken by Innovsource Services Private Limited. (refer note 16 for details on borrowings)

3.5 Vehicles with a carrying amount of ₹ Nil (as at March 31, 2021: ₹ 4.69 million, as at March 31, 2020: ₹ 7.99 million and as at March 31, 2019: ₹ 11.55 million) have been pledged to secure borrowings of the Group (refer note 16 for details on borrowings)

4 Capital work-in-progress

Particulars	Amount
Balance as at February 20, 2018	**-**
Assets acquired through business combination (refer note 40)	**13.77**
Additions for the period	0.12
Capitalisation during the period	-
Balance as at March 31, 2019	**13.89**
Additions for the year	-
Capitalisation during the year	13.89
Balance as at March 31, 2020	**-**
Additions for the year	-
Capitalisation during the year	-
Balance as at March 31, 2021	**-**
Additions for the period	-
Capitalisation during the period	**-**
Balance as at December 31, 2021	**-**

4.1 Capital work-in-progress consists projects which are for periods less than one year.

4.2 There are no projects as on each reporting period where activity had been suspended. Also, there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

5 Goodwill

Particulars	Amount
Gross block	
Balance as at February 20, 2018	-
Recognised on acquisition of business (refer note 40)	396.93
Balance as at March 31, 2019	**396.93**
Recognised on acquisition of business	-
Balance as at March 31, 2020	**396.93**
Recognised on acquisition of business (refer note 40)	43.13
Balance as at March 31, 2021	**440.06**
Recognised on acquisition of business	**-**
Balance as at December 31, 2021	**440.06**
Accumulated impairment loss	
Balance as at February 20, 2018	-
Impairment loss for the period	-
Balance as at March 31, 2019	**-**
Impairment loss for the year	-
Balance as at March 31, 2020	**-**
Impairment loss for the year	-
Balance as at March 31, 2021	**-**
Impairment loss for the period	**-**
Balance as at December 31, 2021	**-**
Net carrying amount	
Balance as at December 31, 2021	**440.06**
Balance as at March 31, 2021	**440.06**
Balance as at March 31, 2020	**396.93**
Balance as at March 31, 2019	**396.93**

5.1 Impairment of goodwill

Carrying amount of goodwill is ₹ 440.06 million (March, 31 2021 is ₹ 440.06 million, March 31, 2020 is ₹ 396.93 million and March 31, 2019 is ₹ 396.93 million). This goodwill is acquired on account of business combination.

Goodwill is monitored by management at each Cash Generating Units ("CGU") level as given below:

Name of Cash Generating Unit	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
General Staffing and Allied Services	151.45	151.45	151.45	151.45
Global Technology Solutions	257.04	257.04	232.42	232.42
Other HR Services	31.57	31.57	13.06	13.06
Total	**440.06**	**440.06**	**396.93**	**396.93**

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. We believe 5 years to be most appropriate time scale over which to review and consider annual performance before applying a fixed terminal value multiple to year end cash flow.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Key assumptions used in the value-in-use calculations

Assumptions	How determined
Budgeted EBITDA growth rate	Budgeted EBITDA has been based on past experience adjusted for the following: - Revenue in the Staffing service is expected to grow on account of planned growth plan and industry expansion in general. Revenue and EBIDTA are factored by focused approach towards network expansion, operational efficiencies and inter group customer relationship synergies.
Terminal value growth rate	Long-term growth rate used for the purpose of calculation of terminal value has been determined by taking into account nature of business , long term inflation expectation and long term GDP expectation for the Indian economy.
Pre-tax risk adjusted discount rate	The discount rate applied to the cash flows of the Group's operations is generally based on the risk free rate for ten year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect the systematic risk of the Group.

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Pre tax risk adjusted discount rate	16.00%	14.00%	14.52%	14.52%
Terminal value growth rate	5.00%	5.00%	5.00%	5.00%
Budgeted EBITDA growth rate	10-20%	15-25%	10-17%	10-17%

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external/internal sources of information.

The estimated recoverable value of CGU exceeds its carrying amount each reporting period and therefore no impairment was recognised.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the significant headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

6 Other intangible assets

Particulars	Software rights	Right to use trademark	Customer relationship	Intellectual property	Total
Gross block					
Balance as at February 20, 2018	**-**	**-**	**-**	**-**	**-**
Additions for the period	1.34	-	-	-	1.34
Assets acquired through business combination (refer note 40)	18.93	37.84	1,880.91	9.82	1,947.50
Balance as at March 31, 2019	**20.27**	**37.84**	**1,880.91**	**9.82**	**1,948.84**
Additions for the year	8.52	-	-	-	8.52
Disposals for the year	(0.16)	-	-	-	(0.16)
Balance as at March 31, 2020	**28.63**	**37.84**	**1,880.91**	**9.82**	**1,957.20**
Additions for the year	17.08	-	15.73	-	32.81
Assets acquired through business combination (refer note 40)	-	-	22.64	-	22.64
Balance as at March 31, 2021	**45.71**	**37.84**	**1,919.28**	**9.82**	**2,012.65**
Additions for the period	10.56	**-**	**-**	**-**	10.56
Disposals for the period	(0.02)	**-**	**-**	(9.82)	(9.84)
Balance as at December 31, 2021	**56.25**	**37.84**	**1,919.28**	**-**	**2,013.37**
Accumulated amortisation					
Balance as at February 20, 2018	-	-	-	-	-
Amortisation expense for the period	8.53	3.24	409.36	9.82	430.95
Balance as at March 31, 2019	**8.53**	**3.24**	**409.36**	**9.82**	**430.95**
Amortisation expense for the year	10.38	4.32	626.97	-	641.67
Eliminated on disposal of assets for the year	(0.13)	-	-	-	(0.13)
Balance as at March 31, 2020	**18.78**	**7.56**	**1,036.33**	**9.82**	**1,072.49**
Amortisation expense for the year	5.78	4.32	634.68	-	644.78
Balance as at March 31, 2021	**24.56**	**11.88**	**1,671.01**	**9.82**	**1,717.27**
Amortisation expense for the period	7.95	3.23	204.90	**-**	216.07
Eliminated on disposal of assets for the period	(0.02)	**-**	**-**	(9.82)	(9.84)
Balance as at December 31, 2021	**32.49**	**15.11**	**1,875.91**	**-**	**1,923.51**
					-
Net carrying amount					
Balance as at December 31, 2021	**23.76**	**22.73**	**43.37**	**-**	**89.86**
Balance as at March 31, 2021	**21.15**	**25.96**	**248.27**	**-**	**295.38**
Balance as at March 31, 2020	**9.85**	**30.28**	**844.58**	**-**	**884.71**
Balance as at March 31, 2019	**11.74**	**34.60**	**1,471.55**	**-**	**1,517.89**

6.1 With effect from April 01, 2021 the Group has changed its estimate with respect to useful life of Customer Relationships pertaining to V5 Global Services Private Limited from 3 years to 7 years prospectively, based on the expected benefits from the existing Customer relations. The change in estimate has decreased the charge of amortisation by ₹22.30 million for the nine months period ended December 31, 2021, which will be amortised over the balance useful life.

6.2 The Group has not revalued its intangible assets during each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

6.3 Intangible assets under development

Particulars	Amount
Balance as at February 20, 2018	**-**
Additions for the period	-
Capitalisation during the period	-
Balance as at March 31, 2019	**-**
Additions for the year	-
Capitalisation during the year	-
Balance as at March 31, 2020	**-**
Additions for the year	-
Capitalisation during the year	-
Balance as at March 31, 2021	**-**
Additions for the period	8.90
Capitalisation during the period	-
Balance as at December 31, 2021	**8.90**

(a) Intangible assets under development consists projects which are for periods less than one year.

(b) There are no projects as on each reporting period where activity had been suspended. Also, there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

7 Loans

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current				
Unsecured, considered good				
Staff loans	-	0.20	0.21	-
Total	**-**	**0.20**	**0.21**	**-**

8 Financial assets

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non-current				
Deposit for premises				
-unsecured, considered good	54.84	51.22	31.92	23.16
-unsecured, considered doubtful	20.53	18.21	15.22	8.16
Less: Provision for doubtful deposits	(20.53)	(18.21)	(15.22)	(8.16)
	54.84	51.22	31.92	23.16
Bank deposits with remaining maturity of more than 12 months	-	-	0.15	-
Right towards reimburseable gratuity and compensated absence	738.78	558.69	465.91	293.20
Total	**793.62**	**609.91**	**497.98**	**316.36**
Current				
Advance to employees				
-unsecured, considered good	16.68	20.51	6.93	10.25
-unsecured, considered doubtful	2.33	2.33	0.82	1.37
Less: Provision for doubtful advance	(2.33)	(2.33)	(0.82)	(1.37)
	16.68	20.51	6.93	10.25
Claims receivable on business transfer	-	-	-	5.64
Less: Provision for doubtful advances	-	-	-	(5.64)
	-	-	-	-
Deposits for premises (unsecured, considered good)	24.15	19.98	23.00	30.34
Accrued interest on fixed deposits	13.52	12.33	0.08	22.71
Unbilled revenue	1,381.00	1,193.05	477.69	645.99
Other receivable (unsecured, considered good)	-	10.00	-	-
Total	**1,435.35**	**1,255.87**	**507.70**	**709.29**

8.1 During each reporting period, there were no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person by the Group.

8.2 During each reporting period, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (intermediaries) for the purpose of lending, investing or providing guarantee or security.

9 Deferred tax

9.1 Closing deferred tax balances:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deferred tax asset (net)	120.01	72.22	38.73	58.99
Deferred tax liability (net)	(58.68)	(181.42)	(138.68)	(256.23)
Deferred tax asset/ (liability) (net)	**61.33**	**(109.20)**	**(99.95)**	**(197.24)**

9.2 Movement in deferred tax balances

Particulars	For the nine months period ended December 31, 2021				
	Opening balance	Addition through business combination	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Provision for employee benefits	164.13	-	44.49	(1.01)	207.61
Property, plant and equipment	(188.11)	-	(1.37)	-	(189.48)
Lease liabilities and right-to-use assets	1.79	-	0.62	-	2.41
Provision for doubtful debts	22.63	-	2.72	-	25.35
Right towards reimburseable gratuity and compensated absence	(89.05)	-	(50.70)	-	(139.75)
Unabsorbed losses	1.28	-	(1.28)	-	-
Impact of deduction of section 80JJAA of Income Tax Act, 1961	35.24	-	128.84	-	164.08
Customer relationship	(59.53)	-	50.59	-	(8.94)
Others	2.42	-	(2.37)	-	0.05
Net deferred tax asset/(liabilities) (net)	**(109.20)**	**-**	**171.54**	**(1.01)**	**61.33**

9.3 Movement in deferred tax balances

Particulars	For the year ended March 31, 2021				
	Opening balance	Addition through business combination (refer note 40)	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Provision for employee benefits	147.36	2.32	16.19	(1.73)	164.13
Property, plant and equipment	(93.71)	0.35	(94.75)	-	(188.11)
Lease liabilities and right-to-use assets	2.19	(0.15)	(0.25)	-	1.79
Provision for doubtful debts	15.80	2.20	4.63	-	22.63
Right towards reimburseable gratuity and compensated absence	(67.43)	-	(21.62)	-	(89.05)
Unabsorbed losses	-	-	1.28	-	1.28
Impact of deduction of section 80JJAA of Income Tax Act, 1961	25.17	-	10.07	-	35.24
Customer relationship	(129.43)	(5.70)	75.60	-	(59.53)
Others	0.10	-	2.32	-	2.42
Net deferred tax asset/(liabilities) (net)	**(99.95)**	**(0.98)**	**(6.54)**	**(1.73)**	**(109.20)**

9.4 Movement in deferred tax balances

Particulars	For the year ended March 31, 2020				
	Opening balance	Addition through business combination	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Provision for employee benefits	143.62	-	1.51	2.23	147.36
Property, plant and equipment	(88.39)	-	(5.32)	-	(93.71)
Lease liabilities and right-to-use assets	2.68	-	(0.49)	-	2.19
Provision for doubtful debts	22.92	-	(7.12)	-	15.80
Right towards reimburseable gratuity and compensated absence	(62.21)	-	(5.22)	-	(67.43)
Impact of deduction of section 80JJAA of Income Tax Act, 1961	0.00	-	25.17	-	25.17
MAT credit entitlement	39.73	-	(39.73)	-	0.00
Customer relationship	(256.22)	-	126.79	-	(129.43)
Others	0.63	-	(0.53)	-	0.10
Net deferred tax asset/(liabilities) (net)	**(197.24)**	**-**	**95.06**	**2.23**	**(99.95)**

9.5 Movement in deferred tax balances

Particulars	For the period February 20, 2018 to March 31, 2019				
	Opening balance	Addition through business combination (refer note 40)	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Provision for employee benefits	-	77.45	66.69	(0.52)	143.62
Property, plant and equipment	-	(58.79)	(29.60)	-	(88.39)
Lease liabilities and right-to-use assets	-	2.68	0.00	-	2.68
Provision for doubtful debts	-	1.98	20.94	-	22.92
Right towards reimburseable gratuity and compensated absence	-	-	(62.21)	-	(62.21)
Impact of deduction of section 80JJAA of Income Tax Act, 1961	-	42.16	(42.16)	-	-
MAT credit entitlement	-	12.66	27.07	-	39.73
Customer relationship	-	(317.31)	61.09	-	(256.22)
Others	-	0.40	0.23	-	0.63
Net deferred tax asset/(liabilities) (net)	**-**	**(238.77)**	**42.05**	**(0.52)**	**(197.24)**

10 Other assets

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non-current				
Capital advances (Unsecured, considered good)	1.23	0.82	-	-
Total	**1.23**	**0.82**	**-**	**-**
Current				
Prepaid expenses (unsecured, considered good)	68.48	46.39	32.13	31.61
Balances with Government authorities	1.90	0.48	7.08	17.31
Advance to suppliers				
- unsecured, considered good	8.98	3.97	10.14	1.32
- unsecured, considered doubtful	3.28	1.58	-	-
Less: Provision for doubtful advance	(3.28)	(1.58)	-	-
	8.98	3.97	10.14	1.32
Interest receivable on income tax refund	-	-	1.20	-
Other receivables				
- unsecured, considered good	10.75	11.29	4.27	0.46
- unsecured, considered doubtful	2.70	2.70	2.08	2.08
Less: Provision for doubtful assets	(2.70)	(2.70)	(2.08)	(2.08)
	10.75	11.29	4.27	0.46
Total	**90.11**	**62.13**	**54.82**	**50.70**

11 Trade receivables

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	1,808.42	1,330.90	1,519.29	1,076.87
Unsecured, credit impaired	74.29	67.18	52.22	57.48
Less: Allowance for doubtful debts (expected credit loss allowances)	(74.29)	(67.18)	(52.22)	(57.48)
Total	**1,808.42**	**1,330.90**	**1,519.29**	**1,076.87**

11.1 There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.

11.2 The average credit period is upto 60 days. No interest is charged on trade receivables.

11.3 Trade receivables of Innovsource Services Private Limited, V5 Global Services Private Limited, Affluent Global Services Private Limited and CBSI India Private Limited have been assigned (pari-passu) to Standard Chartered Bank against the borrowing taken by the group entities. (refer note 16 for details on borrowings)

11.4 For the nine months period ended December 31, 2021, trade receivables of Innovsource Services Private Limited have been assigned (pari-passu) to ICICI Bank against the borrowing taken by Innovsource Services Private Limited. (refer note 16 for details on borrowings).

11.5 Movement of allowance for doubtful receivables (expected credit loss allowance)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the period/year	**67.18**	**52.22**	**57.48**	**-**
Addition on account of business combination	-	8.67	**-**	**-**
Allowance for doubtful debts (net)	7.11	6.29	(5.26)	57.48
Balance at the end of the period/year	**74.29**	**67.18**	**52.22**	**57.48**

11.6 Ageing of trade receivables

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2021						
Undisputed:						
Considered good	1,784.16	23.46	0.80	-	-	1,808.42
Credit impaired	6.31	5.73	17.90	8.41	35.94	74.29
Disputed:						
Considered Good	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross carrying amount	**1,790.47**	**29.19**	**18.70**	**8.41**	**35.94**	**1,882.71**

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021						
Undisputed:						
Considered good	1,323.01	7.40	0.49	-	-	1,330.90
Credit impaired	5.89	3.43	15.01	39.31	3.54	67.18
Disputed:						-
Considered Good	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross carrying amount	**1,328.90**	**10.83**	**15.50**	**39.31**	**3.54**	**1,398.08**

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2020						
Undisputed:						
Considered good	1,516.84	2.45	-	-	-	1,519.29
Credit impaired	7.04	2.02	39.54	2.00	1.62	52.22
Disputed:						
Considered Good	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross carrying amount	**1,523.88**	**4.47**	**39.54**	**2.00**	**1.62**	**1,571.51**

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2019						
Undisputed:						
Considered good	1,069.07	7.59	0.21	-	-	1,076.87
Credit impaired	30.01	6.53	20.55	0.19	0.20	57.48
Disputed:						
Considered Good	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross carrying amount	**1,099.08**	**14.12**	**20.76**	**0.19**	**0.20**	**1,134.35**

For the purposes of presentation of the ageing schedule, the invoice date has been considered as the due date by the Group. Accordingly, there are no "not due" invoices as at each reporting period.

11.7 Particulars of foreign currency receivable as at each reporting period

Particulars	Amount in USD	₹ in million	Amount in Euro	₹ in million	Amount in GBP	₹ in million
Balance as at December 31, 2021	118,375	8.79	36,822	3.10	28,121	2.82
Balance as at March 31, 2021	4,142	0.58	-	-	-	-
Balance as at March 31, 2020	-	-	-	-	-	-
Balance as at March 31, 2019	-	-	-	-	-	-

12 Cash and cash equivalents

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balances with banks				
- In current account	273.90	104.48	137.82	211.42
- In deposit accounts - original maturity of three months or less	720.85	386.75	641.06	682.31
Cash in hand*	-	-	-	0.00
Total	**994.75**	**491.23**	**778.88**	**893.73**

* Cash in hand is less than ₹ 5,000 as at March 31, 2019

12.1 There are no repatriation restrictions with regards to cash and cash equivalents as at each reporting period.

13 Other bank balances

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than three months and less than 12 months	850.38	668.54	471.93	446.59
Total	**850.38**	**668.54**	**471.93**	**446.59**

14 Equity share capital

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Authorised share capital 12,50,00,000 (March 31, 2021: 9,02,93,460; March 31, 2020: 9,02,93,460; March 31, 2019: 9,02,93,460) equity shares of ₹ 10/- each	1,250.00	902.94	902.94	902.94
Issued, subscribed and fully paid-up share capital 7,22,19,134 equity Shares of ₹ 10/- each fully paid-up	722.19	722.19	722.19	722.19
Total	**722.19**	**722.19**	**722.19**	**722.19**

14.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	Numbers	Amount
Balance as at February 20, 2018	**72,219,134**	**722.19**
Add:- additional shares issued during the period	-	-
Balance as at March 31, 2019	**72,219,134**	**722.19**
Add:- additional shares issued during the year	-	-
Balance as at March 31, 2020	**72,219,134**	**722.19**
Add:- additional shares issued during the year	-	-
Balance as at March 31, 2021	**72,219,134**	**722.19**
Add:- additional shares issued during the period		
Balance as at December 31, 2021	**72,219,134**	**722.19**

14.2 Terms right attached to the equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at December 31, 2021	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%
New Lane Trading LLP	4,548,532	6.30%

Particulars	As at March 31, 2021	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%
New Lane Trading LLP	4,548,532	6.30%

Particulars	As at March 31, 2020	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%
New Lane Trading LLP	4,548,532	6.30%

Particulars	As at March 31, 2019	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%
New Lane Trading LLP	4,548,532	6.30%

14.4 Shareholding of promoters

Shares held by promoters as at December 31, 2021

Promoter name	No. of Shares	% of total shares	% change during the nine months period ended December 31, 2021
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%	0.00%

Shares held by promoters as at March 31, 2021

Promoter name	No. of Shares	% of total shares	% change during the year ended March 31, 2021
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%	0.00%

Shares held by promoters as at March 31, 2020

Promoter name	No. of Shares	% of total shares	% change during the year ended March 31, 2020
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%	0.00%

Shares held by promoters as at March 31, 2019

Promoter name	No. of Shares	% of total shares	% change during the period ended March 31, 2019
Manpower Solutions Limited (Holding Company)	64,276,359	89.00%	89.00%

15 Other equity

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Reserves and Surplus				
Securities premium reserve	2,464.36	2,464.36	2,464.36	2,464.36
Retained earnings	(699.69)	(916.26)	(585.27)	(383.99)
Share option outstanding account	83.01	15.68	5.49	-
Total	**1,847.68**	**1,563.78**	**1,884.58**	**2,080.37**

15.1 Securities premium reserve

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of period/year	2,464.36	2,464.36	2,464.36	-
Shares issued during the period	-	-	-	2,476.77
Less: Share issue expenses	-	-	-	(12.41)
Balance at end of period/year	**2,464.36**	**2,464.36**	**2,464.36**	**2,464.36**

Amounts received on issue of shares in excess of the par value has been classified as securities premium reserve. The reserve is available for utilisation in accordance with the provisions of Companies Act, 2013

15.2 Retained earnings

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of period/year	(916.26)	(585.27)	(383.99)	-
Restated profit/(loss) attributable to owners of the Company	214.00	(336.56)	(196.11)	(385.32)
Gain/(loss) on remeasurements of the defined benefit plans (net of taxes)	2.57	5.57	(5.17)	1.33
Balance at end of period/year	**(699.69)**	**(916.26)**	**(585.27)**	**(383.99)**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statement of the Company in this reserve and also considering the requirements of the Companies Act, 2013. Thus the amounts reported above are not distributable in entirely. It includes impact of actuarial gains and losses on the funded obligation due to change in financial assumptions, change in demographic assumption, experience adjustments, etc. recognised through other comprehensive income.

15.3 Share option outstanding account

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of period/year	15.68	5.49	-	-
Employee stock option amortisation (net of forfeiture)	67.33	10.19	5.49	-
Balance at end of period/year	**83.01**	**15.68**	**5.49**	**-**

The reserve related to share options granted by Parent Company to its and its subsidiaries employees share option plan. Further information about employee stock option amortisation (net of forfeiture) to employees is set out in note 37

15.4 The Group is compliant with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017).

16 Borrowings

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non-current:				
Secured				
Vehicle loans (refer note 16.1)	-	4.35	7.06	10.93
Less: Current maturities of long term loans	-	(3.09)	(2.71)	(3.05)
Total	**-**	**1.26**	**4.35**	**7.88**
Current:				
Secured				
Loan repayable on demand from bank (refer note 16.2)	35.43	72.85	218.36	-
Current maturities of long term loan (refer note 16.1)	-	3.09	2.71	3.05
Total	**35.43**	**75.94**	**221.07**	**3.05**

16.1 Terms of borrowings

(i) Vehicle Loan of ₹ Nil (as at March 31, 2021: ₹ 0.24 million, March 31, 2020: ₹ 0.52 million and March 31, 2019: ₹ 0.77 million) is from ICICI Bank carrying an interest rate of 9.10% The loan is repayable in 60 monthly instalments along with interest, from the date of loan i.e. February 15,2017. The end date of the loan is January 15, 2022 and the loan is secured way of hypothecation of the respective vehicle.

(ii) Vehicle Loan of ₹ Nil (as at March 31, 2021:₹ 3.76 million, March 31, 2020: ₹ 5.91 million, and as at March 31, 2019: ₹ 7.90 million) is from Kotak Mahindra Prime carrying an interest rate of 7.87% The loan is repayable in 60 monthly instalments along with interest, from the date of loan i.e. October 26,2017. The end date of the loan is October 1, 2022 and the loan is secured way of hypothecation of the respective vehicle.

(iii) Vehicle Loan of ₹ Nil (as at March 31, 2021:₹ 0.35 million, March 31, 2020: ₹ 0.64 million, and as at March 31, 2019: ₹ 0.91 million) is from Toyota Financial Services (I) Limited carrying an interest rate of 8.85% The loan is repayable in 60 monthly instalments along with interest, from the date of loan i.e. April 25,2017. The end date of the loan is April 20, 2022 and the loan is secured way of hypothecation of the respective vehicle.

16.2 The Group has taken overdraft facilities.
These facilities are repayable on demand and are secured primarily by way of first charge on the book debts of Innovsource Services Private Limited ₹680.21 million (as on March 31, 2021: ₹586.41 million and as on March 31, 2020: ₹665.25 million) (pari passu charge) and also on the current assets of the co-borrower a) V5 Global Services Private Limited ₹ 880.44 million (as on March 31, 2021: ₹ 582.24 million and as on March 31, 2020: ₹ 668.37 million) b) Affluent Global Services Private Limited ₹ 150.70 million (as on March 31, 2021:₹109.91 million and as on March 31, 2020: ₹128.54 million) and c) CBSI India Private Limited ₹ 69.85 million as on December 31, 2021 (refer note 11 for details of trade receivables). The facility is bearing an interest rate of 6.6% p.a. (as at March 31, 2021: 6.80%p.a and as at March 31, 2020: 7.50%p.a)

16.3 Innovsource Services Private Limited, a wholly-owned subsidiary of FirstMeridian Business Services Limited has obtained an overdraft facility from ICICI bank. The facilities are repayable on demand and are secured by way of pari passu charge on the current assets and moveable plant and machinery of Innovsource Services Private Limited. This facility is bearing an interest rate of 7.75%p.a.

16.4 The Group has not received any fund from any person or entity, including foreign for the purpose of lending, investing or providing guarantee or security.

16.5 During each reporting period, the Group was not required to file any charge or satisfaction of charge to Registrar of Companies.

16.6 The Group has not been declared as a wilful defaulter by the banks and has been regular in satisfying its dues, outstanding to banks.

16.7 The Group doesn't have any unsecured borrowings as at each reporting period.

16.8 In relation to the specific purposes term loans and borrowings as disclosed under Non-current borrowings, the Group has used the funds for the purposes for which they were taken.

16.9 The Group is not required to submit quarterly statements to the banks based on the books of accounts.

17 Other financial liabilities

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non-current				
Non-controlling interests put option liabilty (refer note 17.1, 17.2 and 17.3)	-	122.78	158.51	431.09
	-	**122.78**	**158.51**	**431.09**
Current				
Payable for capital purchases	-	-	-	1.12
Accrued compensation to employees	2,286.59	1,639.53	1,494.21	1,529.26
Security deposits payable	4.52	2.83	5.49	5.73
Interest accrued but not due	0.38	0.43	0.04	0.07
Contingent consideration	40.99	38.81	-	-
Non-controlling interests put option liabilty (refer note 17.1, 17.2 and 17.3)	90.95	-	184.70	-
Others	132.80	78.84	58.00	65.54
Total	**2,556.23**	**1,760.44**	**1,742.44**	**1,601.72**

17.1 This represents non-controlling interests put option pertaining to Affluent Global Services Private Limited.

17.2 As per the advance agreement dated October 31, 2020, the Group has made a payment of ₹ 17.5 million during the financial year ended March 31, 2021 to one of the shareholder of one of the subsidiary (Affluent Global Services Private Limited), which has been adjusted against the put liability option with respect to acquisition of remaining shares of the said subsidiary at a future date as per the respective shareholder's agreement.

17.3 During the period ended December 31, 2021, as per the settlement agreement dated November 14, 2021, 4.76% of the shares of Affluent Global Services Private Limited were transferred from the existing shareholders to the FirstMeridian Business Services Limited (Parent company). Further, the Parent company is committed to acquire the remaining shares in Affluent at a future date as per the respective shareholder's agreement.

18 Provisions

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non current:				
Provision for gratuity (refer note 33)	488.83	413.62	319.07	208.76
	488.83	**413.62**	**319.07**	**208.76**
Current				
Provision for compensated absence	338.60	216.39	225.03	125.51
	338.60	**216.39**	**225.03**	**125.51**

19 Trade payables

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade payables				
-Total outstanding dues of micro and small enterprises	5.31	12.04	0.02	0.39
-Total outstanding dues of creditors other than micro and small enterprises	277.45	172.11	143.98	80.62
Total	**282.76**	**184.15**	**144.00**	**81.01**

19.1 The average credit period of trade payables is 30-45 days. No interest is charged by vendors if paid within the credit period.

19.2 Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	4.40	11.19	0.02	0.39
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.27	0.28	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	0.64	0.57	-	-

19.3 Ageing of trade payables

Particulars	Unbilled dues	Less than 1 year	1 - 2 year	2-3 years	More than 3 years	Total
As at December 31, 2021						
Disputed:						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Others:						
Micro. Small and Medium Enterprises	-	5.31	-	-	-	5.31
Others	221.36	53.22	1.27	1.20	0.40	277.45

Particulars	Unbilled dues	Less than 1 year	1 - 2 year	2-3 years	More than 3 years	Total
As at March 31, 2021						
Disputed:						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Others:						
Micro, Small and Medium Enterprises	-	11.76	0.28	-	-	12.04
Others	111.18	41.91	10.44	8.07	0.51	172.11

Particulars	Unbilled dues	Less than 1 year	1 - 2 year	2-3 years	More than 3 years	Total
As at March 31, 2020						
Disputed:						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Others:						
Micro. Small and Medium Enterprises	-	0.02	-	-	-	0.02
Others	66.40	76.88	0.60	0.09	0.01	143.98

Particulars	Unbilled dues	Less than 1 year	1 - 2 year	2-3 years	More than 3 years	Total
As at March 31, 2019						
Disputed:						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Others:						
Micro, Small and Medium Enterprises	-	0.39	-	-	-	0.39
Others	27.38	52.99	0.25	-	-	80.62

For the purposes of presentation of the ageing schedule, the invoice date has been considered as the due date by the Group.

20 Other current liabilities

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	851.58	730.04	677.12	643.83
Contract liability (Advance from customers)	14.75	24.52	11.70	-
Others	2.64	3.14	-	-
Total	**868.97**	**757.70**	**688.82**	**643.83**

21 Revenue from operations

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Sale of services	20,683.93	21,102.86	20,584.37	13,984.41
Sale of products	10.14	-	-	-
Total	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**

21.1 Reconciliation of revenue recognised in the Restated Consolidated Statement of Profit and Loss with the contracted price

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Contracted price with the customers	20,694.62	21,095.98	20,595.62	13,993.37
Add / (Less): Discounts, rebates, refunds, credits, price concessions	(0.55)	6.88	(11.25)	(8.96)
Revenue from contracts with customers (as per Restated consolidated statement of profit and loss)	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**

21.2 There were no impairment losses recognised on any contract asset (unbilled revenue)/trade receivable in each reporting periods.

21.3 The Group currently recognises its revenue on point-in-time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108. (refer note 32 on Operating segment disclosure)

21.4 Refer details of contract liabilities (advance from customers) in note 20, contract assets (unbilled revenue) in note 8 and trade receivables in note 11.

22 Other income

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Interest income on:				
- Bank deposits (at amortised cost)	36.22	47.12	49.75	47.73
- Staff loan	-	0.02	0.03	-
- Security deposits (at amortised cost)	2.04	2.58	2.06	1.49
- Income tax refund	6.58	51.95	16.60	-
Dividend on mutual funds	-	-	0.09	1.47
Gain on account of early termination of leases	1.01	2.20	-	0.17
Gain on disposal of property, plant and equipment	-	-	1.56	0.12
Provision no longer required	0.33	12.26	8.34	6.07
Net gain arising on fair valuation/settlement of put liability	-	12.84	87.88	-
Net gain arising on financial assets designated as FVTPL	0.05	-	-	0.01
Net gain arising on foreign exchange	5.79	-	-	-
Miscellaneous income	0.34	9.93	3.33	2.96
Total	**52.36**	**138.90**	**169.64**	**60.02**

23 Employee benefits expense

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Salaries and wages	17,852.64	18,408.59	18,032.25	12,132.74
Contribution to provident and other funds (refer note 33)	1,595.29	1,636.07	1,698.30	1,212.88
Gratuity (refer note 33)	10.51	13.23	10.91	12.85
Staff welfare expenses	81.62	44.80	84.13	12.37
Employee stock option amortisation (net of forfeiture) (refer note 37)	67.33	10.19	5.49	-
Total	**19,607.39**	**20,112.88**	**19,831.08**	**13,370.84**

24 Finance costs

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Interest on borrowings	8.10	9.39	4.54	1.36
Interest on lease liability (refer note 30)	15.94	15.27	14.05	11.33
Others	2.33	4.46	-	-
Total	**26.37**	**29.12**	**18.59**	**12.69**

25 Depreciation and amortisation expense

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Depreciation of property, plant and equipment	35.68	39.60	36.10	26.16
Depreciation of right-of-use assets (refer note 30)	72.13	81.11	81.78	61.72
Amortisation of intangible assets	216.07	644.78	641.67	430.95
Total	**323.88**	**765.49**	**759.55**	**518.83**

26 Other expenses

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Auditor's remuneration (refer note 26.1)	8.70	9.34	7.47	4.15
Communication expenses	18.67	24.83	28.41	25.02
Power and fuel	15.25	16.23	23.33	16.21
Rent (refer note 30)	26.25	37.73	47.30	44.21
Repairs and maintenance	20.62	25.52	20.51	14.35
Insurance	9.51	3.47	4.31	7.03
Rates and Taxes	0.91	6.69	3.34	1.09
Provision for allowance for doubtful trade and other receivables	11.15	12.98	0.97	63.43
Bad debts and other receivables written off	0.62	0.43	3.68	12.14
Professional and consultancy fees	304.72	260.70	94.45	157.86
Recruitment and training expenses	15.07	15.79	20.94	31.92
Loss on disposal of property, plant and equipment	0.90	3.17	-	-
Printing and stationary	9.08	11.48	17.87	11.64
Subcontracting charges	135.89	133.54	78.87	73.79
Travelling and conveyance	23.57	14.99	33.51	28.81
Net loss arising on foreign exchange	-	0.05	-	-
Expense towards corporate social responsibility (CSR) (refer note 26.2)	4.64	10.45	4.47	0.20
Consumables	1.76	6.07	4.93	10.13
Loss on fair valuation/settlement of put option liability	38.17	-	-	12.03
Miscellaneous expenses	41.21	36.95	22.73	24.21
Total	**686.69**	**630.41**	**417.09**	**538.22**

26.1 Payments to auditors

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
a) For statutory audit	5.99	5.40	4.23	3.50
b) For tax audit	0.57	0.92	0.63	0.58
c) For other services	2.14	3.02	2.61	0.07
Total	**8.70**	**9.34**	**7.47**	**4.15**

26.2 Corporate Social Responsibility (CSR)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Amount required to be spent by the Group during the period/year	4.60	5.69	4.47	3.76
Amount of expenditure incurred	-	10.03	1.78	0.20
Shortfall/(excess paid) as at the end of the period/year	4.60	(4.34)	2.69	3.56
Total of previous years shortfall/(excess paid) at the beginning of the period/year (refer note 26.3)	3.09	7.43	4.74	1.18
Reason for shortfall	Refer note 26.3 below	NA	Refer note 26.3 below	Refer note 26.3 below
Nature of CSR activities	NA	-Donation to Rotary Bangalore IT Corridor Charitable Trust for Container Classroom -Healthcare	-Donation to Bangalore Rotary Foundation for Epilepsy	Miscellaneous
Details of related party transactions	NA	NA	NA	NA
Provision in respect of CSR as at the end of the period/year	7.75	3.11	2.69	-

26.3 The Group was unable to spend CSR amount because the Group has not found suitable charitable organisation, healthcare projects, environment and animal welfare, education and rural development activity.

27 Tax Expense

27.1 Income tax expense in the restated consolidated profit or loss consists of

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Current tax expense/(reversal):				
In respect of the current period/year	49.90	34.52	19.90	31.22
In respect of the prior period/year	0.20	(0.64)	(1.03)	-
	50.10	**33.88**	**18.87**	**31.22**
Deferred tax (credit)/charge:				
In respect of the current period/year (refer note 9)	(171.54)	6.54	(95.06)	(42.05)
	(171.54)	**6.54**	**(95.06)**	**(42.05)**
Total income tax (credit)/expense recognised in the reporting period/year	**(121.44)**	**40.42**	**(76.19)**	**(10.83)**

27.2 Income tax expenses reconciliation

The reconciliation between the provision of income tax of the Group and amounts computed by applying the Indian statutory income tax rate to restated profit/ (loss) before taxes is as follows:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Current tax:				
Restated profit/(loss) before tax	92.56	(296.14)	(272.30)	(396.15)
Income tax rate (including surcharge)	25.17%	25.17%	25.17%	29.12%
Income tax expense calculated (including surcharge)	**23.30**	**(74.54)**	**(68.54)**	**(115.36)**
Deferred tax asset not recognised	20.28	0.69	7.40	32.35
Effects of expenses that are not deductible in determining taxable profits	11.37	11.05	4.21	6.29
Deferred tax reversal on goodwill	-	90.54	-	-
Exempt income	-	-	(0.02)	(0.87)
80JJAA tax incentives	(180.27)	(61.00)	(67.78)	(19.23)
Net effect of deferred tax liability created for earlier years	0.19	74.54	(1.03)	-
Effect of deferred tax of transferor company of earlier years created on account of merger	-	-	(1.90)	-
Adoption of new tax regime under section 115BAA on deferred tax including reversal of MAT credit entitlement	-	-	39.73	-
Impact of change in tax rate	-	-	11.76	85.99
Others	3.69	(0.86)	(0.03)	-
Income tax expenses recognised in the Restated Consolidated Profit or Loss	**(121.44)**	**40.42**	**(76.19)**	**(10.83)**

Note

During the year ended March 31, 2021, the Parent and its subsidiaries had decided to exercise the option of lower tax rate available under Section 115BAA of the Income Tax Act, 1961, as introduced by Taxation Laws (Amendment) Ordinance, 2019, with effect from FY 2019-20. Accordingly, the Parent and its subsidiaries have written off accumulated MAT credit of ₹ 39.73 million in the Restated Consolidated Statement of Profit or Loss.

27.3 Income tax expense in the Restated Consolidated Other Comprehensive Income consists of

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Arising on incomes/ (expenses) recognised in other comprehensive income				
Gain/(loss) on remeasurements of the defined benefit plans	(1.01)	(1.73)	2.23	(0.52)
Income tax expense recognised in other comprehensive income	**(1.01)**	**(1.73)**	**2.23**	**(0.52)**

27.4 Deferred Tax

The Group has not recognised deferred tax asset, of ₹ 14.34 million for the period ended December 31, 2021 (₹ 0.68 million for the year ended March 31, 2021, ₹ 7.40 million for the year ended March 31, 2020 and ₹ 32.35 million for the period ended March 31, 2019) , with respect to its tax losses and other temporary differences as it is unable to quantify the probability of its off-set against estimated immediate future profits. The estimated future profits are based on estimated business plan, hence, the recognition is sensitive to the changes in the business plan.

Details of the amount of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the balance sheet:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Business losses	153.86	115.89	121.26	102.12
Carry forward depreciation	12.48	18.44	17.47	13.13

The unrecognised tax credits with respect to business losses will expire between Assessment year 2027-2029

27.5 During each reporting period, the Group does not have any transaction that were not recorded in the books of accounts and were surrendered or disclosed in the income tax assessments under the Income Tax Act, 1961.

28 Restated earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Basic earning per share has been computed as under:				
Restated Profit/(loss) for the period/year attributable to the owners of the company	214.00	(336.56)	(196.11)	(385.32)
Weighted average number of equity shares outstanding during the period / year (in million)	72.22	72.22	72.22	72.22
Face value per share (₹)	10.00	10.00	10.00	10.00
Earnings per share (₹) - Basic (not annualised for the nine months period ended December 31, 2021)	**2.96**	**(4.66)**	**(2.72)**	**(5.34)**

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Diluted earning per share has been computed as under:				
Restated Profit/(loss) for the period / year attributable to the owners of the company	214.00	(336.56)	(196.11)	(385.32)
Weighted average number of equity shares as adjusted for the effects of all dilutive potential equity shares outstanding during the period / year (in million)	75.49	72.82	72.46	72.22
Face value per share (₹)	10.00	10.00	10.00	10.00
Earnings per share (₹) - Diluted*(not annualised for the nine months period ended December 31, 2021)	**2.83**	**(4.66)**	**(2.72)**	**(5.34)**

*The earnings for the period ended March 31, 2021 and March 31, 2020 being a loss, the potential equity shares are not considered as dilutive and accordingly Diluted EPS is same as Basic EPS.

28.1 The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	72.22	72.22	72.22	72.22
Shares deemed to be issued for no consideration in respect of:				
- employee share option	3.27	0.60	0.24	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	**75.49**	**72.82**	**72.46**	**72.22**

29 Contingent liabilities and Commitments

29.1 Contingent liabilities (to the extent not provided for)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Claims not acknowledged as debts (refer note 29.2)	25.52	17.16	13.78	10.58

29.2 Claims not acknowledged as debts principally relates to cases lodged by employees against the Group. It also includes cases lodged by employees against the erstwhile Holding Company relating to staffing business, which are now a contingent liability for the Group in lieu of the purchase of staffing business from the erstwhile Holding Company. The management believes, based on issues involved, that no material liabilities will accrue in respect of these cases and accordingly no cash outflow is expected and the management believes that based on the nature of cases, the claims are not expected to be material.

29.3 Provident fund

On February 28, 2019, the Hon'ble Supreme Court of India delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. The Group has been advised by the expert that there are various interpretative challenges on the application of the judgment retrospectively. The management do not expect any outflow of resources as there was no demand raised for the above matter as a part of audit performed by Regional Provident Fund Authority for the subsidiary of the Group.

29.4 Commitments

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	10.53	1.08	-	-

30 Leases

30.1 The effect of depreciation and interest related to right-of-use asset and lease liability are reflected in the Restated Consolidated Statement of Profit and Loss under the heading "depreciation and amortisation expenses" and "finance costs" respectively under note no 25 and 24 respectively.

30.2 The weighted average incremental borrowing rate applied to lease liabilities is as follows:

a. Leases entered upto March 31, 2020	10% p.a.
b. Lease taken after March 31, 2020	7.5% p.a.

30.3 Following are the changes in the carrying value of right-of-use assets for the period ended:

Particulars	Category of right-of-use assets		Total
	Office Space	Furniture and fittings	
Balance as at February 20, 2018	**-**	**-**	**-**
Acquired through business combination (refer note 40)	156.74	3.34	160.08
Additions for the period	60.51	-	60.51
Depreciation for the period	(59.38)	(2.34)	(61.72)
Deletions for the period	(5.91)	-	(5.91)
Balance as at March 31, 2019	**151.96**	**1.00**	**152.96**
Additions for the year	73.97	0.50	74.47
Depreciation for the year	(80.68)	(1.10)	(81.78)
Deletions for the year	(4.63)	-	(4.63)
Balance as at March 31, 2020	**140.62**	**0.40**	**141.02**
Additions for the year	190.32	-	190.32
Depreciation for the year	(80.92)	(0.19)	(81.11)
Deletions for the year	(23.18)	-	(23.18)
Balance as at March 31, 2021	**226.84**	**0.21**	**227.05**
Additions for the period	123.20	-	123.20
Depreciation for the period	(72.04)	(0.09)	(72.13)
Deletions for the period	(11.19)	(0.12)	(11.31)
Balance as at December 31, 2021	**266.81**	**-**	**266.81**

30.4 The Group has not revalued its property, plant and equipment during each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

30.5 The following is the break-up of current and non-current lease liabilities:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current lease liabilities	88.17	70.94	61.69	70.55
Non-current lease liabilities	191.12	164.14	89.16	90.76
Total	**279.29**	**235.08**	**150.85**	**161.31**

30.6 The following is the movement in lease liabilities:

Particulars	Amount
Balance as at February 20, 2018	**-**
Acquired through business combination (refer note 40)	165.63
Additions for the period	72.33
Deletions for the period	(7.32)
Finance cost accrued during the period	11.33
Payment of lease liabilities during the period	(80.66)
Balance as of March 31, 2019	**161.31**
Additions for the year	72.56
Deletions for the year	(4.98)
Finance cost accrued during the year	14.05
Payment of lease liabilities during the year	(92.09)
Balance as of March 31, 2020	**150.85**
Additions for the year	184.18
Deletions for the year	(25.39)
Finance cost accrued during the year	15.27
Payment of lease liabilities during the year	(89.83)
Balance as of March 31, 2021	**235.08**
Additions for the period	120.10
Deletions for the period	(11.68)
Finance cost accrued during the period	15.94
Payment of lease liabilities during the period	(80.15)
Balance as of December 31, 2021	**279.29**

30.7 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Not later than 1 year	105.40	86.10	72.30	82.00
Later than 1 year and not later than 5 years	206.84	181.96	96.09	97.00
Later than 5 years	5.56	2.62	2.41	5.02
Total	**317.80**	**270.68**	**170.80**	**184.02**

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

30.8 Amounts recognised in Restated Consolidated Statement of Profit and Loss

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Depreciation expense on right-of-use assets	72.13	81.11	81.78	61.72
Interest expense on lease liabilities	15.94	15.27	14.05	11.33
Expense relating to short term leases	26.25	37.73	47.30	44.21
Gain on account of early termination of leases	1.01	2.20	-	0.17

30.9 Total cashflow's disclosure :

The total cash outflow for leases is ₹ 106.41 million (₹ 127.56 million for the year ended March 31, 2021, ₹ 139.39 million for the year ended March 31, 2020, and ₹ 124.87 million for the period ended March 31, 2019) (includes cash outflow from short term and long term leases).

31 Related parties transactions

31.1 Names of the related parties and related party relationships

Particulars	Relationship
Manpower Solutions Limited (Mauritius)	Ultimate Holding Company
Innovsource Services Private Limited (ISER) (w.e.f June 28, 2018)	Subsidiary
Innovsource Facilities Private Limited (IFAC) (w.e.f June 28, 2018)	Subsidiary
V5 Global Services Private Limited (V5) (w.e.f July 05, 2018)	Subsidiary
Infield Infotech Private Limited (upto April 1, 2019)	Subsidiary of V5
Affluent Global Services Private Limited (AGS) (w.e.f. September 17, 2018)	Subsidiary
Linktag Global Services Private Limited (upto April 1, 2021)	Subsidiary of AGS
CBSI India Private Limited (CBSI) (w.e.f. September 29, 2020)	Subsidiary
Profitum Management Consulting LLP	Enterprise controlled by the relative of Key Managerial Personnel of V5
Key Management Personnel	
Sudhakar Balakrishnan (w.e.f. March 21, 2018)	Director
Bandaru Venkaiah Naidu (w.e.f September 17, 2018 till August 17, 2020)	Non-executive director
Vikram Agarwal (from June 28, 2018 to August 29 ,2018)	Non-executive director
Ankur Vidyasagar Gulati (w.e.f. December 11, 2019)	Non-executive director
Manish Mehta (w.e.f September 11, 2018)	Non-executive director
Niladri Mukhopadhyay (w.e.f. October 23, 2019 till March 31, 2021)	Non-executive director
Nilay Pratik (w.e.f March 12, 2018)	Non-executive director
Jiten Umesh Poojara (w.e.f September 11, 2018)	Non-executive director
Somwrita Biswas (w.e.f. April 28, 2021 till February 09, 2022)	Non-executive director
Satya Prasan Rajguru (w.e.f April 01, 2018)	Director of subsidiary
Shishir Gorle (till June 27,2018)	Whole-time Director of subsidiary
Raja Shekhar Reddy (till June 27,2018)	Whole-time Director of subsidiary
Shailesh Narayanrao Ardhapurkar (w.e.f May 10, 2014)	Whole-time Director of subsidiary
Satish Srinivasan (w.e.f August 29, 2018)	Group Chief Financial Officer
Amitabh Sagar (w.e.f. April 01, 2021)	Group Chief Human Resources Officer
Anurag Gupta (w.e.f. April 01, 2021)	President – IT Staffing
Manmeet Singh (w.e.f. April 01, 2021)	Deputy CEO – V5
Anand C (w.e.f. April 01, 2021)	CEO – General Staffing & Allied Services
Vamshidhar G (w.e.f. December 20, 2021)	Head M&A
Amit Chitale (w.e.f June 01, 2020)	Chief Financial Officer of ISER
Tejas Sanghvi (till May 31, 2020)	Chief Financial Officer of ISER
Sanjay Gupta	Chief Financial Officer of V5
Monali Pramod Joshi (w.e.f. July 24, 2019)	Group Company Secretary
Ira Dash Rajguru	Relative of Key Managerial Personnel of subsidiary
Archana Shailesh Ardhapur (w.e.f. January 02, 2020)	Relative of Key Managerial Personnel of subsidiary

31 Related parties transactions (cont'd)

31.2 Details of related party transactions

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Manpower Solutions Limited (Mauritius)				
Issuance of shares during the period/ year (including	-	-	-	2,847.00
Remuneration to Key Managerial Personnel (including	103.49	57.84	104.84	76.18
Remuneration to relative of Key Managerial Personnel	-	7.86	18.57	-
Reimbursement of expenses to Key Managerial Personnel	-	0.86	2.74	1.79
Professional and consultancy fees paid to Key Managerial	5.90	6.25	-	-
Professional and consultancy fees paid to relative of Key	-	1.36	-	-
Sale of building				
Profitum Management Consulting LLP (Partner-Ira Rajguru, wife of Satya Prasan Rajguru)	-	11.00	-	-

31.3 Details of related party closing balances

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Accrued compensation to Key Managerial Personnel	9.10	-	9.43	2.15
Accrued reimbursement of Key Managerial Personnel expens	-	0.15	1.31	-
Trade payable to Key Managerial Personnel of subsidiaries	-	0.55	-	-

31.4 Compensation of Key Managerial Personnel

The remuneration of directors and other members of Key Managerial Personnel during the period/ year was as follows:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Short-term employee benefits	51.72	50.37	100.27	76.18
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	51.78	7.47	4.57	-
Total	**103.49**	**57.84**	**104.84**	**76.18**
Sitting fee paid to directors	**-**	**-**	**-**	**-**

***Notes:**

(i) The above Managerial remuneration excludes value of gratuity and compensated absences since the same is ascertained on aggregated basis for the Group as a whole by the way of actuarial valuation and separate values attributable to Key Managerial Person are not ascertained.

(ii) Total employee stock compensation expense for the nine months period ended December 31, 2021, year ended March 31, 2021 and March 31, 2020 includes a charge of ₹ 51.78 million ,₹ 7.47 million and ₹ 4.57 million respectively, towards key managerial personnel.

31 Related parties transactions (cont'd)

31.2 Details of related party transactions

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Manpower Solutions Limited (Mauritius)				
Issuance of shares during the period/ year (including	-	-	-	2,847.00
Remuneration to Key Managerial Personnel (including	103.49	57.84	104.84	76.18
Remuneration to relative of Key Managerial Personnel	-	7.86	18.57	-
Reimbursement of expenses to Key Managerial Personnel	-	0.86	2.74	1.79
Professional and consultancy fees paid to Key Managerial	5.90	6.25	-	-
Professional and consultancy fees paid to relative of Key	-	1.36	-	-
Sale of building				
Profitum Management Consulting LLP (Partner-Ira Rajguru, wife of Satya Prasan Rajguru)	-	11.00	-	-

31.3 Details of related party closing balances

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Accrued compensation to Key Managerial Personnel	9.10	-	9.43	2.15
Accrued reimbursement of Key Managerial Personnel expense	-	0.15	1.31	-
Trade payable to Key Managerial Personnel of subsidiaries	-	0.55	-	-

31.4 Compensation of Key Managerial Personnel

The remuneration of directors and other members of Key Managerial Personnel during the period/ year was as follows:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Short-term employee benefits	51.72	50.37	100.27	76.18
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	51.78	7.47	4.57	-
Total	**103.49**	**57.84**	**104.84**	**76.18**
Sitting fee paid to directors	**-**	**-**	**-**	**-**

***Notes:**

(i) The above Managerial remuneration excludes value of gratuity and compensated absences since the same is ascertained on aggregated basis for the Group as a whole by the way of actuarial valuation and separate values attributable to Key Managerial Person are not ascertained.

(ii) Total employee stock compensation expense for the nine months period ended December 31, 2021, year ended March 31, 2021 and March 31, 2020 includes a charge of ₹ 51.78 million ,₹ 7.47 million and ₹ 4.57 million respectively, towards key managerial personnel.

31 Related parties transactions (cont'd)

31.5 Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
1. FirstMeridian Business Services Limited				
Sale of services				
Innovsource Services Private Limited	89.40	118.79	69.64	17.24
V5 Global Services Private Limited	43.16	42.03	21.27	4.93
Affluent Global Services Private Limited	14.71	26.79	13.88	5.47
CBSI India Private Limited	8.24	0.01	-	-
Employee stock option amortisation				
Innovsource Services Private Limited	5.74	2.31	0.39	-
V5 Global Services Private Limited	6.06	0.45	0.26	-
Affluent Global Services Private Limited	0.29	0.10	0.04	-
CBSI India Private Limited	0.58	-	-	-
Employee stock option amortisation (forfeiture)				
Innovsource Services Private Limited	0.63	0.24	-	-
V5 Global Services Private Limited	0.06	0.05	-	-
Affluent Global Services Private Limited	0.16	0.15	-	-
Legal and professional fees				
Innovsource Services Private Limited	-	0.27	-	1.00
V5 Global Services Private Limited	0.41	2.73	-	-
Affluent Global Services Private Limited	2.91	-	-	-
CBSI India Private Limited	0.72	-	-	-
Repairs and maintenance				
Innovsource Facilities Private Limited	0.34	0.11	0.04	-

31 Related parties transactions (cont'd)

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information				
Repayment of loan given				
Innovsource Services Private Limited	-	17.10	129.00	92.90
Innovsource Facilities Private Limited	-	-	0.10	46.90
V5 Global Services Private Limited	-	40.00	80.00	-
Interest income on unsecured loan				
Innovsource Services Private Limited	-	0.49	1.54	3.69
V5 Global Services Private Limited	-	1.05	3.60	1.64
Innovsource Facilities Private Limited	-	-	-	0.54
Loan given				
Innovsource Services Private Limited	-	-	129.00	110.00
Innovsource Facilities Private Limited	-	-	-	47.00
V5 Global Services Private Limited	-	-	80.00	40.00
Interest accrued but not due				
Innovsource Services Private Limited	-	-	0.13	3.69
Loan taken and repaid during the period/year				
V5 Global Services Private Limited	-	40.00	-	-

31 Related parties transactions (cont'd)

31.5 Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
2. Innovsource Services Private Limited				
Sale of services				
FirstMeridian Business Services Limited	-	0.27	-	1.00
Innovsource Facilities Private Limited	8.10	10.90	14.19	14.84
V5 Global Services Private Limited	-	0.04	-	-
Affluent Global Services Private Limited	-	0.37	-	-
Innovsource Private Limited	-	-	-	1.92
Sale of assets				
CBSI India Private Limited	0.02	-	-	-
Business support fee				
FirstMeridian Business Services Limited	80.78	103.97	62.47	-
V5 Global Services Private Limited	-	1.00	-	-
Professional and consultancy fees				
FirstMeridian Business Services Limited	-	-	-	17.24
V5 Global Services Private Limited	0.13	-	-	-
Miscellaneous expenses				
Innovsource Facilities Private Limited	0.33	5.29	-	0.27
Innovsource Security Private Limited	-	-	-	0.26
Subcontracting expense				
Innovsource Facilities Private Limited	20.22	20.38	4.06	-
Salaries and wages- employee stock option amortisation				
FirstMeridian Business Services Limited	5.74	2.31	0.39	-

31 **Related parties transactions (cont'd)**

31.5 **Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)**

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
Salaries and wages- employee stock option amortisation (forfeiture)				
FirstMeridian Business Services Limited	0.63	0.24	-	-
Staff welfare expenses				
Innovsource Facilities Private Limited	-	-	-	0.29
Rent				
V5 Global Services Private Limited	-	-	-	0.09
Repairs and maintenance				
FirstMeridian Business Services Limited	-	-	0.80	-
Interest on borrowings				
FirstMeridian Business Services Limited	-	0.49	1.54	3.69
IT development and management charges				
FirstMeridian Business Services Limited	8.62	14.82	6.37	-
Purchase of asset				
Affluent Global Services Private Limited	0.30	-	-	-
Long-term borrowings received				
FirstMeridian Business Services Limited	-	-	129.00	110.00
Repayment of long-term borrowings				
FirstMeridian Business Services Limited	-	17.10	129.00	92.90
Transfer out of employee benefit liability on transfer of employees				
Innovsource Facilities Private Limited	-	-	1.57	-

31 Related parties transactions (cont'd)

31.5 Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
3. Innovsource Facilities Private Limited				
Sale of services				
Innovsource Services Private Limited	20.55	25.66	4.06	0.56
V5 Global Services Private Limited	0.67	0.53	-	-
Affluent Global Services Private Limited	-	0.07	-	-
FirstMeridian Business Services Limited	0.34	0.11	0.04	-
Business support fee				
Innovsource Services Private Limited	8.10	10.90	14.19	14.84
Transfer in of employee benefit liability on transfer of employees				
Innovsource Services Private Limited	-	-	1.57	-
Loan received				
FirstMeridian Business Services Limited	-	-	-	47.00
Repayment of loan given				
FirstMeridian Business Services Limited	-	-	0.10	46.90
Interest expese on unsecured loan				
FirstMeridian Business Services Limited	-	-	-	0.54

31 **Related parties transactions (cont'd)**

31.5 **Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)**

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
4. V5 Global Services Private Limited				
Sale of services				
FirstMeridian Business Services Limited	0.41	2.73	-	-
Innovsource Services Private Limited	0.13	0.99	-	-
Affluent Global Services Private Limited	0.07	0.54	-	-
Business support fee				
FirstMeridian Business Services Limited	42.08	41.50	21.27	4.93
Rental income				
Innovsource Services Private Limited	-	-	-	0.09
IT development and management charges				
FirstMeridian Business Services Limited	1.08	-	-	-
Staff welfare expenses				
FirstMeridian Business Services Limited	-	0.20	0.32	-
Innovsource Facilities Private Limited	0.67	0.51	-	-
Repair and maintenance				
FirstMeridian Business Services Limited	-	-	0.19	-
Travelling and conveyance				
FirstMeridian Business Services Limited	-	0.31	-	-

31 Related parties transactions (cont'd)

31.5 Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
4. V5 Global Services Private Limited (cont'd)				
Communication expenses				
FirstMeridian Business Services Limited	-	0.02	-	-
Professional and consultancy fees				
Innovsource Services Private Limited	-	0.04	-	-
FirstMeridian Business Services Limited	2.40	-		
Miscellaneous expenses				
Innovsource Facilities Private Limited	-	0.02	-	-
FirstMeridian Business Services Limited	-	-	0.33	-
Salaries and wages- employee stock option amortisation				
FirstMeridian Business Services Limited	6.06	0.45	0.26	-
Salaries and wages- employee stock option amortisation (forfeiture)				
FirstMeridian Business Services Limited	0.06	0.06	-	-
Interest on borrowings				
FirstMeridian Business Services Limited	-	1.05	3.60	1.64
Loan received				
FirstMeridian Business Services Limited	-	-	80.00	40.00
Repayment of loan taken				
FirstMeridian Business Services Limited	-	40.00	80.00	-
Loan given and received during the period/year				
FirstMeridian Business Services Limited	-	40.00	-	-

31 **Related parties transactions (cont'd)**

31.5 **Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)**

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
5. Affluent Global Services Private Limited				
Sale of services				
CBSI India Private Limited	4.25	1.28	-	-
FirstMeridian Business Services Limited	2.91	-	-	-
Sale of asset				
Innovsource Services Private Limited	0.30	-	-	-
Repairs and maintenance				
Innovsource Facilities Private Limited	-	0.07	-	-
FirstMeridian Business Services Limited	-	-	0.53	-
Professional and consultancy fees				
Innovsource Services Private Limited	-	0.37	-	-
V5 Global Services Private Limited	0.07	0.54	-	-
FirstMeridian Business Services Limited	2.29	-	-	-
CBSI India Private Limited	2.81	-	-	-

31 Related parties transactions (cont'd)

31.5 Related party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information (cont'd)

Particulars	For the period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period ended March 31, 2019
5. Affluent Global Services Private Limited (cont'd)				
Business support fees				
FirstMeridian Business Services Limited	12.42	26.16	14.84	5.47
Salaries and wages- employee stock option amortisation				
FirstMeridian Business Services Limited	0.29	0.10	0.04	-
Salaries and wages- employee stock option amortisation (forfeiture)				
FirstMeridian Business Services Limited	0.16	0.15	-	-
6. CBSI India Private Limited				
Sale of services				
FirstMeridian Business Services Limited	0.72	-	-	-
Affluent Global Services Private Limited	2.81	-	-	-
Business support fees				
FirstMeridian Business Services Limited	8.24	-	-	-
Legal and professional charges				
FirstMeridian Business Services Limited	-	0.01	-	-
Affluent Global Services Private Limited	4.25	1.28	-	-
Salaries and wages- employee stock option amortisation				
FirstMeridian Business Services Limited	0.58	-	-	-
Purchase of property, plant and equipment				
Innovsource Services Private Limited	0.02	-	-	-

31 **Related parties transactions (cont'd)**

31.7 **Related party balances as at the period/year end, eliminated while preparing the Restated Consolidated Financial Information**

31.6 Terms of the loan (taken and given)

There are no intercompany borrowings during the period ended Decemeber 31, 2021 and year ended March 31, 2021.

For the year ended March 31, 2020:

Name of Entity	Purpose of utilization of loan given to the entities	Rate of Interest	Repayment Terms
Unsecured			
Innovsource Services Private Limited	Working capital loan	9% p.a.	Repayable within 2 years from the date of loan agreement
V5 Global Services Private Limited	Working capital loan	9% p.a.	

For the period ended March 31, 2019:

Name of Entity	Purpose of utilization of loan given to the entities	Rate of Interest	Repayment Terms
Unsecured			
Innovsource Services Private Limited	Working capital loan	9% p.a.	Repayable within 2 years from the date of loan agreement
Innovsource Facilities Private Limited	Working capital loan	9% p.a.	
V5 Global Services Private Limited	Working capital loan	9% p.a.	

31 Related parties transactions (cont'd)

31.7 Related party balances as at the period/year end, eliminated while preparing the Restated Consolidated Financial Information

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
1. FirstMeridian Business Services Limited				
Trade receivable				
Innovsource Services Private Limited	17.34	8.53	17.17	6.90
Affluent Global Services Private Limited	1.75	8.13	0.16	1.94
V5 Global Services Private Limited	12.85	3.29	0.03	-
CBSI India Private Limited	2.63	0.02	-	-
Unbilled revenue				
Innovsource Services Private Limited	0.34	-	-	-
V5 Global Services Private Limited	0.89	-	-	-
Affluent Global Services Private Limited	2.29	-	-	-
CBSI India Private Limited	0.35	-	-	-
Trade payable				
Innovsource Services Private Limited	1.21	0.52	-	1.04
Innovsource Facilities Private Limited	0.16	0.36	0.04	-
V5 Global Services Private Limited	0.02	3.15	-	0.29
Affluent Global Services Private Limited	3.07	-	-	-
CBSI India Private Limited	0.55	-	-	-
Loan given				
Innovsource Facilities Private Limited	-	-	-	0.10
Innovsource Services Private Limited	-	-	17.10	17.10
V5 Global Services Private Limited	-	-	40.00	40.00
Other financial assets				
Innovsource Services Private Limited	-	2.07	0.39	-
V5 Global Services Private Limited	-	0.39	0.26	-
Affluent Global Services Private Limited	-	(0.04)	0.04	-
Interest accrued				
Innovsource Services Private Limited	-	-	0.13	3.32
Innovsource Facilities Private Limited	-	-	-	0.48
2. Innovsource Services Private Limited				
Trade receivable				
FirstMeridian Business Services Limited	1.21	0.52	-	1.04
Innovsource Facilities Private Limited	6.31	0.02	3.74	4.32
V5 Global Services Private Limited	-	0.04	-	-
Affluent Global Services Private Limited	-	0.41	-	-
CBSI India Private Limited	0.03	-	-	-
Trade payable				
FirstMeridian Business Services Limited	17.68	10.60	17.56	6.90
Innovsource Facilities Private Limited	10.92	17.24	1.86	0.03
V5 Global Services Private Limited	0.17	1.10	-	0.11
Other current liabilities	**-**			
V5 Global Services Private Limited	-	3.46	-	-
Long-term borrowings	**-**	-	-	-
FirstMeridian Business Services Limited	-	-	17.10	17.10
Interest accrued but not due	**-**	-	-	-
FirstMeridian Business Services Limited	-	-	0.13	3.32

31 Related parties transactions (cont'd)

31.7 Related party balances as at the period/year end, eliminated while preparing the Restated Consolidated Financial Information

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
3. Innovsource Facilities Private Limited				
Trade receivable				
Innovsource Services Private Limited	10.92	17.24	1.86	0.03
V5 Global Services Private Limited	0.09	0.16	-	-
Affluent Global Services Private Limited	-	0.09	-	-
FirstMeridian Business Services Limited	0.16	0.36	0.04	-
Trade payable				
Innovsource Services Private Limited	6.31	0.02	3.74	4.32
Loans outstanding				
FirstMeridian Business Services Limited	-	-	-	0.10
Interest accrued but not due				
FirstMeridian Business Services Limited	-	-	-	0.48
4. V5 Global Services Private Limited				
Trade receivable				
FirstMeridian Business Services Limited	0.02	3.15	-	0.29
Innovsource Services Private Limited	0.17	1.10	-	0.11
Affluent Global Services Private Limited	-	0.59	-	-
Trade payable				
FirstMeridian Business Services Limited	13.74	3.69	0.28	-
Innovsource Facilities Private Limited	0.09	0.16	-	-
Innovsource Services Private Limited	-	0.04	-	-
Other current assets				
Innovsource Services Private Limited	-	3.46	-	-
Long-term borrowings				
FirstMeridian Business Services Limited	-	-	40.00	40.00

31 Related parties transactions (cont'd)

31.7 Related party balances as at the period/year end, eliminated while preparing the Restated Consolidated Financial Information (cont'd)

5. Affluent Global Services Private Limited				
Trade payables				
V5 Global Services Private Limited	-	0.59	-	-
Innovsource Services Private Limited	-	0.41	-	-
Innovsource Facilities Private Limited	-	0.09	-	-
FirstMeridian Business Services Limited	4.04	8.09	0.19	1.94
CBSI India Private Limited	2.89	-	-	-
Trade receivables				
CBSI India Private Limited	0.71	1.39	-	-
FirstMeridian Business Services Limited	2.20	-	-	-
Unbilled revenue				
CBSI India Private Limited	0.29	-	-	-
FirstMeridian Business Services Limited	0.87	-	-	-
6. CBSI India Private Limited				
Trade payables				
Affluent Global Services Private Limited	1.00	1.39	-	-
FirstMeridian Business Services Limited	2.98	0.02	-	-
Innovsource Services Private Limited	0.03	-	-	-
Trade receivables				
Affluent Global Services Private Limited	0.78	-	-	-
FirstMeridian Business Services Limited	0.45	-	-	-
Unbilled revenue				
Affluent Global Services Private Limited	2.11	-	-	-
FirstMeridian Business Services Limited	0.10	-	-	-

32 Segment information

The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, operating segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by service offerings. Accordingly, segment information has been presented for service offerings.

During the period, the Company has identified General Staffing and Allied Services, Global Technology Solutions and 'Other HR Service' as separate business segment. It is based on increased focus and business review carried out by the Chief Operating Decision Maker (CODM) of the Company.

32.1 The operating segment comprises of the following:

a) General Staffing and Allied Services

Comprises of staffing solutions, workforce automation solutions and trade marketing solutions.

b) Global Technology Solutions

Comprises of contract staffing solutions for niche mid to senior level positions across global captive centers, product-based companies and other technology companies and Contract staffing solutions for entry to mid-level roles across technology companies

c) Other HR Services

Comprises of permanent recruitment, recruitment process outsourcing, pharmaceutical and healthcare staffing and facility management.

32.2 Segment revenues and profits

The following is an analysis of the Group's revenue and results by reportable segment for the nine months period ended December 31, 2021:

	General Staffing and Allied services	Global Technology Solutions	Other HR Services	Unallocated	Total
Revenue:					
External revenue	18,833.72	1,544.64	309.29	6.42	20,694.07
Total segment revenue	**18,833.72**	**1,544.64**	**309.29**	**6.42**	**20,694.07**
Segment results	**138.67**	**110.41**	**3.38**	**(133.53)**	**118.93**
Finance costs	-	-	-	26.37	26.37
Profit/(Loss) before tax	**138.67**	**110.41**	**3.38**	**(159.90)**	**92.56**
Income tax	-	-	-	(121.44)	(121.44)
Profit/(Loss) after tax	**138.67**	**110.41**	**3.38**	**(38.46)**	**214.00**
Segment assets	3,984.11	899.30	107.73	2,488.66	7,479.80
Segment liabilities	4,192.57	370.74	111.45	235.17	4,909.93
Capital employed (Segment assets- Segment liabilities)	(208.46)	528.56	(3.72)	2,253.49	2,569.87

The following is an analysis of the Group's revenue and results by reportable segment for the year ended March 31, 2021:

	General Staffing and Allied services	Global Technology Solutions	Other HR Services	Unallocated	Total
Revenue:					
External revenue	19,691.84	1,041.60	360.42	8.99	21,102.86
Total segment revenue	**19,691.84**	**1,041.60**	**360.42**	**8.99**	**21,102.86**
Segment results	**(185.47)**	**(71.26)**	**(27.55)**	**17.26**	**(267.02)**
Finance costs	-	-	-	29.12	29.12
Profit/(Loss) before tax	**(185.47)**	**(71.26)**	**(27.55)**	**(11.86)**	**(296.14)**
Income tax	-	-	-	40.42	**40.42**
Profit/(Loss) after tax	**(185.47)**	**(71.26)**	**(27.55)**	**(52.28)**	**(336.56)**
Other information					
Segment assets	3,355.73	770.41	125.07	1,983.54	6,234.75
Segment liabilities	3,133.43	237.50	139.67	438.18	3,948.78
Capital employed (Segment assets- Segment liabilities)	222.30	532.91	(14.60)	1,545.36	2,285.97

32 Segment information (cont'd)

The following is an analysis of the Group's revenue and results by reportable segment for the year ended March 31, 2020:

	General Staffing and Allied services	Global Technology Solutions	Other HR Services	Unallocated	Total
Revenue:					
External revenue	19,381.48	803.11	399.78	-	20,584.37
Total segment revenue	**19,381.48**	**803.11**	**399.78**	**-**	**20,584.37**
Segment results	**(141.01)**	**(127.22)**	**(16.92)**	**31.44**	**(253.71)**
Finance costs	-	-	-	18.59	18.59
Profit/(Loss) before tax	**(141.01)**	**(127.22)**	**(16.92)**	**12.85**	**(272.30)**
Income tax	-	-	-	(76.19)	**(76.19)**
Profit/(Loss) after tax	**(141.01)**	**(127.22)**	**(16.92)**	**89.04**	**(196.11)**
Other information					
Segment assets	3,031.94	872.56	133.31	2,361.78	6,399.59
Segment liabilities	2,791.15	146.14	95.98	759.55	3,792.82
Capital employed (Segment assets- Segment liabilities)	240.79	726.42	37.33	1,602.23	2,606.77

The following is an analysis of the Group's revenue and results by reportable segment for the period February 20, 2018 to March 31, 2019:

	General Staffing and Allied services	Global Technology Solutions	Other HR Services	Unallocated	Total
Revenue:					
External revenue	13,213.62	405.25	365.54	-	13,984.41
Total segment revenue	**13,213.62**	**405.25**	**365.54**	**-**	**13,984.41**
Segment results	**(172.36)**	**(98.17)**	**(2.45)**	**(110.48)**	**(383.46)**
Finance costs	-	-	-	12.69	12.69
Profit/(Loss) before tax	**(172.36)**	**(98.17)**	**(2.45)**	**(123.18)**	**(396.15)**
Income tax	-	-	-	(10.83)	**(10.83)**
Profit/(Loss) after tax	**(172.36)**	**(98.17)**	**(2.45)**	**(112.34)**	**(385.32)**
Other information					
Segment assets	3,050.84	1,041.93	143.45	2,086.73	6,322.95
Segment liabilities	2,561.05	107.79	99.37	752.18	3,520.39
Capital employed (Segment assets- Segment liabilities)	489.79	934.14	44.08	1,334.55	2,802.56

32.3 Other segment information

	Depreciation and amortisation			
	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
General Staffing and Allied services	166.06	477.73	482.94	375.02
Global Technology Solutions	144.01	261.26	254.28	128.39
Other HR Services	9.26	20.22	16.27	12.08
Unallocated	4.55	6.29	6.06	3.35
Total	**323.88**	**765.50**	**759.55**	**518.84**

32 Segment information (cont'd)

	Additions to non-current assets*			
	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
General Staffing and Allied services	158.11	235.27	123.97	267.22
Global Technology Solutions	15.30	12.58	5.16	8.17
Other HR Services	4.72	4.35	2.57	7.74
Unallocated	0.01	0.11	-	-
Total	**178.14**	**252.31**	**131.70**	**283.12**

*The amounts exclude additions to financial instruments, deferred tax assets and net defined benefit assets.
Of the total additions to non-current assets, ₹ 47.67 million in the financial year ended March 31, 2021 (₹ 2,418.85 million during the period ended March 31, 2019) has been acquired on account of business combination.

32.4 Revenues from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
General Staffing and Allied services	18,833.72	19,691.84	19,381.48	13,213.62
Global Technology Solutions	1,544.64	1,041.60	803.11	405.25
Other HR Services	309.29	360.42	399.78	365.54
Unallocated	6.42	8.99	-	-
Total	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**

32.5 Geographical information

Revenue from operations

	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
India	20,591.07	21,102.29	20,584.37	13,984.41
Foreign	103.00	0.58	-	-
Total	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**

There are no non-current asset located outside India.

32.6 Information about major customers

Included in revenues arising from General Staffing and Allied services of ₹ 2,077.31 million (year ended March 31, 2021: ₹ 2,155.61 million, year ended March 31, 2020: ₹ 2,604.93 million, period ended March 31, 2019: Nil) which arose from sale of services to the Group's largest customer which accounts for 10.04% (year ended March 31, 2021: 10.21%, year ended March 31, 2020: 12.65%, period ended March 31, 2019: Nil) of the total revenue. No other customer contributed 10 percent or more to the Group's revenue in any of the reporting periods.

33 Employee benefits

i) Defined Contribution Plan

The Group's contribution to provident fund and other funds is ₹ 1,595.29 million (during the year ended March 31, 2021 is ₹ 1,636.07 million, during the year ended March 31, 2020 is ₹ 1,697.30 million and during the period ended March 31, 2019: ₹ 1,212.88 million) has been recognised in the Restated Consolidated Statement of Profit and Loss under the head employee benefits expense.

ii) Defined Benefit Plans:

A. Gratuity

The Group has a defined benefit gratuity plan in India (funded). The group's defined benefit gratuity plan is a final salary plan for employees, which requires contribution to be made to a separately administered fund.

The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the financial year ended March 31, 2021, the Group has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from ₹1 million to ₹2 million, for those employees who are getting benefit as per Payment of Gratuity Act, 1972. Change in liability (if any) due to this scheme change is recognised as past service cost.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules , 1962.

a. Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

(1) Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of member. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(2) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(3) Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(4) Longevity Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

b. The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at			
	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i). Financial assumptions				
Discount rate (p.a.)	3.90%-6.43%	3.82%- 6.92%	4.36% - 6.68%	6.55%-7.79%
Salary escalation rate (p.a.)	2.60% - 10%	2.62% - 10%	3.38% - 7%	2.62%-7.00%
Rate of employee turnover (p.a.)	For service 5 years and below is 35% to 47% p.a. & for service of 5 years and above is 5%to 6% p.a	For service 5 years and below is 35% to 47% p.a. & for service of 5 years and above is 5%to 6% p.a	Below 5 years 46% p.a. & for service of 5 years and above is 7% to 7% p.a	Below 5 years 46% p.a. & for service of 5 years and above is 7% to 7% p.a
(ii). Demographic assumptions				
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2006-08

c. Amounts recognised in Restated Consolidated Statement of Profit and Loss in respect of these defined benefit plans are as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current service cost	80.68	89.58	61.01	33.67
Net interest expense	15.83	16.81	12.27	26.85
Components of defined benefit costs	**96.51**	**106.39**	**73.28**	**60.52**
Amount netted off in the Restated Consolidated Statement of Profit and Loss towards gratuity and related reimbursement right for associate employees	86.00	93.16	62.37	47.67
Components of defined benefit costs after netting off reimbursement right for associate employees recognised in Restated Consolidated Statement of Profit or Loss	**10.51**	**13.23**	**10.91**	**12.85**
Remeasurement on the net defined benefit liability				
Actuarial (gains)/loss arising form changes in financial assumptions	(4.58)	(36.46)	72.70	2.86
Actuarial loss / (gains) arising form changes in demographic assumptions	(25.60)	17.11	(12.12)	(4.49)
Actuarial loss arising form experience adjustments	51.85	42.96	36.42	(7.71)
Return on plan assets (excluding amount included in net interest expense)	(0.05)	(0.02)	0.03	0.01
Components of defined benefit costs before netting off reimbursement right for associate employees recognised in Restated Consolidated Profit or Loss'	**21.62**	**23.59**	**97.03**	**(9.33)**
Amount netted off in the Other Comprehensive Income towards gratuity and related reimbursement right for associate employees	18.04	16.29	104.43	(11.19)
Components of defined benefit costs recognised in other comprehensive income	**3.58**	**7.30**	**(7.40)**	**1.86**

Notes:

i) The Current service cost and the net interest expense for the period are included in the 'employee benefits expense' line item in the Restated Consolidated Statement of Profit and Loss

ii) The remeasurement of the net defined benefits liability is included in Other Comprehensive Income for the each reporting period.

iii) Gratuity expense as per Note 23 includes an amount of ₹ 4.07 million on account of full and final settlement payable towards the employees resigned during the year ended March 31, 2021.

33 Employee benefits (cont'd)

d. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Funded*:				
Present value of benefit obligation at the end of the period/year	13.85	13.34	14.45	10.22
Fair value of plan assets at the end of the period/year	(0.64)	(2.18)	(3.26)	(5.77)
Funded status -Surplus	**13.21**	**11.16**	**11.19**	**4.45**
Unfunded:				
Present value of benefit obligation at the end of the period/year	475.60	398.39	307.87	204.31
Fair value of plan assets at the end of the period/year	-	-	-	-
Unfunded status -Surplus	**475.60**	**398.39**	**307.87**	**204.31**

* excluding the liability towards the full and final settlement of ₹ 4.07 million which is computed on accrual basis.

e. Movement in the present value of the defined benefit obligation are as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening of defined benefit obligation	411.73	322.32	214.53	221.85
Additions on account of business combination	-	3.47	-	-
Current service cost	80.68	89.58	61.01	35.70
Interest on defined benefit obligation	15.86	16.98	12.59	14.86
Remeasurements due to:	-	-	-	-
Actuarial (gains)/loss arising form changes in financial assumptions	(4.58)	(36.46)	72.70	(43.22)
Actuarial loss / (gains) arising form changes in demographic assumptions	0.33	17.11	(12.12)	39.72
Actuarial loss arising form experience adjustments	25.93	42.95	36.21	14.37
Transfer Adjustments	(0.33)	3.81	0.00	-
Benefits paid	(40.17)	(48.03)	(62.60)	(68.75)
Closing of defined benefit obligation	**489.45**	**411.73**	**322.32**	**214.53**

f. Movement in the fair value of the plan assets are as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	2.18	3.26	5.77	9.13
Employer contribution	0.51	0.26	0.21	0.01
Interest on plan assets	0.06	0.17	0.33	0.60
Return on plan assets (excluding interest income)	(0.00)	0.01	(0.03)	(0.05)
Transfer adjustments	-	-	-	
Benefits paid	(2.11)	(1.52)	(3.02)	(3.92)
Closing of fair value of plan assets	**0.64**	**2.18**	**3.26**	**5.77**

g. Major category of plan assets (as a percentage of total plan assets)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trust managed/insurer managed funds	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

33 Employee benefits (cont'd)

h. Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 1%.

Core Employees

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
a) Discount rate		
As at December 31, 2021 (with 1% change)	(2.39)	2.68
As at March 31, 2021 (with 1% change)	(2.24)	1.97
As at March 31, 2020 (with 1% change)	(3.15)	5.16
As at March 31, 2019 (with 1% change)	(1.06)	1.72
b) Salary Escalation Rate		
As at December 31, 2021 (with 1% change)	2.65	(2.40)
As at March 31, 2021 (with 1% change)	2.51	(1.77)
As at March 31, 2020 (with 1% change)	3.81	(1.84)
As at March 31, 2019 (with 1% change)	1.95	(1.44)
c) Employee Turnover Rate		
As at December 31, 2021 (with 25% change)	(3.57)	5.23
As at March 31, 2021 (with 25% change)	(3.83)	6.01
As at March 31, 2020 (with 25 % change)	(2.15)	5.82
As at March 31, 2019 (with 25 % change)	(0.97)	2.56

Associate Employees

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
a) Discount rate		
As at December 31, 2021 (with 1% change)	(41.98)	50.62
As at March 31, 2021 (with 1% change)	(34.97)	42.17
As at March 31, 2020 (with 1% change)	(38.53)	34.37
As at March 31, 2019 (with 1% change)	(12.36)	14.31
b) Salary Escalation Rate		
As at December 31, 2021 (with 1% change)	50.97	(43.11)
As at March 31, 2021 (with 1% change)	42.55	(35.83)
As at March 31, 2020 (with 1% change)	33.63	(39.17)
As at March 31, 2019 (with 1% change)	14.74	(12.91)
c) Employee Turnover Rate		
As at December 31, 2021 (with 25% change)	(50.00)	69.56
As at March 31, 2021 (with 25% change)	(31.96)	46.07
As at March 31, 2020 (with 25 % change)	(23.38)	31.79
As at March 31, 2019 (with 25 % change)	1.50	(1.66)

Notes:

i) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

ii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the consolidated balance sheet.

iii) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year/period.

i. Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments:

Projected benefits payable in future years from the date of reporting:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Within 1 Year	47.53	42.53	35.25	30.57
2-5 years	166.58	134.45	88.14	77.56
6-10 years	140.79	119.52	97.78	77.64
11 years and above	669.52	546.23	465.01	208.43

34 Financial instruments

34.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Non-Current				
Non-controlling interests put option (Level 2)	-	122.78	158.51	431.09
Current				
Non-controlling interests put option (Level 2)	90.95	-	184.70	-
Contingent consideration (Level 3)	40.99	38.81	-	-
Financial assets measured at amortised cost				
Non-Current				
Other financial assets	793.62	609.91	497.98	316.36
Current				
Trade receivables	1,808.42	1,330.90	1,519.29	1,076.87
Cash and cash equivalents	994.75	491.23	778.88	893.73
Other bank balances	850.38	668.54	471.93	446.59
Loans	-	0.20	0.21	-
Other financial assets	1,435.35	1,255.87	507.70	709.29
Financial Liabilities measured at amortised cost				
Non-Current				
Borrowings	-	1.26	4.35	7.88
Lease liabilities	191.12	164.14	89.16	90.76
Current				
Borrowings	35.43	75.94	221.07	3.05
Trade payables	282.76	184.16	144.00	81.02
Lease liabilities	88.17	70.94	61.69	70.55
Other financial liabilities	2,424.29	1,721.63	1,557.74	1,601.72

The management believes that, the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

34.2 Financial risk management objectives

The Group monitors and manages the financial risks to the operations of the Group. These risks includes credit risk, liquidity risk and market risk.

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group uses its own trading records to rate its major customers. The Group's exposure to financial loss from defaults are continuously monitored.

B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due. The Group continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Financing facilities

The Group has access to financing facilities as described below, of which ₹ 914.57 million were unused at the reporting date (March 31, 2021: ₹ 427.15 million, March 31, 2020: ₹ 31.64 million and March 31, 2019: ₹ 250.00 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. (refer note 16 for details on borrowings)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Secured bank overdraft facility				
Amount used	35.43	72.85	218.36	-
Amount unused	914.57	427.15	31.64	250.00
	950.00	**500.00**	**250.00**	**250.00**

34 Financial instruments (Cont.)

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:
(Excludes maturity analyses of lease liabilities which has been disclosed in Note 30 of the financial statements)

Particulars	Upto One year	1-5 years	Total
As at December 31, 2021			
Borrowing	35.43	-	**35.43**
Trade payables	282.76	-	**282.76**
Other financial liabilities	2,556.23	-	**2,556.23**
As at March 31, 2021			
Borrowing	75.94	1.26	**77.20**
Trade payables	184.16	-	**184.16**
Other financial liabilities	1,760.44	-	**1,760.44**
As at March 31, 2020			
Borrowing	221.07	4.35	**225.42**
Trade Payables	144.00	-	**144.00**
Other financial liabilities	1,742.44	-	**1,742.44**
As at March 31, 2019			
Borrowing	3.05	7.88	**10.93**
Trade Payables	81.01	-	**81.01**
Other financial liabilities	1,601.72	-	**1,601.72**

The above table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. In the normal course of business and in accordance with our policies, we manage these risks through a variety of strategies.

i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is domiciled in India and has its significant revenues and other major transactions in its functional currency i.e. INR. Accordingly the Group is not exposed to currency risk. (refer note 11.7 for foreign currency receivables)

ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has borrowed funds at fixed rate of interest and so the Group is not exposed to any significant interest rate risk.

35 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings disclosed in notes 16 and after deducting cash and bank balances disclosed in note 12) and equity of the Group (comprising issued capital, reserves and retained earnings as disclosed in notes 14 and 15).

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The gearing ratio at the period/ year-end is as follows:

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Debt **(A)**	315.10	312.72	376.31	172.30
Cash and cash equivalents **(B)**	994.75	491.23	778.88	893.73
Net debt(C)=(A)-(B)	**(679.65)**	**(178.51)**	**(402.57)**	**(721.43)**
Equity **(D)**	2,569.87	2,285.97	2,606.77	2,802.56
Net debt to equity ratio (C)/(D)	**(26.45%)**	**(7.81%)**	**(15.44%)**	**(25.74%)**

Debt is defined as long-term and short-term borrowings and lease liabilities as detailed in notes 16 and 30.
Equity includes share capital and other equity of the Group as detailed in notes 14 and 15 respectively.

36 Fair Value Measurement

36.1 Fair value of the financial liability that are measured at fair value on a recurring basis

Financial liabilities measured at Fair value	Fair value as at			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Non-controlling interests put option	90.95	122.78	343.21	431.09
Contingent consideration	40.99	38.81	-	-

36.2 There were no transfers between Level 1 and 2 during the current period.

36.3

Financial liabilities measured at Fair value	Fair value hierarchy	Valuation technique(s) and key input(s)
Non-controlling interests put option	Level 2	Multiple of EBITDA
Contingent consideration	Level 3	Multiple of future PBT

36.4

Reconciliation of Level 3 fair value	Contingent consideration
As at February 28, 2018	-
Change recognised in profit or loss	-
As at March 31, 2019	**-**
Change recognised in profit or loss	-
As at March 31, 2020	**-**
Additions during the year	36.74
Change recognised in profit or loss	2.07
As at March 31, 2021	**38.81**
Change recognised in profit or loss	2.18
As at December 31, 2021	**40.99**

37 Employee Stock Option Scheme (ESOS)

The Group vide meeting dated April 03, 2019 held by the Board of Governance and Remuneration Committee, has during the period ended December 31, 2021 granted 33,94,411 (March 31, 2021 granted 3,82,976, March 31, 2020 - 2,93,572) stock options under the scheme - FirstMeridian Business Services Private Limited - Employee Stock Option Scheme 2019 (ESOP 2019) to the eligible employees of the Group. The options allotted under the scheme are convertible into equal number of equity shares of the face value of ₹ 10 each.

Each option entitles the holder thereof to apply for and be allotted one equity share of the Group of ₹ 10 each upon payment of the exercise price during the exercise period. The grant of options to the employees under the stock option schemes is on the basis of performance and other eligibility criteria. The options allotted under the ESOP 2019 will generally vest between a minimum of one to a maximum of seven years from the grant date.

Options can be exercised anytime within a period of 1 year from the date of vesting and would be settled by way of issue of equity shares. Management has discretion to modify the exercise period.

The fair value of the share options is estimated at the grant date using Black and Scholes Model, taking into account the terms and conditions upon which the share options were granted.

There were no modifications to the awards during the nine months period ended December 31, 2021, year ended March 31, 2021 and March 31, 2020. As at the end of the period/ financial year, details and movements of the outstanding options are as follows:

Particulars	**As at December 31, 2021**					
	No. of Options	**No. of Options**	**No. of Options**	**No. of Options**	**No. of Options**	**No. of Options**
	ESOP Tranche III - Plan A	**ESOP Tranche III - Plan B**	**ESOP Tranche III - Plan C**	**ESOP Tranche III - Plan D**	**ESOP Tranche III - Plan E**	**ESOP Tranche I & II**
Options granted under ESOS						
Options outstanding at the beginning of the period	-	-	-	-	-	661,236
Options granted during the period	1,498,455	675,997	401,048	277,655	541,256	-
Options forfeited during the period	-	-	-	-	-	27,722
Options outstanding at the end of the period	1,498,455	675,997	401,048	277,655	541,256	633,514
Options exercisable at the end of the period	-	-	-	-	-	314,177
Exercise price of outstanding options (₹)	20	40	55	60	10	10
Remaining contractual life of outstanding options (years)	1-7	1-7	1-7	1-7	1-5	1-3

Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
	No. of Options	**Weighted average exercise price (₹)**	**No. of Options**	**Weighted average exercise price (₹)**
Options granted under ESOS				
Options outstanding at the beginning of the year	293,572	10.00	-	-
Options granted during the year	382,976	10.00	293,572	10.00
Options forfeited during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	-	-	-	-
Options forfeited during the year	15,312	10.00	-	-
Options outstanding at the end of the year	661,236	10.00	293,572	10.00
Options exercisable at the end of the year	-	-	-	-
Range of exercise price of outstanding options (₹)	-		-	
Remaining contractual life of outstanding options (years)	1-3		1-4	

37 Employee Stock Option Scheme (ESOS) (cont'd)

The fair value of option is estimated on the date of grant based on the following assumptions:

Particulars	Employee Stock Option Scheme						
	On the date of Grant						
	Tranche I	Tranche II	Tranche III				
			Plan A	Plan B	Plan C	Plan D	Plan E
Dividend yield (%)	0%	0%	0%	0%	0%	0%	0%
Expected life	7	7	2.76	3.38	3.97	4.2	2.52
Risk free interest rate (%)	6.98%	6.20%	4.85%	5.22%	5.29%	5.41%	5.00%
Volatility (%)	35.68%	51.00%	43.44%	42.94%	41.82%	41.08%	43.82%
Weighted avarage fair value	46.88	46.17	57.96	44.05	37.53	35.52	66.31

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on the historical share price over a period similar to the expected life of the options.

38 Additional Regulatory Information

i. The Group does not own benami properties. Further, there are no proceedings which have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. During the period/ year, the Group has not traded or invested in Crypto currency or Virtual Currency.

iii. There were no Scheme of Arrangements entered by the Group during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

iv. During the period/ year, the Group did not have any transaction with struck off companies as per section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

v. The Group does not hold any investment property as at the balance sheet date.

39 Change in accounting policy for defined benefit obligation accounting for associate employees

During the period, the Group has changed its accounting policy to present employee benefit expenses and income arising from its right to reimbursement related to defined benefit obligation for the associate employees from gross to net basis. Previously, the Group used to present the income and expense on a gross basis. Expenses were presented as a part of Employee benefits expense under the head 'Gratuity' and actuarial component as a part of "Other Comprehensive Income (OCI)" and income was presented as a part of Revenue from operation under the head 'Sale of services (including recoverable actuarial component routed through OCI)'.

The Group has reimbursable right to receive cost of employee benefit expenses related to defined benefit obligation for the associate employees and based on this right, the Group believes that net accounting method is more appropriate and provides more relevant information about the effects of this transaction. The Group has applied this change to all the periods presented.

The above change in policy will result only in presentation change and not impact the overall profitability of the Group. Below is a summary of the impact of the change in policy for the previous period/year

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Revenue from operations*	20,804.79	21,231.02	20,736.16	14,128.09
Adjustment:				
Impact of net accounting	(110.72)	(128.16)	(151.79)	(143.68)
Restated revenue from operation	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**
Employee benefits expense*	19,692.90	20,210.16	19,893.44	13,503.32
Adjustment:				
Impact of net accounting	(85.51)	(97.28)	(62.36)	(132.48)
Restated Employee benefits expense	**19,607.39**	**20,112.88**	**19,831.08**	**13,370.84**
Profit/(loss) after tax*	232.87	(313.45)	(128.83)	(379.98)
Adjustment:				
Impact of net accounting	(25.21)	(30.88)	(89.42)	(11.20)
Deferred tax on above adjustment	6.34	7.77	22.14	5.86
Restated profit/(loss) for the period/ year	**214.00**	**(336.55)**	**(196.11)**	**(385.32)**
Other comprehensive income*	(16.29)	(17.54)	(72.45)	(4.01)
Adjustment:				
Impact of net accounting	25.21	30.88	89.42	11.20
Deferred tax on above adjustment	(6.35)	(7.77)	(22.14)	(5.85)
Other comprehensive income	**2.57**	**5.57**	**(5.17)**	**1.34**
Total comprehensive income*	216.57	(330.99)	(201.28)	(383.98)
Adjustment:				
Impact of net accounting	-	-	-	-
Deferred tax on above adjustment	-	-	-	-
Restated total comprehensive profit/(loss) for the period/year	**216.57**	**(330.99)**	**(201.28)**	**(383.98)**

*Note:
(i) As per audited Consolidated Financial Statements for the financial year/period ended March 31, 2021, March 31, 2020 and March 31, 2019.
(ii) For the nine months period ended December 31, 2021, indicates the numbers, had the Group not opted for a change of accounting policy for defined benefit obligation for associate employees from gross basis to net accounting.

Reconciliation between audited Total Equity and Restated Total Equity

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total Equity (as per audited Consolidated Financial Statements)	2,569.87	2,285.97	2,606.77	2,802.56
Adjustments:	-	-	-	-
Total Equity as per Restated Statement of Consolidated Assets and Liabilities	**2,569.87**	**2,285.97**	**2,606.77**	**2,802.56**

40 Business combination

40.1 Subsidiaries acquired/ businesses acquired

Name of acquiree	Principal activity	Place of incorporation and operation	Acquisition date	% of Beneficiary equity interest	% of voting equity interest	Consideration
Innovsource Facilities Private Limited	Facility Management Services	India	June 28, 2018	100%	100.00%	93.31
Innovsource Services Private Limited	HR Management	India	June 28, 2018	100%	100.00%	1,254.99
V5 Global Services Private Limited (refer note 40.2 and 40.6)	IT enabled Services	India	July 5, 2018	100%	76.00%	525.47
Infield Infotech Private Limited (refer note 40.6)	IT enabled Services	India	July 5, 2018	100%	76.00%	
Affluent Global Services Private Limited (refer note 40.3, 40.4 and 40.7)	Technology Services	India	September 17, 2018	100%	73.01%	645.69
Linktag Global Services Private Limited (refer note 40.7)	Technology Services	India	September 17, 2018	100%	73.01%	
CBSI India Private Limited (refer note 40.5)	IT enabled Services	India	September 29, 2020	100%	100.00%	107.50

40.2 During the financial year ended March 31, 2021, the Group has acquired remaining 24% equity interest in V5 Global Services Private Limited for a consideration of ₹ 190.09 million.

40.3 During the financial year ended March 31, 2021, as per the settlement agreement dated August 17, 2020, 8.85% of the shares of Affluent Global Services Private Limited were transferred from the existing shareholders to the Group. Further, the Group is committed to acquire the remaining shares in Affluent at a future date as per the respective shareholder's agreement.

40.4 During the period ended December 31, 2021, as per the settlement agreement dated November 14, 2021, 4.76% of the shares of Affluent Global Services Private Limited were transferred from the existing shareholders to the FirstMeridian Business Services Private Limited (Parent company). Further, the Parent company is committed to acquire the remaining shares in Affluent at a future date as per the respective shareholder's agreement.

40.5 The Group has during the period ended September 30, 2020, acquired 100% shareholding of CBSI India Private Limited (CBSI) at ₹ 117.5 million. However, as per the share purchase agreement, the consideration of ₹ 10.00 million was subject to continuation of one of the senior management of the CBSI till September 20, 2021. Since, the said executive had resigned on January 15, 2021, the purchase consideration has been adjusted accordingly.

40.6 During the financial year ended March 31,2021, V5 Global Services Private Limited and Infield Infotech Private Limited the wholly owned subsidiary of V5 Global services Private Limited, were merged based on the basis of Regional Director ("RD") order dated February 02, 2021 and has become effective from February 22, 2021, being the date on which the certified copy of the order of the RD was filed with the Registrar of Companies.

40.7 During the period ended December 31,2021, Affluent Global Services Private Limited and Linktag Global Services Private Limited the wholly owned subsidiary of Affluent Global services Private Limited, were merged based on the basis of Regional Director ("RD") order and has become effective from April 01, 2021.

40.8 Consideration transferred

Particulars	Innovsource Services Private Limited	Innovsource Facilities Private Limited	V5 Global Services Private Limited	Affluent Global Services Private Limited	CBSI India Private Limited	Cornucopia (refer note 40.10)
Cash	1,254.99	93.31	525.47	495.33	107.50	-
Issue of Shares	-	-	-	150.37	-	-
Contingent consideration arrangement	33.00	33.00	-	-	-	36.75

40.9 In respect of the cost of Investment in Innovsource Services Private Limited and Innovsource Facilities Private Limited, contigent consideration amount of ₹ 33.00 million per sponsor for two sponsors is waived off as per waiver agreement dated October 18, 2020 with both sponsors.

40.10 V5 has entered into a Business Transfer Agreement (BTA) with H.R Conucopia Private Limited to transfer the Permanent recruitment business to V5 Global Private Limited along with people, processes and data base of this business. Purchase consideration will be based on Profit Before Tax (PBT) multiple of FY 22-23 as mentioned in BTA.

40.11 Acquisition cost

Acquisition-related costs amounting to ₹ 2.5 million for the year ended March 31, 2021, ₹ 51.17 million for the period ended March 31, 2019 have been excluded from the consideration transferred and have been recognised as an expense in Restated Consolidated Statement of Profit and Loss, within the 'Other expenses' line item.

40 Business combination (cont'd)

40.12 Assets acquired and liabilities recognised at the date of acquisition

Particular	Innovsource Services Private Limited	Innovsource Facilities Private Limited	V5 Global Services Private Limited	Affluent Global Services Private Limited	CBSI India Private Limited
Current assets					
Cash and cash equivalents	200.54	60.11	224.38	42.95	34.01
Other bank balances	-	-	-	0.64	-
Trade and other receivables	923.94	51.46	264.47	99.02	45.07
Other financial assets	252.92	6.86	71.63	49.01	55.94
Other current assets	16.42	1.35	7.00	3.58	2.29
	1,393.82	**119.78**	**567.48**	**195.20**	**137.31**
Non-current assets					
Property, plant and equipment	49.53	0.02	19.66	5.28	0.40
Right-of-use asset	121.79	-	12.01	26.28	-
Goodwill	753.84	13.59	-	14.90	-
Other Intangibles	55.51	1.27	9.82	-	-
Capital Work-in-progress	-	-	13.77	-	-
Deferred tax assets (net)	5.11	1.20	67.54	4.70	4.72
Financial assets	53.80	0.41	33.06	3.37	-
Other non-current assets	176.95	2.62	144.47	-	-
Non-current tax assets (net)	-	-	-	17.63	15.03
	1,216.53	**19.11**	**300.33**	**72.16**	**20.15**
Current liabilities					
Trade and other payables	7.73	15.66	8.36	18.02	56.83
Other current liabilities	316.89	15.85	127.34	24.53	9.13
Other financial liabilities	908.72	41.47	316.34	19.29	16.37
Provisions	25.71	1.98	24.18	0.86	4.38
	1,259.05	**74.96**	**476.22**	**62.70**	**86.71**
Non-current liabilities					
Borrowings	-	-	11.05	-	-
Lease liabilities	125.16	-	13.09	27.39	-
Provisions	40.84	7.97	17.56	8.10	4.82
	166.00	**7.97**	**41.70**	**35.49**	**4.82**
Net assets acquired	**1,185.30**	**55.96**	**349.89**	**169.17**	**65.93**
Revenue for the period/ year ended	10,232.51	382.31	3,287.06	271.16	274.56
Expenses for the period/ year ended	10,142.11	394.04	3,251.13	247.26	242.33
Profit / (Loss) before tax for the period/ year ended	90.40	(11.73)	35.93	23.90	32.23
Profit / (Loss) after tax for the period/ year ended	66.46	(5.79)	(1.27)	18.98	24.81

40.13 Goodwill arising on acquisition

Particular	Innovsource Services Private Limited	Innovsource Facilities Private Limited	V5 Global Services Private Limited	Affluent Global Services Private Limited	CBSI India Private Limited	Cornucopia
Total purchase consideration paid **(A)**	1,254.99	93.31	525.47	645.69	107.50	-
Contingent consideration **(B)**	-	-	-	-	-	36.75
Non-controlling interests put option liabilty **(C)**	-	-	160.36	258.70	-	-
Net assets acquired (net of goodwill) **(D)**	431.46	42.38	349.89	154.26	65.93	2.50
Value attributable to client relationship **(E)**	777.67	47.85	325.00	730.40	22.64	15.74
DTL on client relationship **(F)**	-	9.98	94.64	212.69	5.70	-
Client relationship (net of taxes) **(G)=(E)-(F)**	777.67	37.87	230.36	517.71	16.94	15.74
Difference considered as goodwill (A)+(B)+(C)-(D)-(G)	**45.86**	**13.06**	**105.58**	**232.42**	**24.63**	**18.51**

40 Business combination (cont'd)

40.14 Goodwill on acquisition

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening Balance	440.05	396.92	396.92	-
Add: On acquisition of business during the period/ year	-	43.13	-	396.92
Total	**440.05**	**440.05**	**396.92**	**396.92**

40.15 Net cash outflow on acquisition of business

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Consideration paid in cash	-	107.50	-	2,369.09
Less: cash and cash equivalent balances acquired	-	(36.51)	-	(527.98)
Total	**-**	**70.99**	**-**	**1,841.11**

41 Disclosure pursuant to section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

41.1 Details of Loans given by the Group during the each reporting period are as follows:

Name of the entity	As at April 01, 2020	Loans given during the year	Loan Repayment during the year	As at March 31, 2021
Innovsource Services Private Limited	17.10	-	(17.10)	-
Innovsource Facilities Private Limited	0.00	-	-	-
V5 Global Services Private Limited	40.00	-	(40.00)	-
Total	**57.10**	**-**	**(57.10)**	**-**

Name of the entity	As at April 01, 2019	Loans given during the year	Loan Repayment during the year	As at March 31, 2020
Innovsource Services Private Limited	17.10	129.00	(129.00)	17.10
Innovsource Facilities Private Limited	0.10	-	(0.10)	0.00
V5 Global Services Private Limited	40.00	80.00	(80.00)	40.00
Total	**57.20**	**209.00**	**(209.10)**	**57.10**

Name of the entity	As at February 20, 2018	Loans given during the period	Loan Repayment during the period	As at March 31, 2019
Innovsource Services Private Limited	-	110.00	(92.90)	17.10
Innovsource Facilities Private Limited	-	47.00	(46.90)	0.10
V5 Global Services Private Limited	-	40.00	-	40.00
Total	**-**	**197.00**	**(139.80)**	**57.20**

41.2 Refer note 31.6 for details of funding arrangement between related parties.

42 Disclosure of Net Assets/(Liabilities) and share in profit/(Loss)

42.1 As on December 31, 2021

Name of the entity in the Group	Net Assets (Net of Elimination)		Share in Restated profit/(loss)		Share in Restated other comprehensive income		Share in Restated total comprehensive profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
FirstMeridian Business Services Limited	18.56%	477.02	(197.93%)	(423.58)	(16.98%)	(0.44)	(195.79%)	(424.02)
Subsidiaries – Indian								
Innovsource Services Private Limited	30.77%	790.69	125.26%	268.06	(15.40%)	(0.40)	123.59%	267.66
Innovsource Facilities Private Limited	1.39%	35.72	(5.62%)	(12.02)	10.46%	0.27	(5.42%)	(11.75)
V5 Global Services Private Limited	28.68%	736.94	102.13%	218.55	125.02%	3.22	102.40%	221.77
Affluent Global Services Private Limited	16.30%	418.79	56.29%	120.47	26.54%	0.68	55.94%	121.15
CBSI India Private Limited	4.31%	110.71	19.87%	42.52	(29.64%)	(0.76)	19.29%	41.76
Total	**100.00%**	**2,569.87**	**100.00%**	**214.00**	**100.00%**	**2.57**	**100.01%**	**216.57**

42.2 As on March 31, 2021

Name of the entity in the Group	Net Assets (Net of Elimination)		Share in Restated profit/(loss)		Share in Restated other comprehensive income		Share in Restated total comprehensive profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
FirstMeridian Business Services Limited	30.57%	698.86	212.55%	(715.35)	8.14%	0.45	215.99%	(714.90)
Subsidiaries – Indian								
Innovsource Services Private Limited	27.55%	629.84	(28.90%)	97.28	12.32%	0.69	(29.60%)	97.97
Innovsource Facilities Private Limited	0.92%	21.11	2.26%	(7.62)	29.83%	1.66	1.80%	(5.96)
V5 Global Services Private Limited	23.78%	543.69	(50.73%)	170.74	(11.02%)	(0.61)	(51.40%)	170.13
Affluent Global Services Private Limited	13.69%	313.05	(31.39%)	105.65	49.44%	2.75	(32.75%)	108.40
CBSI India Private Limited	3.47%	79.42	(3.79%)	12.74	11.28%	0.63	(4.04%)	13.37
Total	**100.00%**	**2,285.97**	**100.00%**	**(336.56)**	**100.00%**	**5.57**	**100.00%**	**(330.99)**

42.3 As on March 31, 2020

Name of the entity in the Group	Net Assets (Net of Elimination)		Share in Restated profit/(loss)		Share in Restated other comprehensive income		Share in Restated total comprehensive profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
FirstMeridian Business Services Limited	47.7%	1,243.25	274.2%	(537.80)	10.8%	(0.56)	267.5%	(538.36)
Subsidiaries – Indian								
Innovsource Services Private Limited	25.0%	652.28	(94.5%)	185.24	80.2%	(4.15)	(90.0%)	181.09
Innovsource Facilities Private Limited	1.2%	31.26	(1.3%)	2.58	(6.3%)	0.33	(1.45%)	2.91
V5 Global Services Private Limited	17.5%	456.47	(45.7%)	89.57	13.7%	(0.71)	(44.1%)	88.86
Affluent Global Services Private Limited	8.6%	223.51	(32.8%)	64.30	1.6%	(0.08)	(31.9%)	64.22
Total	**100.0%**	**2,606.77**	**100.00%**	**(196.11)**	**100.0%**	**(5.17)**	**100.0%**	**(201.28)**

42 Disclosure of Net Assets/(Liabilities) and share in profit/(Loss) (cont'd)

42.4 As on March 31, 2019

Name of the entity in the Group	Net Assets (Net of Elimination)		Share in Restated profit/(loss)		Share in Restated other comprehensive income		Share in Restated total comprehensive profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
FirstMeridian Business Services Limited	60.01%	1,681.73	127.43%	(491.01)	0.00%	-	127.9%	(491.01)
Subsidiaries – Indian								
Innovsource Services Private Limited	18.44%	516.69	(18.02%)	69.42	75.61%	1.01	(18.3%)	70.43
Innovsource Facilities Private Limited	1.46%	40.98	(2.10%)	8.10	28.93%	0.39	(2.21%)	8.49
V5 Global Services Private Limited	13.85%	388.24	(1.56%)	5.99	(174.07%)	(2.33)	(1.0%)	3.66
Affluent Global Services Private Limited	6.24%	174.92	(5.76%)	22.18	169.53%	2.27	(6.4%)	24.45
Total	**100.00%**	**2,802.56**	**100.00%**	**(385.32)**	**100.00%**	**1.34**	**100.0%**	**(383.98)**

2 43 Ratio analysis and its elements

No.	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019	% change from March 31, 2021 to December 31, 2021*	% change from March 31, 2020 to March 31, 2021	% change from March 31, 2019 to March 31, 2020	Note
1	Current Ratio	1.24	1.35	1.13	1.26	NA	19.37%	(10.40%)	
2	Debt-Equity Ratio	0.12	0.14	0.14	0.06	NA	(5.24%)	134.81%	a
3	Debt Service Coverage Ratio	1.91	1.43	1.31	0.92	NA	9.54%	42.66%	b
4	Return on Equity Ratio	8.81%	(13.76%)	(7.25%)	(13.75%)	NA	89.74%	(47.26%)	c
5	Inventory turnover ratio	NA	NA	NA	NA	NA	NA	NA	
6	Trade receivables turnover ratio	13.18	14.81	15.86	12.99	NA	(6.62%)	22.11%	
7	Trade payables turnover ratio	2.76	3.70	3.64	5.55	NA	1.75%	(34.47%)	d
8	Net capital turnover ratio	20.54	19.93	52.53	21.46	NA	(62.06%)	144.75%	e
9	Net profit ratio	1.03%	(1.59%)	(0.95%)	(2.76%)	NA	67.40%	(65.42%)	f
10	Return on Capital employed	5.21%	(13.54%)	(14.08%)	(30.50%)	NA	(3.86%)	(53.82%)	g
11	Return on investment	NA	NA	NA	NA	NA	NA	NA	

* Considered as not applicable since constituting amounts for nine months period ended December 31, 2021 has not been annualised.

2 43.1 Reasons for variance of more than 25%:

a. The Group had utilised borrowings in the form of overdraft faciliy considering COVID situations in March 31, 2020, resulting to a higher debt-equity ratio.

b. The Group had reduced its losses in the financial year ended March 31, 2020, on account of increase in revenue from operation which result in an improved debt service coverage ratio.

c. The Group had reduced its losses in the financial year ended March 31, 2020, on account of increase in revenue from operation which improved the return on equity ratio. In the financial year 2021, the other expenses of the Group grew by ~50% as compared to the revenue which grew by only ~2%. This contributed towards incremental losses during the year, leading to a reduction in return on equity ratio.

d. Substantial reduction in other expenses on account of economies of scale and cost optimisation in the financial year ended March 31, 2020, lead to an decrease in the payable turnover ratio.

e. The Group booked an increase of approximately 47% in revenue from operations which resulted in an increase in the net capital turnover ratio in financials year ended March 31, 2020. In the financials year March 31,2021, the decrease in the ratio was on account of higher current assets in the form of unbilled revenue and current tax assets.

f. The Group saw a reduction in losses in financial year ended March 31, 2020 due to increase in sales resulting in a improved net profit ratio as compared to the financial year ended March 31, 2019. The Group reported increase in losses in the financial year ended March 31, 2021 due to increase in other expenses and increase in total tax expense.

g. The Group saw a reduction in losses in financial year ended March 31, 2020 due to increase in sales which lead to an improved return on capital employeed ratio.

43.2 Elements of the ratios

No.	Particulars	Numerator	Denominator	For the nine months period ended December 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2020		For the period February 20, 2018 to March 31, 2019	
				Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Total current assets	Total current liabilities	5,179.01	4,171.30	4,124.37	3,065.56	3,474.88	3,083.05	3,177.18	2,525.67
2	Debt-Equity Ratio	**Total debt** : Non-current borrowings + current borrowings + non-current lease liabilities + current lease liabilities + Interest accrued	**Shareholder's equity:** Total equity	315.10	2.569.87	312.72	2,285.97	376.31	2,606.77	172.30	2,802.56
3	Debt Service Coverage Ratio	**Earning for Debt Service:** Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.	**Total debt** : Non-current borrowings + current borrowings + non-current lease liabilities + current lease liabilities + Interest accrued	603.32	315.10	448.38	312.72	492.59	376.31	158.10	172.30
4	Return on Equity Ratio	Restated profit/(loss) for the period/year	Average shareholder's equity: (opening total equity + closing total equity)/2	214.00	2.427.92	(336.56)	2.446.37	(196.11)	2.704.66	(385.32)	2.802.56
5	Inventory turnover	Not Applicable since the Group is into service industry and does not hold any inventory									
6	Trade receivables turnover ratio	Revenue from operations	**Average trade receivables**: (opening trade receivables + Closing trade receivables)/2	20.694.07	1.569.66	21.102.86	1.425.10	20.584.37	1.298.08	13.984.41	1.076.87
7	Trade payables turnover ratio	Other expenses*: Total other expenses-expenses not directly attributable to trade payable+Purchase of traded goods	Average Trade payable: (Opening trade payable + closing trade payable)/2	644.48	233.46	607.08	164.08	409.09	112.51	449.53	81.02
8	Net capital turnover ratio	**Net sales :** Revenue from operations	**Working capital**: current assets - current liabilities	20.694.07	1.007.71	21.102.86	1.058.81	20.584.37	391.83	13.984.41	651.52
9	Net profit ratio	Restated profit/ (loss) after tax	**Net sales :** Revenue from operations	214.00	20.694.07	(336.56)	21.102.86	(196.11)	20.584.37	(385.32)	13.984.41
10	Return on Capital employed	**Earnings before interest and taxes**:Restated profit/(loss) before tax + Finance cost	**Capital employed**: Tangible net worth + total debt + deferred tax liability	118.93	2.284.44	(267.02)	1.972.03	(253.71)	1.801.35	(383.46)	1.257.21
11	Return on investment	This ratio is not applicable since the Group does not have any projects / investments other than current operations.									

Note: Average numbers for 2019 have not been taken since it was the first year of the Group. Absolute numbers for 2019 have been considered

* Other expenses: The Group does not have any purchases being in the service industry. The balances of trade payables consist of other operating expenses and therefore we have considered other expenses in the numerator. Other expenses= Total other expenses-Bad debts and other receivables written off-Provision for doubtful trade and other receivables-Loss on disposal of property, plant and equipment-Translation loss (net) on monetary asset/liability-Loss on fair valuation/settlement of put option liability.

The above Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

44 The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and other assets. In assessing the recoverability of the assets, the Group has considered internal and external sources of information, available as at the date of approval of these financial statements, including subsequent recoveries, credit risk profiles, etc. Based on the above assessment, the Group is of the view that the carrying amounts of the assets will be realized. The impact of COVID-19 on the Group's financial statements may be different from that estimated as at the date of approval of these financial statements, and the Group will continue to closely monitor the developments.

45 Management Promote

The shareholder of the Company has adopted a Management Promote pursuant to which the shareholders will reward the management team of the Company, with a share (Sharing Amount) in the amount received by the shareholders (Received Amount) provided the received amount from the proceeds of a liquidity event satisfies the Multiple of Invested Capital (MOIC) and INR IRR requirement. These sharing amount will be directly paid to such employees entirely by the shareholders of the Company (without any recourse or liability or impact on Profit or Loss of the Company). The Company will seek the approval of the Board of Directors and the Shareholders in relation to the Management Promoted, post the listing of the Equity Shares, in compliance with Regulation 26(6) of the Listing Regulations.

46 Events after balance sheet date

46.1 Conversion From Private Limited Company to Public Limited Company

The status of the Parent Company is changed from private limited to a public company, and pursuant to the provisions of Section 18 of the Companies Act, 2013, read with Rule 33 of the Companies (Incorporation) Rules, 2014, as amended, the name of the Parent Company is changed from "FirstMeridian Business Services Private Limited" to "FirstMeridian Business Services Limited" with effect from February 01, 2022.

46.2 Following are the details of material developments after balance sheet:

Additional shares acquired:

The Company has acquired the remaining stake of Affluent Global Services Private Limited on January 10, 2022, making Affluent Global Services Private Limited, a wholly owned subsidiary of the Company. The purchase consideration has been settled in a combination of cash and share swap. The Company has paid ₹ 54.22 million and 4,73,036 shares of FirstMeridian Business Services Limited to the exiting shareholder of Affluent Global Services Private Limited.

Acquisition of new subsidiary:

The Company has acquired 62,64,398 shares or 75% stake in Rlabs Enterprises Services Limited on February 02, 2022 for a purchase consideration of ₹ 452.23 million. The balance 25% stake to be acquired based on the EBITDA multiple of financial year 2021-22, as per the Share Purchase Agreement signed on January 11, 2022.

Rights issue

The Company has raised funds via rights issue amounting to ₹ 1,200.00 million by offering 43,61,574 shares at a share price of ₹ 275.13 per share, (including a share premium of ₹ 265.13 per share). Rights issue was closed on April 04, 2022.

47 Impact on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

48 Summary of Restatement Adjustments:

Part A: Particulars of Restated Consolidated Summary Statements for prior period/year

Reconciliation between audited Total Equity and Restated Total Equity

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total Equity (as per audited financial statements)	2,569.87	2,285.97	2,606.77	2,802.56
Adjustments:	-	-	-	-
Total Equity as per Restated Statement of Consolidated Assets and Liabilities	**2,569.87**	**2,285.97**	**2,606.77**	**2,802.56**

Reconciliation between audited profit/(loss) and restated profit/(loss)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Profit/ (Loss) after tax (as per audited financial statements)	214.00	(313.45)	(128.83)	(379.98)
Restatement adjustments:				
Change in accounting policies - Net accounting (refer note 39)	-	(30.88)	(89.42)	(11.20)
Tax impact on above adjustments	-	7.77	22.14	5.86
Total impact on adjustments	**-**	**(23.10)**	**(67.28)**	**(5.34)**
Restated profit/(loss) after tax for the period/ year	**214.00**	**(336.56)**	**(196.11)**	**(385.32)**

Notes to adjustments:

i) Audit qualifications - There are no audit qualifications in auditor's report for the nine months period ended December 31, 2021 and financial years ended March 31, 2021, March 31, 2020 and period ended March 31, 2019.

ii) Material regrouping/reclassifications: Appropriate groupings have been made in the Restated Statement of Consolidated Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items on income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per the Consolidated Financial Statement of the Group for the nine months period ended December 31, 2021 prepared in accordance with Schedule III of the Act, requirement of Ind AS-1- 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the SEBI ICDR requirements, as amended.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Group has made material regroupings/reclassification, as applicable, in these Restated Consolidated Financial Information for all the periods/years presented.

iii) Material errors - There were no material errors in Audited Special Purpose Interim Consolidated Financial Statements for the nine months period ended December 31, 2021, Audited Consolidated Financial Statements for the financial year ended March 31, 2021 and Audited Consolidated Financial Statements for the year/period ended March 31, 2020 and March 31, 2019 requiring any adjustments in Restated Consolidated Financial Information.

Part B: Non adjusting events

Emphasis of matters not requiring adjustments to the Restated Consolidated Financial Information:

There are no emphasis of matter in the auditor's report on the financial statements for the nine month period ended December 31, 2021 and financial years/period ended March 31, 2021, March 31, 2020 and March 31, 2019)

For and on behalf of the Board of Directors of
First Meridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN – 00062956
Place: Bangalore
Date : April 22, 2022

Nilay Pratik
Director
DIN – 07692750
Place: Mumbai
Date : April 22, 2022

Satish Srinivasan
Chief Financial Officer

Chief Financial Officer
Date : April 22, 2022

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : April 22, 2022

PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION INCLUDED IN THE DRAFT RED HERRING PROSPECTUS (THE "DRHP")

The Board of Directors,
FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)

Report on the compilation of proforma condensed combined financial information included in the Draft Red Herring Prospectus (the "DRHP")

1. We have completed our assurance engagement to report on the compilation of proforma condensed combined financial information of FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited) (hereinafter referred to as the "Company") and its subsidiaries (collectively, the "FMB Group") and CBSI India Private Limited (the "CBSI") and RLabs Enterprise Services Limited (the "RLabs") (the FMB Group, the CBSI and the RLabs are collectively referred to as the "FMB Proforma Group") prepared by the Management of the Company. The proforma condensed combined financial information consists of the proforma condensed combined balance sheets as at December 31, 2021 and March 31, 2021, the proforma condensed combined statements of profit and loss for the nine month period ended December 31, 2021 and for the year ended March 31, 2021, and selected explanatory notes (collectively, Proforma Condensed Combined Financial Information) as set out in the Draft Red Herring Prospectus (the "DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO"). The applicable criteria on the basis of which the Company has compiled the Proforma Condensed Combined Financial Information is described in Note 3 to the Proforma Condensed Combined Financial Information. Because of its nature, the Proforma Condensed Combined Financial Information does not represent the actual financial position and financial performance of the FMB Proforma Group.

2. The Proforma Condensed Combined Financial Information has been compiled by Management of the Company to illustrate the impact of the acquisition of CBSI and RLabs as set out in Note 2 to the Proforma Condensed Combined Financial Information as if the acquisitions had taken place at an earlier date (i.e. April 1, 2020) selected for purposes of the illustration. As part of this process, the financial position and financial performance as at and for the nine month period ended December 31, 2021 and as at and for the year ended March 31, 2021 of the FMB Proforma Group have been compiled by the Management of the Company from (a) Restated Consolidated Financial Information of FMB Group (including CBSI from the date of acquisition) as at and for the nine months period ended December 31, 2021 and as at and for the year ended March 31, 2021 on which we have issued examination report dated April 22, 2022; (b) financial information of CBSI for the period from April 1, 2020 till September 29, 2020 is compiled / extracted from audited books of accounts for the year ended March 31, 2021, these audited books of accounts were used for the preparation of Audited Ind AS Financial Statement of CBSI as at and for the year ended March 31, 2021 on which we have issued a report dated September 29, 2021; and (c) audited special purpose interim Ind AS financial statements of RLabs Enterprise Services Limited as at and for the nine month period ended December 31, 2021 and as at and for the year ended March 31, 2021 on which other auditor has issued report dated March 04, 2022.

Management's Responsibility for the Proforma Condensed Combined Financial Information

3. The Board of Directors of the Company (the "Management") is responsible for compiling the Proforma Condensed Combined Financial Information on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Combined Financial Information on the basis as set out in Note 3 to the Proforma Condensed Combined Financial Information that is free from material misstatement, whether due to fraud or error. The Board of Directors of the Company is also responsible for identifying and ensuring that the companies included in the FMB Proforma Group comply with the laws and regulations applicable to their activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Combined Financial Information.

Auditor's Responsibilities

4. Considering the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the Company is required to present the Proforma Condensed Combined Financial Information in the DRHP for the acquisition of RLabs as the acquisition is material and has happened after the end of the last reporting period (i.e. as at and for the nine month period ended December 31, 2021) included in the DRHP. Further, the Company has presented the financial information of CBSI (acquired on September 29, 2020), as part of the Proforma Condensed Combined Financial Information included in the DRHP on Voluntary basis. Our responsibility is to express an opinion, about whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, by the Management on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information.

5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Condensed Combined Financial Information on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Condensed Combined Financial Information.

7. The purpose of Proforma Condensed Combined Financial Information included in the DRHP is solely to illustrate the impact of the above mentioned acquisitions of CBSI and RLabs on unadjusted restated consolidated financial information of the FMB Group as if the acquisition of CBSI and RLabs had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisitions at selected dates as described in Note 2 to the Proforma Condensed Combined Financial Information, would have been as presented.

8. A reasonable assurance engagement to report on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria as specified in Note 3 to the Proforma Condensed Combined Financial Information, and to obtain sufficient appropriate evidence about whether:

   a) the related proforma adjustments give appropriate effect to those criteria; and
   b) the Proforma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

9. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the event or transaction in respect of which the Proforma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.

10. Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the Proforma Condensed Combined Financial Information.

11. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

12. This report is issued for the sole purpose of the proposed IPO. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors in the United States of America, including persons who are Qualified Institutional Buyers as defined under Rule144A under the United States Securities Act of 1933 participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation.

Opinion

13. In our opinion the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis set out in Note 3 to the Proforma Condensed Combined Financial Information.

Restriction of use

14. Our report is intended solely for use of the Board of Directors of the Company for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. As a result, these Proforma Condensed Combined Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
Partner
(Membership No. 108262)
UDIN: 22108262AHQFVZ5650

Place: Mumbai
Date: April 22, 2022

FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)
Proforma Condensed Combined Statement of Assets and Liabilities as at December 31, 2021
All amounts are ₹ in million unless otherwise stated

Particulars	FirstMeridian Business Services Limited (3(i))	Rlabs Enterprise Services (3(iii))	Proforma Combined Amount before adjustments	Proforma adjustments (4.1)	Classification adjustments (4.2)	Intra-group adjustments (4.3)	Total adjustment	Proforma combined amount after adjustments
	(a)	(b)	(c)=(a+b)	(d)	(e)	(f)	(g)=(d)+(e)+(f)	(h)=(c)+(g)
Assets								
Non-current assets								
a. Property, plant and equipment	90.52	33.08	123.60	-	-	-	-	123.60
b. Right-of-use asset	266.81	14.20	281.01	-	-	-	-	281.01
c. Goodwill	440.06	17.21	457.27	-	-	-	-	457.27
d. Other intangible assets	89.86	18.29	108.15	-	-	-	-	108.15
e. Intangible assets under development	8.90	-	8.90	-	-	-	-	8.90
f. Financial assets	793.62	3.79	797.41	-	-	-	-	797.41
g. Deferred tax asset (net)	120.01	4.61	124.62	-	-	-	-	124.62
h. Non-current tax assets (net)	489.78	52.52	542.30	-	-	-	-	542.30
i. Other non-current assets	1.23	-	1.23	-	-	-	-	1.23
Total non-current assets	**2,300.79**	**143.70**	**2,444.49**	**-**	**-**	**-**	**-**	**2,444.49**
Current assets								
a. Financial assets								
i. Trade receivables	1,808.42	99.66	1,908.08	-	-	-	-	1,908.08
ii. Cash and cash equivalents	994.75	128.02	1,122.77	-	-	-	-	1,122.77
iii. Other bank balances	850.38	-	850.38	-	-	-	-	850.38
iv. Loans	-	0.22	0.22	-	-	-	-	0.22
v. Other financial assets	1,435.35	93.29	1,528.64	-	-	-	-	1,528.64
b. Other current assets	90.11	1.40	91.51	-	-	-	-	91.51
Total current assets	**5,179.01**	**322.59**	**5,501.60**	**-**	**-**	**-**	**-**	**5,501.60**
Total assets	**7,479.80**	**466.29**	**7,946.09**	**-**	**-**	**-**	-	**7,946.09**
Equity and liabilities								
Equity								
a. Equity share capital	722.19	83.53	805.72	-	-	(83.53)	(83.53)	722.19
b. Other equity	1,847.68	180.43	2,028.11	-	-	83.53	83.53	2,111.64
Total Equity	**2,569.87**	**263.96**	**2,833.83**	-	-	-	-	**2,833.83**
Liabilities								
Non-current liabilities								
a. Financial liabilities								
i. Borrowings	-	29.48	29.48	-	-	-	-	29.48
ii. Lease liability	191.12	5.86	196.98	-	-	-	-	196.98
b. Provisions	488.83	9.23	498.06	-	-	-	-	498.06
c. Deferred tax liability (net)	58.68	-	58.68	-	-	-	-	58.68
Total non-current liabilities	**738.63**	**44.57**	**783.20**	**-**	**-**	**-**	**-**	**783.20**
Current liabilities								
a. Financial liabilities								
i. Borrowings	35.43	15.96	51.39	-	-	-	-	51.39
ii. Lease liability	88.17	11.51	99.68	-	-	-	-	99.68
iii. Trade payables								
-Total outstanding dues of micro and small enterprises	5.31	-	5.31	-	-	-	-	5.31
-Total outstanding dues of creditors other than micro and small enterprises	277.45	74.36	351.81	-	-	-	-	351.81
iv. Other financial liabilities	2,556.23	-	2,556.23	-	-	-	-	2,556.23
b. Provisions	338.60	3.74	342.34	-	-	-	-	342.34
c. Current tax liabilities (net)	1.14	-	1.14	-	-	-	-	1.14
d. Other current liabilities	868.97	52.19	921.16	-	-	-	-	921.16
Total current liabilities	**4,171.30**	**157.76**	**4,329.06**	**-**	**-**	**-**	-	**4,329.06**
Total liabilities	**4,909.93**	**202.33**	**5,112.26**	**-**	**-**	**-**	**-**	**5,112.26**
Total equity and liabilities	**7,479.80**	**466.29**	**7,946.09**	**-**	**-**	**-**	**-**	**7,946.09**

See accompanying notes forming part of Proforma Condensed combined Financial Information (1 - 4)

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 22/04/22

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date : 22/04/22

Satish Srinivasan
Chief Financial Officer
Place: Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date :22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date :22/04/22

FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)
Proforma Condensed Combined Statement of Assets and Liabilities as at March 31, 2021
All amounts are ₹ in million unless otherwise stated

Particulars	FirstMeridian Business Services Limited (3(i))	Rlabs Enterprise Services (3(iii))	Proforma Combined Amount before adjustments	Proforma adjustments (4.1)	Classification adjustments (4.2)	Intra-group adjustments (4.3)	Total adjustment	Proforma combined amount after adjustments
	(a)	(b)	(c)=(a+b)	(d)	(e)	(f)	(g)=(d)+(e)+(f)	(h)=(c)+(g)
Assets								
Non-current assets								
a. Property, plant and equipment	90.59	36.20	126.79	-	-	-	-	126.79
b. Right-of-use asset	227.05	21.62	248.67	-	-	-	-	248.67
c. Goodwill	440.06	17.21	457.27	-	-	-	-	457.27
d. Other intangible assets	295.38	20.18	315.56	-	-	-	-	315.56
e. Financial assets	609.91	3.59	613.50	-	-	-	-	613.50
f. Deferred tax asset (net)	72.22	6.50	78.72	-	-	-	-	78.72
g. Non-current tax assets (net)	374.35	76.76	451.11	-	-	-	-	451.11
h. Other non-current assets	0.82	-	0.82	-	-	-	-	0.82
Total non-current assets	**2,110.38**	**182.06**	**2,292.44**	**-**	**-**	**-**	**-**	**2,292.44**
Current assets								
a. Financial assets								
i. Trade receivables	1,330.90	115.38	1,446.28	-	-	-	-	1,446.28
ii. Cash and cash equivalents	491.23	55.41	546.64	-	-	-	-	546.64
iii. Other bank balances	668.54	-	668.54	-	-	-	-	668.54
iv. Loans	0.20	61.38	61.58	-	-	-	-	61.58
v. Other financial assets	1,255.87	91.17	1,347.04	-	-	-	-	1,347.04
b. Current tax assets (net)	315.50	-	315.50	-	-	-	-	315.50
c. Other current assets	62.13	14.55	76.68	-	-	-	-	76.68
Total current assets	**4,124.37**	**337.89**	**4,462.26**	**-**	**-**	**-**	-	**4,462.26**
Total assets	**6,234.75**	**519.95**	**6,754.70**	**-**	**-**	**-**	**-**	**6,754.70**
Equity and liabilities								
Equity								
a. Equity share capital	722.19	83.53	805.72	-	-	(83.53)	(83.53)	722.19
b. Other equity	1,563.78	100.90	1,664.68	-	-	83.53	83.53	1,748.21
Total Equity	**2,285.97**	**184.43**	**2,470.40**	**-**	**-**	**-**	-	**2,470.40**
Liabilities								
Non-current liabilities								
a. Financial liabilities								
i. Borrowings	1.26	31.25	32.51	-	-	-	-	32.51
ii. Lease liability	164.14	14.66	178.80	-	-	-	-	178.80
iii. Other financial liabilities	122.78	-	122.78	-	-	-	-	122.78
b. Provisions	413.62	9.46	423.08	-	-	-	-	423.08
c. Deferred tax liability (net)	181.42	-	181.42	-	-	-	-	181.42
Total non-current liabilities	**883.22**	**55.37**	**938.59**	**-**	**-**	**-**	-	**938.59**
Current liabilities								
a. Financial liabilities								
i. Borrowings	75.94	113.90	189.84	-	-	-	-	189.84
ii. Lease liability	70.94	10.47	81.41	-	-	-	-	81.41
iii. Trade payables								
-Total outstanding dues of micro and small enterprises	12.04	-	12.04	-	-	-	-	12.04
-Total outstanding dues of creditors other than micro and small enterprises	172.11	100.20	272.31	-	-	-	-	272.31
iv. Other financial liabilities	1,760.44	3.50	1,763.94	-	-	-	-	1,763.94
b. Provisions	216.39	3.02	219.41	-	-	-	-	219.41
c. Other current liabilities	757.70	49.06	806.76	-	-	-	-	806.76
Total current liabilities	**3,065.56**	**280.15**	**3,345.71**	**-**	**-**	**-**	**-**	**3,345.71**
Total liabilities	**3,948.78**	**335.52**	**4,284.30**	**-**	**-**	**-**	**-**	**4,284.30**
Total equity and liabilities	**6,234.75**	**519.95**	**6,754.70**	**-**	**-**	**-**	**-**	**6,754.70**

See accompanying notes forming part of Proforma Condensed combined Financial Information (1-4)

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date :22/04/22

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date :22/04/22

Satish Srinivasan
Chief Financial Officer
Place: Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date :22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date :22/04/22

FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)
Proforma Condensed Combined Statement of Profit and Loss for the nine months period ended December 31, 2021
All amounts are ₹ in million unless otherwise stated

Particulars	FirstMeridian Business Services Limited (3(i))	Rlabs Enterprise Services (3(iii))	Proforma Combined Amount before adjustments	Proforma adjustments (4.1)	Classification adjustments (4.2)	Intra-group adjustments (4.3)	Total adjustment	Proforma combined amount after adjustments
	(a)	(b)	(c)= (a)+(b)	(d)	(e)	(f)	(h)=(e)+(f)+(g)	(i)= (c)+(h)
I. Revenue from operations	20,694.07	895.96	21,590.03	-	-	-	-	21,590.03
II. Other income	52.36	8.36	60.72	-	-	-	-	60.72
III. Total income (I + II)	**20.746.43**	**904.32**	**21.650.75**	**-**	**-**	**-**	**-**	**21.650.75**
IV. Expenses								
Cost of material consumed	9.54	-	9.54					9.54
Employee benefits expense	19,607.39	623.55	20,230.94	-	-	-	-	20,230.94
Finance costs	26.37	14.51	40.88	-	-	-	-	40.88
Depreciation and amortisation expense	323.88	12.74	336.62	-	-	-	-	336.62
Other expenses	686.69	152.81	839.50	-	-	-	-	839.50
Total expenses (IV)	**20.653.87**	**803.61**	**21.457.48**	**-**	**-**	**-**	**-**	**21.457.48**
V. Profit before tax (III - IV)	**92.56**	**100.71**	**193.27**	**-**	**-**	**-**	**-**	**193.27**
VI. Tax expenses								
Current tax	50.10	25.51	75.61	-	-	-	-	75.61
Deferred tax	(171.54)	0.32	(171.22)	-	-	-	-	(171.22)
Total tax expense (VI)	**(121.44)**	**25.83**	**(95.61)**	**-**	**-**	**-**	**-**	**(95.61)**
VII. Profit for the period (V - VI)	**214.00**	**74.88**	**288.88**	**-**	**-**	**-**	**-**	**288.88**
VIII. Other comprehensive income								
Items that will not be reclassified to profit or loss								
- Gain/(loss) on remeasurements of the defined benefit plans	3.58	6.22	9.80	-	-	-	-	9.80
- Income tax effect on above	(1.01)	(1.57)	(2.58)	-	-	-	-	(2.58)
IX. Total comprehensive income for the period (VII + VIII)	**216.57**	**79.53**	**296.10**	**-**	**-**	**-**	**-**	**296.10**

FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)
Proforma Condensed Combined Statement of Profit and Loss for the year ended March 31, 2021
All amounts are ₹ in million unless otherwise stated

Particulars	FirstMeridian Business Services Limited (3(i))	CBSI 6 months (3(ii))	Rlabs Enterprise Services (3(iii))	Proforma Combined Amount before adjustments	Proforma adjustments (4.1)	Classification adjustments (4.2)	Intra-group adjustments (4.3)	Total adjustment	Proforma combined amount after adjustments
	(a)	(b)	(c)	(d)= (a)+(b)+(c)	(e)	(f)	(g)	(h)=(e)+(f)+(g)	(i)= (d)+(h)
I. Revenue from operations	21,102.86	270.48	1,017.74	22,391.08	-	-	-	-	22,391.08
II. Other income	138.90	4.07	10.53	153.50	-	-	-	-	153.50
III. Total income (I + II)	**21.241.76**	**274.55**	**1.028.27**	**22.544.58**	-	-	-	**-**	**22.544.58**
IV. Expenses									
Employee benefits expense	20,112.88	114.12	658.20	20,885.20	-	-	-	-	20,885.20
Finance costs	29.12	0.97	26.66	56.75	-	-	-	-	56.75
Depreciation and amortisation expense	765.49	3.93	18.31	787.73	3.77	-	-	3.77	791.50
Other expenses	630.41	123.31	274.81	1,028.53	-	-	-	-	1,028.53
Total expenses (IV)	**21.537.90**	**242.33**	**977.98**	**22.758.21**	**3.77**	**-**	**-**	**3.77**	**22.761.98**
V. Loss before tax (III - IV)	**(296.14)**	**32.22**	**50.29**	**(213.63)**	**(3.77)**	**-**	**-**	**(3.77)**	**(217.40)**
VI. Tax expenses	-								
Current tax	33.88	3.37	20.79	58.04	-	-	-	-	58.04
Deferred tax	6.54	4.05	(0.43)	10.16	(0.95)	-	-	(0.95)	9.21
Total tax expense (VI)	**40.42**	**7.42**	**20.36**	**68.20**	**(0.95)**	**-**	**-**	**(0.95)**	**67.25**
VII. Profit/(Loss) for the year (V - VI)	**(336.56)**	**24.80**	**29.93**	**(281.83)**	**(2.82)**	**-**	**-**	**(2.82)**	**(284.65)**
VIII. Other comprehensive income									
Items that will not be reclassified to profit or loss									
- Remeasurements of the defined benefit plans	7.30	0.84	5.15	13.29	-	-	-	-	13.29
- Income tax relating to items that will not be reclassified to profit or loss	(1.73)	(0.21)	(1.30)	(3.24)	-	-	-	-	(3.24)
IX. Total comprehensive income/(loss) for the year (VII + VIII)	**(330.99)**	**25.43**	**33.78**	**(271.78)**	**(2.82)**	**-**	**-**	**(2.82)**	**(274.60)**

See accompanying notes forming part of Proforma Condensed combined Financial Information (1 - 4)

In terms of our report attached of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No. : 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 22/04/22

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date :22/04/22

Satish Srinivasan
Chief Financial Officer
Place: Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date :22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date :22/04/22

FirstMeridian Business Services Limited (formerly known as FirstMeridian Business Services Private Limited)
Notes to the Proforma Condensed Combined Financials Information
All amounts are ₹ in million unless otherwise stated

1 Background of entities forming part of the Unaudited Proforma Condensed Combined Financial Information:

FirstMeridian Business Services Limited
FirstMeridian Business Services Limited (the "Company" or "FMB"), is a Limited Company domiciled and incorporated in India under the Companies Act, 2013. The registered office of the Company is located at 501, Jollyboard Tower-1, I Think Techno Campus, Kanjurmarg (East), Mumbai 400042. The Company is engaged in the business of providing management advisory services and staffing services. The Company is a subsidiary of Manpower Solutions Limited (Ultimate Holding Company) with effect from February 20, 2018.

FMB Group consists of Parent Company, FirstMeridian Business Services Limited and its subsidiaires listed below:
(i) Innovsource Services Private Limited
(ii) Innovsource Facilities Private Limited
(iii) V5 Global Services Private Limited
(iv) Affluent Global Services Private Limited
(v) CBSI India Private Limited (CBSI) (w.e.f. September 29, 2020)

CBSI India Private Limited
CBSI India Private Limited ("CBSI") is a private limited company under the Companies Act 2013 (the "Act") for providing IT staffing services. The registered office of the Company is located at Patton House - II, Building No. 97, 4th 'B' Cross, Industrial Layout, 5th Block, Koramangala Bangalore, Karnataka 560095.

Rlabs Enterprise Services ("Rlabs")
Rlabs Enterprise Services ("Rlabs") is a private limited company under the Companies Act 2013 (the "Act") for providing IT staffing services. The registered office of the Company is located at H.No.6-3-883/6/B, Singhania Towers, Panjagutta, Hyderabad 500082.

2 Background of the transactions:

The Group has made the acquisitions of 'Global Technology Solutions' business subsequent to the April 1, 2020.

Name of entity	Date of transaction	% stake acquired	Amount of consideration paid (in ₹ million)	Relationship since date of transaction
CBSI	September 29, 2020	100%	107.50	Subsidiary
Rlabs	February 02, 2022	75%	452.23	Subsidiary

Hereafter, FMB Group, CBSI and RLabs are to be collectively known as "FMB Proforma Group" for the purpose of Proforma Condensed Combined Financial Information.

3 Purpose and basis of Preparation of the Proforma Condensed Combined Financial Information

The unaudited proforma condensed combined financial information of the FMB Proforma Group comprises of the unaudited proforma condensed combined balance sheets as at December 31, 2021 and March 31, 2021, the unaudited proforma condensed combined statements of profit and loss for the nine month period ended December 31, 2021 and for the year ended March 31, 2021, and selected explanatory notes (collectively, "Proforma Condensed Combined Financial Information").

These Proforma Condensed Combined Financial Information have been prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") and have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note").

CBSI and Rlabs have been considered in these Proforma Condensed Combined Financial Information as if they had been controlled by the Company for all the periods presented herein.

The Proforma Condensed Combined Financial Information have been prepared solely to illustrate what the balance sheets as at December 31, 2021 and March 31, 2021 and statement of profit and loss (including other comprehensive income) for the nine month period ended December 31, 2021 and for the year ended March 31, 2021 for the FMB Proforma Group might have been, had the acquisitions of CBSI and RLabs been completed at the beginning of the period presented (i.e. April 1, 2020) and controlled by the Company and accounted for as subsidiaries from April 1, 2020. The Proforma Condensed Combined Financial Information represents a hypothetical situation and therefore, do not represent the actual consolidated financial position or financial performance of the Group. Accordingly, the Proforma Condensed Combined Financial Information are not intended to present the financial position or financial performance or that the business would have actually achieved had any of the above described effects taken effect on the reported dates; nor are they intended to be indicative of expected results or operations in the future periods or the future financial position of the Group.

Considering the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the Company is required to present the Proforma Condensed Combined Financial Information in the DRHP for the acquisition of RLabs as the acquisition has happened after the end of the last reporting period (i.e. as at and for the nine month period ended December 31, 2021) included in the DRHP. Further, considering the ICDR Regulations, the Company is not required to present the proforma financial information of CBSI in the Proforma Condensed Financial Information included in the DRHP as the acquisition of CBSI had already happened before the end of the last reported period (i.e. as at and for the nine month period ended December 31, 2021) included in the DRHP. However, the Company has presented the proforma financial information of CBSI in the Proforma Condensed Financial Information included in the DRHP on voluntary basis.

Further, since these financial information present the combined historical financial information of companies that do not historically comprise a group (i.e. parent and subsidiaries) and considering that the Company has not prepared / presented this consolidated financial information under Ind AS 110 "Consolidated Financial Statements", these financial information have been indicated as Combined Financial Information and not Consolidated Financial Information.

The Proforma Condensed Combined Financial Information of the FMB Proforma Group has been compiled by the Company from:

(i) Restated Consolidated Financial Information of FMB Group (including CBSI from the date of acquisition) as at and for the nine months period ended December 31, 2021 and as at and for the year ended March 31, 2021 approved by the Board of Directors on April 22,2022 (the "Restated Consolidated Financial Information");

(ii) Financial information of CBSI for the period from April 1, 2020 till September 29, 2020 used in the preparation of Audited Ind AS Financial Information of CBSI as at and for the year ended March 31, 2021 approved by the Board of Directors of CBSI on April 22, 2022 (the "CBSI Financial Information); and

(iii) Audited Special Purpose Ind AS Financial Information of RLabs as at and for the nine month period ended December 31, 2021 and as at and for the year ended March 31, 2021 approved by the Board of Directors of R Labs on March 04, 2022 (the "RLabs Special Purpose Ind AS Financial Information).

The above financial information have been prepared in accordance with the basis of preparation and accounting policies mentioned in the Restated Consolidated Financial Information included in the DRHP.

The Proforma Condensed Combined Financial Information have been prepared by combining on a line-by-line basis by adding together like items of assets, liabilities, income and expenses of FMB Group, CBSI and RLabs.

The Proforma Condensed Combined Financial Information of the FMB Proforma Group have not been adjusted to reflect business combination accounting related to RLabs. These Proforma Condensed Combined Financial Information have been prepared considering the underlying historical financial information of the RLabs and not using the accounting principle required to be followed as per Ind AS 103 "Business Combination". However, the acquisition of RLabs is required to be accounted as per the requirements of Ind AS 103 "Business Combination" on the date of acquisition subsequent to December 31, 2021 by the Group. Accordingly, the Proforma Condensed Combined Financial Information may not be representative of the actual financial position and financial performance which may prevail after RLabs is acquired by the Group.

The acquisition of the CBSI is accounted for as per the requirements of the Ind AS 103 "Business Combinations" as on the date of acquisition and appropriately included in the Restated Consolidated Financial Information referred in (i) above. The proforma adjustments to the balance sheet as at April 1, 2020 with respect to calculation of provisional customer relationship, based on the provisional purchase price allocation, as if acquisition occurred on April 1, 2020 are described in Note 4.1.(a) to these Proforma Condensed Combined Financial Information.

The Proforma Condensed Combined Financial Information is not a complete set of financial statements of FMB Proforma Group prepared in accordance with the Ind AS prescribed under section 133 of the Companies Act, 2013 (the "Act"), as applicable and it is not intended to give true and fair view of the financial position or the financial performance of the FMB Proforma Group for the period/year in accordance with Ind AS prescribed under section 133 of the Act. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and financial performance of FMB Proforma Group. Hence, these Proforma Condensed Combined Financial information have been indicated as Condensed Financial Information. Further, the relevant comparative financial information under Ind AS have not been included in these Proforma Condensed Combined Financial Information. As a result, these Proforma Condensed Combined Financial Information may not be comparable and suitable for any other purpose.

The unaudited proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such Proforma Condensed Combined Financial Information has not been prepared in accordance with accounting or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited. In addition, the rules and regulations related to the preparation of Proforma Condensed Combined Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Proforma Condensed Combined Financial Information.

These Proforma Condensed Combined Financial Information have been approved by the Board of Directors on April 22, 2022

4 Description of Proforma adjustments in the preparation of Proforma Financial Information

The following adjustments have been made to present the Proforma Condensed Combined financial information

4.1 Proforma adjustment

(a) Proforma intangible asset- customer relationship considered as at April 01, 2020 have been computed based on provisional purchase price allocation. Amount recorded as at the actual date of acquisition (i.e. September 29, 2020) have been grossed up for the amortisation for the period April 01, 2020 to September 28, 2020.

Calculation of provisional customer relationship as at April 01, 2020

Particulars	**Amount**
Fair value of customer relationship considered as at September 29, 2020	22.64
Add: Grossed up for the amortisation for the period April 01, 2020 to September 28, 2020	3.77
Provisional fair value of customer relationship considered as at April 01, 2020	**26.41**

Total impact on total equity as at April 01, 2020

Particulars	**Amount**
Provisional fair value impact of customer relationship	3.77
Less: Deferred tax liability recognised on Intangible Assets acquired	(0.95)
Total impact on total equity as at April 01, 2020	**2.82**

4.2 Classification adjustments

(a) There has been no classification adjustments made for preparation of proforma financial statements

4.3 Intragroup elimination adjustments

(a) The Company has eliminated Equity Share Capital of Rlabs and adjusted it with Other Equity.

(b) The details of adjustments to Other equity is as follows:-

Particulars	**As at December 31, 2021**	**As at March 31, 2021**
Balance as per Restated Consolidated Financial Information	**1,847.68**	**1,563.78**
Adjustments:		
Equity share capital (refer 4.3(a) above)	83.53	83.53
Share of other equity of Rlabs	180.43	100.90
Provisional fair value impact of customer relationship as at April 01, 2020 (refer note 4.1.(a))	-	3.77
Deferred tax liability recognised on the grossed up value of customer relationship (refer note 4.1.(a))	-	(0.95)
Amortisation of customer relationship for the period April 01, 2020 to September 28, 2020 (refer note 4.1.(a))	-	(3.77)
Deferred tax impact on amortisation (refer note 4.1.(a))	-	0.95
Balance as per Proforma Condensed Combined Financials Information	**2,111.64**	**1,748.21**

For and on behalf of the Board of Directors of
FirstMeridian Business Services Limited
(formerly known as FirstMeridian Business Services Private Limited)

Sudhakar Balakrishnan
Director
DIN - 00062956
Place: Bangalore
Date :22/04/22

Nilay Pratik
Director
DIN - 07692750
Place: Mumbai
Date : 22/04/22

Satish Srinivasan
Chief Financial Officer

Place: Bangalore
Date :22/04/22

Monali Pramod Joshi
Company Secretary
Membership No: A36428
Place: Mumbai
Date : 22/04/22

OTHER FINANCIAL INFORMATION

The accounting ratios of our Company as required under Item 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(₹ in million, unless otherwise mentioned)

Particulars	For the nine Months period ended December 31, 2021*	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 28. 2018 to March 31, 2019
Restated profit/ (loss) for the period/year (A)	214.00	(336.56)	(196.11)	(385.32)
Weighted average number of equity shares at the end of the period/ year for the calculation of basic and diluted loss per share (B)	Basic:72.22 Diluted:75.49	Basic: 72.22 Diluted: 72.82	Basic: 72.22 Diluted:72.46	Basic: 72.22 Diluted:72.22
Restated basic earnings per share (C=A/B) (in ₹)	2.96	(4.66)	(2.72)	(5.34)
Restated diluted earnings per share (D=A/B) (in ₹)	2.83	(4.66)	(2.72)	(5.34)
Reconciliation of return on net worth				
Net worth attributable to the owners of the company (A)	2,569.87	2,285.97	2,606.77	2,802.56
Restated profit/ (loss) for the period/year (B)	214.00	(336.56)	(196.11)	(385.32)
Return on net worth (%) (C=B/A)	**8.33%**	**(14.72%)**	**(7.52%)**	**(13.75%)**
Reconciliation of net asset value per share				
Net worth attributable to the owners of the company (A)	2,569.87	2,285.97	2,606.77	2,802.56
Weighted average number of equity shares at the end of the period /year end (B)	72.22	72.22	72.22	72.22
Net asset value per equity share (₹) (C=A/B)	**35.58**	**31.65**	**36.09**	**38.81**
Adjusted EBITDA				
Restated profit/ (loss) for the period/year (A)	214.00	(336.56)	(196.11)	(385.32)
Tax expense for the period/year (B)	(121.44)	40.42	(76.19)	(10.83)
Restated profit/ (loss) before tax (C=A+D)	92.56	(296.14)	(272.30)	(396.15)
Interest income (D)	44.84	101.68	68.43	49.22
Finance costs (E)	26.37	29.12	18.59	12.69
Depreciation and amortisation expense (F)	323.88	765.49	759.55	518.83
Employee stock option amortisation (net of forfeiture) (G)	67.33	10.19	5.49	-
Net gain/ loss on fair valuation/settlement of put option liability[(f)] (H)	38.17	(12.84)	(87.88)	12.03
Adjusted EBITDA (I=C-D +E+F+G+H)	503. 47	394.14	355.02	98.18

* *Not annualised.*

Notes:

a) Basic and Diluted earnings per equity share: Restated profit/ (loss) for the period/year divided by the weighted average number of shares at the end of the period/year.

b) *Return on net worth %: Return on Net Worth (%) is calculated by dividing the profit/(loss) for the period/ year to the Net worth attributable to the owners of the company.*

c) *Net assets value per share (in ₹): Net Asset Value per Share represents Net worth attributable to the owners of the company divided by the numbers of shares outstanding*

d) Net worth is derived as below:

Particulars	As at December 2021	As at March 2021	As at March 2020	As at March 2019
Equity share capital (A)	722.19	722.19	722.19	722.19
Other Equity				
Securities premium reserve (i)	2,464.36	2,464.36	2,464.36	2,464.36
Retained earnings (ii)	(699.69)	(916.26)	(585.27)	(383.99)
Share option outstanding account (iii)	83.01	15.68	5.49	-
Total Other Equity (B) = (i) + (ii) + (iii)	1,847.68	1,563.78	1,884.58	2,080.37
Net - worth (C) = (A) + (B)	**2,569.87**	**2,285.97**	**2,606.77**	**2,802.56**

e) "Net worth attributable to the owners of the company" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per the SEBI ICDR Regulations as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. "Net worth attributable to the owners of the company" as it means to the Company includes the aggregate value of equity share capital and total of other equity (which consists of the aggregate value securities premium reserve, retained earnings, share option outstanding account), as per the restated statement of assets and liabilities, as at December 2021, March 2021, March 2020 and March 2019.

f) The same is related to non – controlling stake.

In accordance with the with Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited standalone financial information of our Company and each of the following Subsidiaries namely, Innovsource Services Private Limited, Affluent Global Services Private Limited and V5 Global Services Private Limited[*] for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 (collectively, the "**Audited Financial Information**") is available on our website at https://firstmeridian.com/investors. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Information does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Information should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

[*]*RLabs Enterprise Services Limited became a Subsidiary of our Company after March 31, 2021 and hence, we have not uploaded its standalone audited financial statements as there did not exist any parent-subsidiary relationship as at the year ended March 31, 2021. For further details, see "History and Certain Other Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years" on page 199.*

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Restated Consolidated Financial Information, or the opinions expressed therein.

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for the nine months period ended December 31, 2021, Financial Year ended March 2021, Financial Year ended March 2020, and period ended March 31, 2019, see "*Other Financial Information - Related Party Transactions*" on page 323.

Non-Generally Accepted Accounting Principles Financial Measures ("Non- GAAP Measures")

We track certain performance indicators, including non-GAAP metrics such as EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBIT, adjusted PAT, adjusted capital employed, adjusted return on capital employed and free cashflow, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. For more information on the non-GAAP financial measures used in this Draft Red Herring Prospectus, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation—Non-GAAP Financial Measures*", "*Definitions and Abbreviations*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 5, 172 and 325, respectively.

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

*The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Information on page 235. The Restated Consolidated Financial Information is based on our audited consolidated financial statements and are restated in accordance with the Companies Act, 2013, and the ICDR Regulations. Our audited consolidated financial statements are prepared in accordance with Indian Accounting Standards ("**Ind AS**"), which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Risks relating to investments in an Indian company – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition" on page 58. Additionally, please see "Financial Information – Proforma Condensed Combined Financial Information" on page 312 for the Proforma Condensed Combined Financial Information as at and for the nine months period ended December 31, 2021 and as at and for the financial year ended March 31, 2021, which has been prepared for illustrative purposes to show the effects of the acquisitions of RLabs Enterprise Services Limited and CBSI India Private Limited on our Restated Consolidated Financial Information. See "Risk Factors – We may be unable to fully realize the anticipated benefits of recent acquisitions or any future acquisitions successfully or within our intended timeframe. If we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of expanding our scale through acquisitions, our growth, business, financial condition, results of operations and prospects may be adversely affected" on page 34.*

Our financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and all references to a particular financial year are to the 12 months ended March 31 of that particular year. We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, many of which may not be derived from our Restated Consolidated Financial Information. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" on pages 21 and 29, respectively.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Staffing Solutions Market in India" dated May 2022 ("**F&S Report**") prepared by Frost & Sullivan ("**F&S**"). We commissioned the F&S Report on November 15, 2021 and paid an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. Further, a copy of the F&S Report shall be available on the website of our Company at https://firstmeridian.com/investors in compliance with applicable laws. For further details and risks in relation to commissioned reports, see "Risk Factors — Internal Risk Factors — Certain sections of this Draft Red Herring Prospectus contain information from F&S Report which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page* 56.

OVERVIEW

Within only four years since our inception, we have become India's third largest staffing company, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). We provide a wide range of service offerings, including (1) general staffing and allied services, by offering contract staffing solutions, workforce automation solutions and trade marketing solutions to meet business needs of clients across diverse industries; (2) global technology solutions, offered through short- and long-term technology contract staffing solutions for clients; and (3) other HR services, including permanent recruitment, recruitment process outsourcing ("**RPO**"), pharmaceutical and healthcare staffing, facility management and engineering and technical staffing solutions.

Our revenue from operations increased to ₹21,102.86 million for the year ended March 31, 2021 from ₹20,584.37 million for the year ended March 31, 2020 and ₹13,984.41 million for the period February 20, 2018 to March 31,

2019, representing a CAGR of approximately 22.84%. Our revenue from operations amounted to ₹20,694.07 million for the nine months period ended December 31, 2021. The number of our Associates increased to 118,082 as at March 31, 2022, as compared to 108,832 as at December 31, 2021, 95,228 as at March 31, 2021, 86,690 as at March 31, 2020 and 86,168 as at March 31, 2019.

Our services are offered under a set of distinct brands, as set forth in the table below:

Segment	Service	Brand
General staffing and allied services	Staffing solutions	INNOV YOUR PEOPLE PARTNER, V5 GLOBAL
	Workforce automation solutions	DigiTRAC, infield
	Trade marketing solutions	BRAND
Global technology solutions	Contract staffing solutions for niche mid to senior level positions across global captive centers, product-based companies and other technology companies	Affluent Global Services Pvt. Ltd.
	Contract staffing services for niche mid to senior level positions for clients based outside India	RTWF REMOTE TECH WORKFORCE By FirstMeridian
	Contract staffing solutions for entry to mid-level roles across technology companies	CBSI, RLABS
Other HR services	Permanent recruitment	First Meridian Professional
	Recruitment process outsourcing	philippe read RPO by FirstMeridian
	Pharmaceutical and healthcare staffing	Cornucopia Pharma Recruiting and Staffing
	Facility management	INNOV FACILITIES
	Engineering and technical staffing solutions	EDISON Engineering & Technical Staffing

We have a pan-India presence with over 50 branch offices for sourcing and recruitment in 75 cities with 118,082 Associates deployed at over 3,500 locations as at March 31, 2022. The human resource services industry in India is a highly fragmented market, with the five largest staffing companies occupying a market share of 12%, in terms of revenue for the year ended March 31, 2021 (*Source: F&S Report*). Given that the staffing industry benefits from economies of scale, as one of the three largest human resource services platforms with a wide branch network, we have an advantage over regional and smaller players in the human resource services industry.

We have developed sector-specific capabilities that have enabled us to serve a diverse client base in a wide range of industries, including telecommunications, retail, banking, financial services and insurance ("**BFSI**"), construction and infrastructure, information technology ("**IT**") and information technology enabled services ("**ITES**"), e-commerce, manufacturing and engineering, and logistics. Our key clients are set out in the following table:

Name of clients	Logo	Sector
Adani Ports and Special Economic Zone Limited	adani Ports and Logistics	Construction and infrastructure
Dell International Services India Private Limited	DELL Technologies	Retail

Name of clients	Logo	Sector
PhonePe Private Limited		BFSI
Usha International		Retail
Exide Industries Limited		Manufacturing and engineering
Eureka Forbes Limited		Retail

The following table sets forth a breakdown of our revenue from operations for the periods indicated by client industry:

	For the nine months period ended December 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2020		For the period February 20, 2018 to March 31, 2019	
	(₹ in million)	*(%)*	*(₹ in million)*	*(%)*	*(₹ in million)*	*(%)*	*(₹ in million)*	*(%)*
Telecommunications	4,927.73	23.81	2,986.21	14.15	2,190.67	10.64	1,515.46	10.84
Retail	4,697.56	22.70	5,611.93	26.59	5,031.60	24.44	3,358.10	24.01
BFSI	2,903.50	14.03	3,837.85	18.19	4,386.17	21.31	2,744.71	19.63
Construction and infrastructure	2,024.26	9.78	2,416.49	11.45	2,116.69	10.28	1,279.23	9.15
IT/ITES	1,300.60	6.28	1,028.12	4.87	950.31	4.62	427.72	3.06
E-commerce	1,242.58	6.00	1,624.53	7.70	998.00	4.85	610.02	4.36
Manufacturing and engineering	1,213.31	5.86	1,134.95	5.38	653.25	3.17	523.70	3.74
Logistics	899.31	4.35	1,051.59	4.98	1,843.34	8.96	1,818.83	13.01
Other industries	1,485.21	7.18	1,411.19	6.69	2,414.34	11.73	1,706.64	12.20
Revenue from operations	**20,694.07**	**100.00**	**21,102.86**	**100.00**	**20,584.37**	**100.00**	**13,984.41**	**100.00**

As at March 31, 2022, we had a total of 1,212 clients, consisting of 923 clients from our general staffing and allied services business, 100 clients from our global technology solutions business and 189 clients from our other HR services business. We provide our clients with Associates to operate in various functional roles, such as sales and marketing, customer services, warehouse management, delivery and factory staff. Our recruiting team consisted of 446 recruiting members as at March 31, 2022 and 414 recruiting members as at December 31, 2021, which increased from 241, 203 and 190 as at March 31, 2021, March 31, 2020 and March 31, 2019, respectively. Our recruiting team adopts a multi-tiered sourcing strategy which involves centralized sourcing from our head office, local sourcing from branch offices and alternative sourcing through other channels such as job portals, freelance recruiters supported by our mobile application and other sourcing agencies. See "*— Our Technology Applications — Other Tools — Integrated Sourcing Services*" on page 186 for details. We also work with independent contractors whenever required to ensure additional workforce during peak hiring seasons.

Since our inception, we have kept technology at the forefront of all our offerings covering all our stakeholders, including employees, clients, Associates and candidates. We had a technology team consisting of 50 members as at March 31, 2022 and 44 members as at December 31, 2021, which leads the development and maintenance of existing and new technology products used in our business. Our technology applications, including DigiHire, our recruitment platform and DigiHR, our internal human resources management software platform ensure that we have standardized back-end processes and systems and a structured tracking of each of our businesses. Technology has played a key role in streamlining our internal processes and policies across our companies and establishing a unified system of working across our companies. To our clients, we offer technology solutions, including DigiTrac and Infield, to enable better workforce management as well as to build analytics. Through DigiOne, we provide client centric dashboards that assist our clients to track their recruitment status, offers and onboarding on a live basis with better visibility. To our Associates, we offer technology solutions to achieve the following:

- *Paperless onboarding*. DigiTrac, supported through our DigiOne in the back-end, enables onboarding remotely, with a less than 24-hour turnaround time for onboarding of Associates;

- *Employee helpdesk*. DigiTrac is a one-stop self-service solution for all Associates to access their attendance records and payslips, as well as our policies and training documents.

See "─ *Our Technology Applications*" on page 184 for further details.

We are managed by a professional and experienced management team with deep and extensive market and industry expertise.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS

In evaluating our business, we consider and use a set of non-GAAP measures, as presented below as a supplemental measure to review and assess our operating performance. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information.

We believe these non-GAAP measures help us identify underlying trends in our business and facilitate evaluation of year-on-year operating performance of our operations by eliminating items that are non-recurring in nature and not considered by us in the evaluation of ongoing operating performance, allowing comparison of our recurring core business operating results over multiple periods. We also believe these non-GAAP measures provide useful information about our operating results, enhances the overall understanding of our past performance and future prospects, and allows for greater transparency with respect to key metrics we use for financial and operational decision-making. We believe these non-GAAP metrics could help investors, securities analysts, ratings agencies, and other parties in evaluating our business with a more granular view of our financial performance. Other companies may calculate non-GAAP metrics differently from the way we calculate these metrics. As a result, our presentation of these non-GAAP metrics may not be comparable to similarly titled measures of other companies, limiting their usefulness as comparative measures. See "*Risk Factors – Internal Risk Factors – We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not prepared under or required by Ind AS*" on page 53.

Number of Associates

In the below table, we present the movement in the number of Associates for two of our key segments – general staffing and allied services and global technology solutions as of the end of the periods presented below:

Number of Associates (As at)	General staffing and allied services	Global technology solutions
December 31, 2019	82,596	454
March 31, 2020	84,276	486
June 30, 2020	78,704	838
September 30, 2020	79,184	786
December 31, 2020	88,260	773
March 31, 2021	92,422	836
June 30, 2021	90,866	1,038
September 30, 2021	105,558	1,335
December 31, 2021	106,104	1,547
March 31, 2022	114,162	2,831

Adjusted EBITDA, Adjusted EBIT and Adjusted PAT (based on Restated Consolidated Financial Information)

We define Adjusted EBITDA as restated profit/(loss) for the period/year, adjusted to exclude (i) finance costs; (ii) depreciation and amortisation expense; (iii) total tax expense; (iv) interest income; (v) employee stock option amortisation (net of forfeiture); and (vi) net gain/ loss on fair valuation/settlement of put option liability.

We define Adjusted EBIT as Adjusted EBITDA minus depreciation and amortisation expense.

We define Adjusted PAT as restated profit/(loss) for the period/year, adjusted to exclude (i) employee stock option amortisation (net of forfeiture); (ii) net gain/ loss on fair valuation/settlement of put option liability.

Particulars	As at / For the nine months period ended December 31, 2021	As at / For the year ended March 31, 2021	As at / For the year ended March 31, 2020	As at / For the period February 20, 2018 to March 31, 2019
Revenue from operations (₹ in million) (A)	20,694.07	21,102.86	20,584.37	13,984.41
Restated profit/(loss) for the period/year (₹ in million) (B)	214.00	(336.56)	(196.11)	(385.32)
Finance costs (₹ in million) (C)	26.37	29.12	18.59	12.69
Depreciation and amortisation expense [(1)] (₹ in million) (D)	323.88	765.49	759.55	518.83
Total tax expense (₹ in million)(E)	(121.44)	40.42	(76.19)	(10.83)
Interest income (₹ in million) (F)	44.84	101.68	68.43	49.22
EBITDA (₹ in million) (G)=(B)+(C)+(D)+(E)-(F)	**397.97**	**396.79**	**437.41**	**86.15**
EBITDA margin (%) (G/A)	**1.92%**	**1.88%**	**2.12%**	**0.62%**
Employee stock option amortisation (net of forfeiture) [(2)] (₹ in million) (H)	67.33	10.19	5.49	-
Net gain/ loss on fair valuation/settlement of put option liability [(3)] (₹ in million) (I)	38.17	(12.84)	(87.88)	12.03
Adjusted EBITDA (₹ in million) (J)= (G)+(H)+(I)	**503.47**	**394.14**	**355.02**	**98.18**
Adjusted EBITDA margin (%) (J/A)	**2.43%**	**1.87%**	**1.72%**	**0.70%**
Adjusted EBIT (₹ in million) (K)=(J)-(D)	**179.59**	**(371.36)**	**(404.53)**	**(420.67)**
Adjusted PAT (₹ in million) (L) = (B) + (H) + (I) – (L)	**319.50**	**(339.22)**	**(278.50)**	**(373.29)**
Adjusted PAT Margin (%) (L/A)	**1.54%**	**(1.61%)**	**(1.35%)**	**(2.67%)**

Notes:

(1) Depreciation and amortisation expense includes amortisation of customer relationship, the values of which in the respective years is shown in the table below. Customer relationship is an intangible asset that we record on our books pursuant to any business combinations, i.e. our acquisitions. In the event of an acquisition, as per the provisions of Ind AS 103, we are expected to identify an identifiable asset for which we have paid the purchase consideration and the resultant goodwill created on acquisition. The customer relationships of the acquiree become our intangible assets and take the form of identifiable assets which need to be recognized and measured separately in the books of accounts. We have amortised the customer relationship using the straight-line method over a period of three to seven years. We acquired four companies in the period February 20, 2018 to March 31, 2019, and as a result, we accumulated ₹1,880.91 million as gross customer relationship related intangible assets on our books as at March 31, 2019. However, subsequent to the amortisation done every period/year since then (as shown in the table below), the carrying value of the customer relationship related intangible assets has come down to ₹43.37 million as at December 31, 2021. The table below sets forth the amortisation of customer relationship we recognized in the restated consolidated statement of profit and loss for the period/year indicated:

(₹ in million)

Particulars	As at / For the nine months period ended December 31, 2021	As at / For the year ended March 31, 2021	As at / For the year ended March 31, 2020	As at / For the period February 20, 2018 to March 31, 2019
Opening net carrying value of customer relationship	248.27	844.58	1,471.55	0.00
Additions during the period/year	0.00	38.37	0.00	1,880.91
Amortisation of customer relationship	204.90	634.68	626.97	409.36

Closing net carrying value of customer relationship	43.37	248.27	844.58	1,471.55

(2) Employee stock option amortisation (net of forfeiture): represents the amortisation of the expense incurred towards employee stock options (net of forfeiture) granted to our employees under the Employee Stock Option Scheme 2019. This is a non-cash item related to share-based payments made to employees.

(3) Net gain/ loss on fair valuation/settlement of put option liability: includes net gain/loss arising on fair valuation/settlement of put liability related to non-controlling interest stake, based on our call option to purchase the minority equity interests in Affluent Global Services Private Limited and V5 Global Services Private Limited after April 1, 2020. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Revenue and Expenses — Income — Other Income*" on page 334. It is non-recurring in nature and may only arise in the future if we undertake any further acquisitions under a similar transaction structure which involves put option liability.

Adjusted return on capital employed (based on Restated Consolidated Financial Information)

Adjusted capital employed is defined as the sum of (a) total equity and (b) total borrowings (which is the sum of non–current borrowings, current borrowings and current maturities on long-term loan), less (c) cash and cash equivalents and (d) other bank balances.

Particulars	As at / For the nine months period ended December 31, 2021	As at / For the year ended March 31, 2021	As at / For the year ended March 31, 2020	As at / For the period February 20, 2018 to March 31, 2019
Adjusted EBIT (₹ in million) (A)	**179.59**	**(371.36)**	**(404.53)**	**(420.67)**
Total equity (₹ in million) (B)	2,569.87	2,285.97	2,606.77	2,802.56
Borrowings (₹ in million) (C)	35.43	77.20	225.41	10.93
Cash and cash equivalents (₹ in million) (D)	994.75	491.23	778.88	893.73
Other bank balances (₹ in million) (E)	850.38	668.54	471.93	446.59
Adjusted capital employed (₹ in million) (F)=(B)+(C)-(D)-(E)	**760.17**	**1,203.40**	**1,581.37**	**1,473.17**
Adjusted return on capital employed (₹ in million) (G)=(A)/(F)	**23.62%**	**(30.86%)**	**(25.58%)**	**(28.55%)**

Free cash flow generation (based on Restated Consolidated Financial Information)

We define free cash flow as net cash generated from operations adjusted for purchase of property, plant and equipment and intangibles.

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
Net cash generated from operations (₹ in million) (A)	888.64	467.99	(238.52)	231.88
Purchase of property, plant and equipment and intangibles including capital advances (₹ in million) (B)	57.74	77.07	44.32	37.12
Free cash flow (₹ in million) (C) = (A)-(B)	**830.90**	**390.92**	**(282.84)**	**194.76**

The tables below set forth our certain key financial and operational performance indicators as at the dates or for the period/year indicated, based on our Proforma Condensed Combined Financial Information. The tables below are only for the periods for which our Proforma Condensed Combined Financial Information has been prepared and presented:

Adjusted EBITDA, Adjusted EBIT and Adjusted PAT (based on Proforma Condensed Combined Financial Information)

Adjusted EBITDA, Adjusted EBIT and Adjusted PAT are defined above on page 328.

Particulars	As at / For the nine months period ended December 31, 2021	As at / For the year ended March 31, 2021
Revenue from operations (₹ in million) (A)	**21,590.03**	**22,391.08**
Profit/(loss) for the period/year (₹ in million) (B)	288.88	(284.65)
Finance costs (₹ in million) (C)	40.88	56.75
Depreciation and amortisation expense [(1)] (₹ in million) (D)	336.62	791.50
Total tax expense (₹ in million) (E)	(95.61)	67.25
Interest income (₹ in million) (F)	47.01	111.34
EBITDA (₹ in million) (G)=(B)+(C)+(D)+(E)-(F)	**523.76**	**519.51**
EBITDA margin (%) (G/A)	**2.43%**	**2.32%**
Employee stock option amortisation (net of forfeiture) [(2)] (₹ in million) (H)	67.33	10.19
Net gain/ loss on fair valuation/settlement of put option liability [(3)] (₹ in million) (I)	38.17	(12.84)
Adjusted EBITDA (₹ in million) (J)= (G)+(H)+(I)	**629.26**	**516.85**
Adjusted EBITDA margin (%) (J/A)	**2.91%**	**2.31%**
Adjusted EBIT (₹ in million) (K)=(J)-(D)	**292.64**	**(274.64)**
Adjusted PAT (₹ in million) (L) = (B) + (H) + (I)	**394.38**	**(287.30)**
Adjusted PAT Margin (%) (L/A)	**1.83%**	**(1.28%)**

Notes:

(1) Depreciation and amortisation expenses includes amortisation of customer relationships. See details on page 329 above.

(2) Represents the amortisation of the expense incurred towards employee stock options (net of forfeiture). See details on page 330 above.

(3) Includes net gain/loss arising on fair valuation/settlement of put liability related to non-controlling interest stake. See details on page 330 above.

Adjusted Return on capital employed (based on Proforma Condensed Combined Financial Information)

Adjusted capital employed is defined above on page 330.

Particulars	As at / For the nine months period ended December 31, 2021	As at / For the year ended March 31, 2021
Adjusted EBIT (₹ in million) (A)	**292.64**	**(274.64)**
Total equity (₹ in million) (B)	2,833.83	2,470.40
Borrowings (₹ in million) (C)	80.87	222.35
Cash and cash equivalents (₹ in million) (D)	1,122.77	546.64
Other bank balances (₹ in million) (E)	850.38	668.54
Adjusted capital employed (₹ in million) (F)=(B)+(C)-(D)-(E)	**941.55**	**1,477.57**
Adjusted return on capital employed (₹ in million) (G)=(A)/(F)	**31.08%**	**(18.59%)**

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by a number of important factors, including:

Macroeconomic Cycle

Demand for staffing solutions is significantly affected by the general level of economic activity and economic conditions in the various regions and sectors which we serve. An economic downturn in a region or sector which we serve may adversely affect our operations, as the use of temporary employees may decrease or fewer permanent employees may be hired. Many of our clients are multi-national corporations, and we may be affected by a downturn in the global markets as well. When economic activity increases, temporary employees or contract workers are often engaged before full-time employees are hired. During periods of economic downturn, however, many companies reduce their use of temporary employees before laying off full-time employees. However, it is also possible that during periods of temporary economic downturn, companies choose to engage temporary workforce as opposed to permanent employees. We could experience more competitive pricing pressure during periods of economic downturn.

Regulatory Environment for the Labor Market in India

Labor and employment laws in India are enacted both by the Central Government and the State Governments in India. India thus has a comprehensive set of legislations with reference to labor and employment. These laws and regulations vary from state to state in India and are subject to changes. See "*Key Regulations and Policies*" on page 190 for details. These laws and regulations sometimes limit the size and growth of staffing services market. Changes in laws or government regulations may result in prohibition or restriction of certain types of staffing services we offer, or the imposition of new or additional licensing or tax requirements that could reduce our revenues and earnings. On the other hand, labor law reforms may expand the market for our staffing services and have a favorable effect on our result of operations.

Additionally, the GoI has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labor legislations. While the rules for implementation under these codes, apart from the Code on Wages (Central Advisory Board) Rules, 2021 which prescribes, inter alia, the constitution and functions of the Central Advisory Board set up under the Wages Code, have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future.

Our Ability to Enter into High Margin Businesses

Changes in the revenue mix from our business segments are likely to continue to have an impact on our financial condition and results of operations, as each business segment has varying operating margins. Our general staffing and allied services historically provide us with a high business volume with relatively low operating margins. Therefore, the general staffing and allied services have a significant impact on our overall profitability. We aim to improve the profitability of our general staffing and allied services through investments in technological infrastructure to improve operational efficiencies. In the meanwhile, our ability to enter into and grow high margin businesses is expected to have a significant effect on our results of operations. As a result, we have been increasingly focusing on global technology solutions, permanent recruitment, RPO, and human resource technological solutions which offer higher margins. See "*Our Business – Business Strategies – Develop new areas of growth by diversifying our service offerings into other aspects of the human resource services value chain*" on page 180 for details.

Retention of Talent

We rely on Associates to provide services to our clients. Accordingly, our results of operations depend on our ability to recruit sufficient Associates to meet the demand of our clients. The number of our Associates increased to 118,082 as at March 31, 2022, as compared to 108,832 as at December 31, 2021, 95,228 as at March 31, 2021, 86,690 as at March 31, 2020 and 86,168 as at March 31, 2019. In line with the increase in the number of our Associates, our revenue from operations increased to ₹21,102.86 million for the year ended March 31, 2021 from ₹13,984.41 million for the period February 20, 2018 to March 2019. Further, as we serve a diverse client base in a wide range of industries, it is also critical for us to identify, attract and retain Associates with requisite skills, including sector-specific expertise, to satisfy the requirements of our clients.

For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, our employee benefits expense amounted to ₹19,607.39 million, ₹20,112.88 million, ₹19,831.08 million and ₹13,370.84 million, respectively, representing 94.75%, 95.31%, 96.34% and 95.61% of our revenue from operations, respectively. To maintain our profitability, it is also important to retain Associates at relatively low costs while maintaining our competitiveness in recruiting.

Competition

The staffing solutions industry in India is highly fragmented and competitive (*Source: F&S Report*). We compete in national, regional and local markets with a range of organized competitors, including full-service and specialized staffing companies, as well as unorganized competitors. Many of the sectors that we serve in have low entry barriers. While many of our competitors are smaller than us, we face competition from competitors with substantial financial and marketing resources at their disposal. We expect competition levels to remain high, which could constrain our ability to maintain or increase our market share or profitability. As the third largest staffing company, in terms of revenues for the year ended March 31, 2021 (Source: *F&S Report*), we believe that we are differentiated from our competitors. However, our continued success depends on our ability to compete effectively by providing high-quality services and developing strong relationships with our existing and future clients. See "*Our Business — Competition*", "*Risk Factors — Internal Risks — We operate in a highly competitive and fragmented industry and may be unable to compete successfully against existing or new competitors, particularly in the unorganized segment*" and "*Industry Overview*" on pages 186, 31 and 141, respectively, for details.

Inorganic Growth through Strategic Acquisitions

In addition to the organic growth of our service portfolio, we have an established track record of successful inorganic growth through strategic acquisitions that supplement our business verticals. We expect to continue making acquisitions as part of our strategy. See "*Our Business – Business Strategies – Pursue strategic acquisitions to develop scale and capabilities*" on page 181. We believe that the effect of our acquisitions and the consolidation of the acquired entity's financial results in our consolidated financial statements will strengthen our financial performance.

Direct Tax Regime

Pursuant to the Income Tax Act of 1961, income tax must be deducted at source. Accordingly, our clients make tax deducted at source ("**TDS**") from their payments to us for our services. We may claim a TDS refund in case any excess amount is deducted. While TDS does not have an impact on our revenue recognition, it affects our cashflow and may have an adverse impact on our liquidity.

Additionally, we are subject to corporate tax on our profit before tax. Any changes in laws or government regulations that would result in higher corporate tax may adversely affect our results of operations and profitability.

REVENUE AND EXPENSES

The key components of our revenue and expenses are set forth below:

Income

Total income. Total income consists of revenue from operations and other income.

Revenue from operations. Revenue from operations comprises revenue from sale of services and sale of products. The following table sets forth a breakdown of our revenue from operations for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019:

	For the nine months period ended December 31, 2021	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the period February 20, 2018 to March 31, 2019**
	(₹ in millions)			
General staffing and allied services	18,833.72	19,691.84	19,381.48	13,213.62
Global technology solutions	1,544.64	1,041.60	803.11	405.25

	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
	(₹ in millions)			
Other HR services	309.29	360.42	399.78	365.54
Unallocated*	6.42	8.99	-	-
Revenue from operations	**20,694.07**	**21,102.86**	**20,584.37**	**13,984.41**

**Refers to revenue generated from IT development services.*

General staffing and allied services is our core business. For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, our revenue from general staffing and allied services amounted to ₹18,833.72 million, ₹19,691.84 million, ₹19,381.48 million and ₹13,213.62 million, respectively, representing approximately 91.01%, 93.31%, 94.16% and 94.49%, respectively, of our revenue from operations for the same periods. With respect of our general staffing and allied services, we typically bill the clients, collect the revenue for the services we offered and then pay our Associates. As at December 31, 2021, our collect and pay percentage, as calculated by the revenue we generated under the collect-pay model divided by the total revenue from general staffing and allied staffing, was 59%.

Our revenue from global technology solutions continued to increase from ₹405.25 million for the period February 20, 2018 to March 31, 2019 to ₹803.11 million for the year ended March 31, 2020, ₹1,041.60 million for the year ended March 31, 2021 and ₹1,544.64 million for the nine months period ended December 31, 2021. We are increasing our focus on global technology solutions, as it typically generates higher margin. We acquired CBSI India Private Limited and RLabs Enterprise Services Limited in 2020 and 2022, respectively, to strengthen our offering of global technology solutions services. See "*Our Business — Our operations — Global Technology Solutions Business*" on page 183 for details.

Other income. Our other income primarily comprises (i) interest income on bank deposits at amortised cost and income tax refunds, and (ii) net gain arising on fair valuation of put liability based on our call option to purchase the minority equity interests in Affluent Global Services Private Limited and V5 Global Services Private Limited after April 1, 2020. The fair valuation of the call option of Affluent Global Services Private Limited is linked to its financial performance. The increase/decrease in such fair valuation is accounted for as our net gain/loss.

Expenses

Employee benefits expense, comprising (i) salaries and wages, (ii) contributions to provident and other funds, (iii) gratuity, (iv) staff welfare expenses, and (v) employee stock option amortisation (net of forfeiture).

Finance costs. Our finance costs consist of interest on (i) borrowings; (ii) lease liabilities, which primarily represent rent payments for our leased office space and (iii) other interest costs.

Depreciation and amortisation expense. Our depreciation and amortisation expense primarily consist of (i) depreciation on property, plant and equipment; (ii) depreciation on right-of-use assets, primarily representing the long-term leases for office space, furniture and fittings; and (iii) amortisation on intangible assets, primarily including client relationships, software rights and right to use trademark.

Other expenses. Our other expenses primarily consist of (i) professional and consultancy fees; (ii) subcontracting charges; (iii) rents for our short-term leases for office space; (iv) repair and maintenance expenses; (v) travelling and conveyance expenses; and (vi) communication expenses.

RESULTS OF OPERATIONS

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, the components of which are also expressed as a percentage of total income for such periods:

	For the Nine months period ended December 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2020		For the period February 20, 2018 to March 31, 2019	
	(₹ in millions)	*(% of Total Income)*	*(₹ in millions)*	*(% of Total Income)*	*(₹ in millions)*	*(% of Total Income)*	*(₹ in millions)*	*(% of Total Income)*
Income								
Revenue from operations	20,694.07	99.75	21,102.86	99.35	20,584.37	99.18	13,984.41	99.57
Other income	52.36	0.25	138.90	0.65	169.64	0.82	60.02	0.43
Total income	**20,746.43**	**100.00**	**21,241.76**	**100.00**	**20,754.01**	**100.00**	**14,044.43**	**100.00**
Expenses								
Purchase of traded goods	9.54	0.05	—	—	—	—	—	—
Employee benefits expense	19,607.39	94.51	20,112.88	94.69	19,831.08	95.55	13,370.84	95.20
Finance costs	26.37	0.13	29.12	0.14	18.59	0.09	12.69	0.09
Depreciation and amortisation expense	323.88	1.56	765.49	3.60	759.55	3.66	518.83	3.69
Other expenses	686.69	3.31	630.41	2.97	417.09	2.01	538.22	3.83
Total expenses	**20,653.87**	**99.55**	**21,537.90**	**101.39**	**21,026.31**	**101.31**	**14,440.58**	**102.82**
Tax expenses								
- Current tax	50.10	0.24	33.88	0.16	18.87	0.09	31.22	0.22
- Deferred tax (credit)/expenses	(171.54)	(0.83)	6.54	0.03	(95.06)	(0.46)	(42.05)	(0.30)
Restated profit/(loss) for the period/year	**214.00**	**1.03**	**(336.56)**	**(1.58)**	**(196.11)**	**(0.94)**	**(385.32)**	**(2.74)**

Nine months period ended December 31, 2021

Income

Total Income. Our total income amounted to ₹20,746.43 million for the nine months period ended December 31, 2021.

Revenue from Operations. Revenue from operations amounted to ₹20,694.07 million for the nine months period ended December 31, 2021, representing approximately 99.75% of our total income for the same period.

Other income. Other income amounted to ₹52.36 million for the nine months period ended December 31, 2021, primarily attributable to interest income on bank deposits in the amount of ₹36.22 million.

Expenses

Purchase of traded goods. Purchase of traded goods amounted to ₹9.54 million for the nine months period ended December 31, 2021. The traded goods purchased include the cost of computers and hardware provided to our clients from our global technology solutions business as additional support services pursuant to contracts entered into with these clients.

Employee benefits expense. Employee benefits expense amounted to ₹19,607.39 million for the nine months period ended December 31, 2021, primarily attributable to salaries and wages in the amount of ₹17,852.64 million.

Finance costs. Finance costs amounted to ₹26.37 million for the nine months period ended December 31, 2021, primarily attributable to interest on lease liability in the amount of ₹15.94 million and interest on borrowings in the amount of ₹8.10 million.

Depreciation and amortisation expense. Depreciation and amortisation expense amounted to ₹323.88 million for the nine months period ended December 31, 2021, primarily attributable to amortisation of intangible assets in the amount of ₹216.07 million.

Other expenses. Other expenses amounted to ₹686.69 million for the nine months period ended December 31, 2021, primarily attributable to professional and consultancy fees in the amount of ₹304.72 million and subcontracting charges in the amount of ₹135.89 million.

Total tax expense. We had a total tax expense of (₹121.44) million for nine months period ended December 31, 2021.

Profit for the period. As a result of the foregoing, we had a net profit of ₹214.00 million for the nine months period ended December 31, 2021.

Year ended March 31, 2021 compared to year ended March 31, 2020

Income

Total Income. Our total income increased by 2.35% to ₹21,241.76 million for the year ended March 31, 2021 from ₹20,754.01 million for the year ended March 31, 2020, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 2.52% to ₹21,102.86 million for the year ended March 31, 2021 from ₹20,584.37 million for the year ended March 31, 2020, due to an increase in the revenue from sale of services. This increase was primarily attributable to the increase in the headcount of general staffing and allied services we provided to our clients.

Other income. Other income decreased by 18.13% to ₹138.90 million for the year ended March 31, 2021 from ₹169.64 million for the year ended March 31, 2020, primarily due to a decrease in net gain arising on fair valuation/settlement of put liability of to ₹12.84 million for the year ended March 31, 2021 from ₹87.88 million for the year ended March 31, 2020. The decrease was partially offset by the increase in interest income to ₹101.68 million for the year ended March 31, 2021 from ₹68.43 million for the year ended March 31, 2020, primarily as a result of the increase in the interest income on the income tax refund.

Expenses

Employee benefits expense. Employee benefits expense increased by 1.42% to ₹20,112.88 million for the year ended March 31, 2021 from ₹19,831.08 million for the year ended March 31, 2020, primarily due to the increase in salaries and wages to ₹18,408.59 million for the year ended March 31, 2021 from ₹18,032.25 million for the year ended March 31, 2020, primarily as a result of the increased volume of staffing services we offered, and offset by the increased cost efficiencies of our internal employees.

Finance costs. Finance costs increased by 56.65% to ₹29.12 million for the year ended March 31, 2021 from ₹18.59 million for the year ended March 31, 2020, primarily due to the increase in the interest on borrowings to ₹9.39 million for the year ended March 31, 2021 from ₹4.54 million for the year ended March 31, 2020 due to the increase in our utilization of overdraft facilities and the increase in the interest on our payment obligation arising from our call option to purchase the minority equity interests in V5 Global Services Private Limited after April 1, 2019.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 0.78% to ₹765.49 million for the year ended March 31, 2021 from ₹759.55 million for the year ended March 31, 2020, as a result of increases in (i) amortisation of intangible assets; and (ii) depreciation of property, plant and equipment.

Other expenses. Other expenses increased by 51.14% to ₹630.41 million for the year ended March 31, 2021 from ₹417.09 million for the year ended March 31, 2020, primarily due to (i) the increase in professional and consultancy fees, primarily as a result of the consultancy fees paid to advise Innovsource Services Private Limited on performance and strategic directions and mentor the team, as well as consultancy fees paid for market surveys to explore new business verticals; and (ii) the increase in subcontracting charges due to increase in subcontracting business of Innovsource Services Private Limited.

Total tax expense. We had a total tax expense of (₹76.19) million for the year ended March 31, 2020, primarily due to reversal of deferred tax liability on account of client relationship. We had a total tax expense of ₹40.42 million for the year ended March 31, 2021, primarily arising from deferred tax on goodwill, due to a change in goodwill treatment in income tax which was effective from the year ended March 31, 2021.

Loss for the year. As a result of the foregoing, we had a net loss of ₹336.56 million for the year ended March 31, 2021, as compared to a net loss of ₹196.11 million for the year ended March 31, 2020.

Year ended March 31, 2020 compared to for the period February 20, 2018 to March 31, 2019

Income

Total Income. Our total income increased by 47.77% to ₹20,754.01 million for the year ended March 31, 2020 from ₹14.044.43 million for the period February 20, 2018 to March 31, 2019, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 47.20% to ₹20,584.37 million for the year ended March 31, 2020 from ₹13,984.41 million for the period February 20, 2018 to March 31, 2019, due to an increase in the revenue from sale of services.

Other income. Other income increased by 182.64% to ₹169.64 million for the year ended March 31, 2020 from ₹60.02 million for the period February 20, 2018 to March 31, 2019, primarily due to the net gain arising on fair valuation/settlement of put liability of Affluent Global Services Private Ltd in the amount of ₹87.88 million for the year ended March 31, 2020. We did not have any net gain arising on fair valuation of put liability for the period February 20, 2018 to March 31, 2019 because our call option to purchase the minority equity interests in Affluent Global Services Private Limited could be exercised only after April 1, 2019.

Expenses

Employee benefits expense. Employee benefits expense increased by 48.32% to ₹19,831.08 million for the year ended March 31, 2020 from ₹13,370.84 million for the period February 20, 2018 to March 31, 2019, primarily due to the increase in salaries and wages to ₹18,032.25 million for the year ended March 31, 2020 from ₹12,132.74 million for the period February 20, 2018 to March 31, 2019.

Finance costs. Finance costs increased by 46.55% to ₹18.59 million for the year ended March 31, 2020 from ₹12.69 million for the period February 20, 2018 to March 31, 2019, due to the increase in the interest on borrowings and interest on lease liabilities.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 46.40% to ₹759.55 million for the year ended March 31, 2020 from ₹518.83 million for the period February 20, 2018 to March 31, 2019, primarily as a result of amortisation of intangible assets and depreciation on right-of-use assets.

Other expenses. Other expenses decreased by 22.50% to ₹417.09 million for the year ended March 31, 2020 from ₹538.22 million for the period February 20, 2018 to March 31, 2019, primarily due to the decrease in (i) professional and consultancy fees, primarily as a result of the higher acquisition costs, including due diligence costs, that we incurred for the period February 20, 2018 to March 31, 2019; (ii) provision for doubtful trade and other receivables.

Total tax expense. We had a total tax expense of (₹10.83) million for the period February 20, 2018 to March 31, 2019, primarily due to deferred tax credit on account of the loss before tax in the amount of ₹396.15 million, partially offset by the impact of change in tax rate. We had a total tax expense of ₹(76.19) million for the year ended March 31, 2020.

Loss for the year/period. As a result of the foregoing, we had a net loss of ₹196.11 million for the year ended March 31, 2020, as compared to a net loss of ₹385.32 million for the period February 20, 2018 to March 31, 2019.

LIQUIDITY AND CAPITAL RESOURCES

For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, we financed our working capital and capital expenditure requirements primarily through funds generated from our operations and borrowings from banks in the form of overdraft facilities.

As at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we had cash and cash equivalents of ₹994.75 million, ₹491.23 million, ₹778.88 million and ₹893.73 million, respectively. We believe that after taking into account the expected cash to be generated from our operations, borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for working capital and capital expenditure for at least the next 12 months.

	For the Nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the period February 20, 2018 to March 31, 2019
	(₹ in millions)			
Net cash generated from/(used in) operating activities	888.64	467.99	(238.52)	231.88
Net cash (used in)/generated from investing activities	(252.77)	(505.80)	5.83	(2,292.26)
Net cash (used in)/generated from financing activities	(132.35)	(249.84)	117.84	2,954.11
Cash and cash equivalents at the end of the year/period	994.75	491.23	778.88	893.73

Operating Activities

Net cash generated from operating activities was ₹888.64 million for the nine months period ended December 31, 2021. While our restated profit for the period before tax was ₹92.56 million for the nine months period ended December 31, 2021, we had an operating profit before working capital changes of ₹514.71 million, primarily as a result of adjustments for depreciation and amortisation expense of ₹323.88 million. Our working capital changes primarily consisted of a decrease in provisions and other liabilities of ₹997.16 million, partially offset by an increase in trade receivables of ₹482.26 million and an increase in other assets of ₹397.59 million. The income taxes refund was ₹157.69 million.

Net cash generated from operating activities was ₹467.99 million for the year ended March 31, 2021. While our restated loss for the year before tax was ₹296.14 million for the year ended March 31, 2021, we had an operating profit before working capital changes of ₹396.27 million, primarily as a result of adjustments for depreciation and amortisation expense of ₹765.49 million, partially offset by interest income of ₹101.68 million. Our working capital changes primarily consisted of an increase in other assets of ₹805.94 million, partially offset by an increase in provisions and other liabilities of ₹291.26 million and a decrease in trade receivables of ₹224.54 million. The income taxes refund was ₹366.27 million.

Net cash used in operating activities was ₹238.52 million for the year ended March 31, 2020, primarily due to the income taxes paid, which amounted to ₹409.85 million. While our restated loss for the year before tax was ₹272.30 million for the year ended March 31, 2020, we had an operating profit before working capital changes of ₹349.69 million, primarily as a result of adjustments for depreciation and amortisation expense of ₹759.55 million. Our working capital changes primarily consisted of an increase in trade receivables of ₹446.20 million, partially offset by an increase in provisions and other liabilities of ₹204.45 million. The income taxes paid was ₹409.85 million.

Net cash generated from operating activities was ₹231.88 million for the period February 20, 2018 to March 31, 2019. While our restated loss before tax was ₹396.15 million for the period February 20, 2018 to March 31, 2019, we had an operating profit before working capital changes of ₹164.53 million, primarily as a result of adjustments for depreciation and amortisation expense of ₹518.83 million. Our working capital changes primarily consisted of an increase in provisions and other liabilities of ₹688.35 million, a decrease in trade receivables of ₹172.66 million and an increase in other assets of ₹520.70 million. The income taxes paid was ₹310.28 million.

Investing Activities

Net cash used in investing activities was ₹252.77 million for the nine months period ended December 31, 2021, primarily consisting of bank deposits having original maturity of more than three months of ₹181.84 million.

Net cash used in investing activities was ₹505.80 million for the year ended March 31, 2021, primarily consisting of (i) purchase consideration paid net of cash acquired of ₹278.58 million, and (ii) bank deposits having original maturity of more than three months of ₹196.46 million.

Net cash generated from investing activities was ₹5.83 million for the year ended March 31, 2020, primarily consisting of interest income on fixed deposits with banks of ₹72.41 million, partially offset by (i) purchase of property, plant and equipment and intangible assets of ₹44.32 million, and (ii) bank deposits having original maturity of more than three months of ₹25.49 million.

Net cash used in investing activities was ₹2,292.26 million for the period February 20, 2018 to March 31, 2019, primarily consisting of (i) purchase consideration paid net of cash acquired of ₹1,841.11 million, and (ii) bank deposits having original maturity of more than three months of 445.95 million, partially offset by interest income on fixed deposits with banks of ₹25.01 million.

Financing Activities

Net cash used in financing activities was ₹132.35 million for the nine months period ended December 31, 2021, primarily consisting of (i) payment of lease liabilities of ₹80.15 million, and (ii) repayment from borrowing of ₹41.77 million.

Net cash used in financing activities was ₹249.84 million for the year ended March 31, 2021, primarily consisting of (i) repayment from borrowing of ₹148.22 million, and (ii) payment of lease liabilities of ₹89.83 million.
Net cash generated from financing activities was ₹117.84 million for the year ended March 31, 2020, primarily consisting of proceeds from borrowing of ₹214.49 million, partially offset by payment of lease liabilities of ₹92.09 million.

Net cash flows from financing activities was ₹2,954.11 million for the period February 20, 2018 to March 31, 2019, primarily consisting of proceeds from shares issued of ₹3,036.19 million.

INDEBTEDNESS

For details of our borrowings, see "*Restated Consolidated Financial Information – Note 16*" on page 271. Some of our financing agreements include conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. For a description of broad terms of our indebtedness, see "*Financial Indebtedness*" on page 349. Also see "*Risk Factors – Internal Risk Factors – Our ability to raise capital for our future growth and expansion may be limited. We may be unable to obtain future financing on favorable terms, or at all, to fund expected capital expenditure and working capital requirements"* on page 51.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The table below sets forth our contractual obligations with definitive payment terms as at December 31, 2021:

	Unbilled dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Micro, small and medium enterprises	-	5.31	-	-	-	5.31
Others	221.36	53.22	1.27	1.20	0.40	277.45
Total trade payables	**221.36**	**58.53**	**1.27**	**1.20**	**0.40**	**282.76**

	Not later than 1 year	**Later than 1 year and not later than 5 years**	**Later than 5 years**	**Total**
Lease liabilities on undiscounted basis	105.40	206.84	5.56	**317.80**

CAPITAL COMMITMENTS

As at December 31, 2021, our estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) was ₹10.53 million.

CONTINGENT LIABILITIES

The following is a summary table of our contingent liabilities and commitments as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 as indicated in our Restated Consolidated Financial Information:

(₹ in million)

Contingent liabilities (to the extent not provided for)				
Particulars	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Claims not acknowledged as debts	25.52	17.16	13.78	10.58

Claims not acknowledged as debts principally relates to cases lodged by employees against our Group. It also includes cases lodged by employees against the erstwhile holding company relating to staffing business, which are now a contingent liability for our Group in lieu of the purchase of staffing business from the erstwhile holding company. The management believes, based on issues involved, that no material liabilities will accrue in respect of these cases and accordingly no cash outflow is expected and the management believes that based on the nature of cases, the claims are not expected to be material.

For further details, see "*Risk Factors – We have certain contingent liabilities and commitments that may adversely affect our financial condition.*" and "*Summary of the Offer Document – Summary of contingent liabilities*" on pages 43 and 25, respectively.

CAPITAL EXPENDITURES

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily used for property, plant and equipment and intangibles. For the nine months period ended December 31, 2021, the year ended March 31, 2021, the year ended March 31, 2020 and the period February 20, 2018 to March 31, 2019, our purchase of property, plant and equipment and intangibles including capital advances was ₹57.74 million, ₹77.07 million, ₹44.32 million and ₹37.12 million, respectively.

OFF-BALANCE SHEET ARRANGEMENTS

Except as described in this Draft Red Herring Prospectus, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties. For further information, see "*Summary of the Offer Document – Summary of Related Party Transactions*" and "*Other Financial Information - Related Party Transactions"* on pages 26 and 323, respectively.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and Judgements

In preparing the Restated Consolidated Financial Information, our management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the Restated Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

- Determination of useful lives of property, plant and equipment and intangibles;
- Impairment test of non-financial assets;
- Recognition of deferred tax assets;
- Recognition and measurement of provisions and contingencies;

- Fair value of financial instruments;
- Impairment of financial assets;
- Measurement of defined benefit obligations; and
- Fair valuation of employee share options.

Revenue Recognition

We derive revenue primarily from general staffing and allied services, global technology solutions and other HR services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. We recognize revenue when we transfer control over service to a customer.

The method for recognizing revenues and costs depends on the nature of the services rendered.

Revenue on time-and-material contracts are recognized as the related services are rendered and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance).

General Staffing and Allied Services

Revenue from staffing services i.e., salary and incidental expenses of temporary associates along with services charges are recognized in accordance with the agreed terms as the related services are rendered. We act as a principal for general staffing and allied services on such arrangements with clients and hence recognize the revenue on gross basis.

Global Technology Solutions

Revenue is recognized upon transfer of control of promised services to customers at an amount that reflects the consideration which we expect to receive in exchange for those services.

Other HR Services

Revenue from permanent recruitment services is recognized in accordance with the agreed terms as the related services are rendered.

Employee Benefits

Short-term Employee Benefits

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognized as an expense in the Restated Consolidated Statement of profit and loss as the related service is provided.

Our employees are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences. We record an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

A liability is recognized for the amount expected to be paid if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based Payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The determination of the fair value requires significant assumptions and judgements related to business projections, terminal growth, and weighted average cost of capital. The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity under "Employee Stock Options reserve", over the period that the employees become unconditionally entitled to the options. The expense is recorded separately for each vesting portion of the award as if the award, in substance, was multiple awards.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the awards are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which we pay specified contributions to a separate entity and have no obligation to pay any further amounts. We make contributions to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognized as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans

Our gratuity benefit scheme is a defined benefit plan. The liability is recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI).

During the period ended December 31, 2021, we changed our accounting policy to present component of defined benefit cost on net basis after considering right to reimbursement related to such defined benefits.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of our cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in Restated Consolidated Statement of profit and loss.

Financial Assets

Initial Recognition and Measurement

Financial assets are initially recognized when we become a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost;
- Fair value through profit (FVTPL); and
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

Impairment of Financial Assets

In accordance with Ind-AS 109, we apply Expected Credit Loss **(**ECL) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are initially recognized when we become a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Restated Consolidated Statement of profit and loss.

Financial Liabilities at Amortised Cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Restated Consolidated Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Restated Consolidated Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Restated Consolidated Statement of Asset and Liabilities if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of our Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized till the realization of the income is virtually certain. However, the same are disclosed in the Restated Consolidated Financial Information where an inflow of economic benefit is probable.

QUALITATIVE AND QUANTITATIVE ANALYSIS OF MARKET RISKS

Our activities expose us to credit risk, liquidity risk and market risk. Our board of directors has overall responsibility for the establishment and oversight of our risk management framework. Our risks are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to us. We have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. We use our own trading records to rate our major clients. Our exposure to financial loss from defaults are continuously monitored.

Liquidity Risk

Liquidity risk is the risk of insufficiency of funds to meet financial obligations. Liquidity risk management implies

maintenance of sufficient cash to meet obligations when due. We continuously monitor forecasted and actual cash flows by assessing the maturity profiles of financial assets and liabilities.

Market Risk

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. We are domiciled in India and have our revenues and other major transactions in our functional currency i.e. INR. Accordingly, we are not exposed to any currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We have borrowed funds at fixed rate of interests. Therefore, we are not exposed to any significant interest rate risk.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Other than as described above, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "*Significant Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section "*Risk Factors*" on pages 331 and 29, respectively, of this Draft Red Herring Prospectus. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "*Risk Factors*", "*Our Business*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 29, 172 and 325, respectively, to our knowledge, there are no known factors that might affect the future relationship between cost and revenue.

STATUS OF NEW PRODUCTS OR BUSINESS SEGMENTS

Except as disclosed in "*Our Business*" on page 172 of this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

SIGNIFICANT DEPENDENCE ON A SINGLE OR A FEW CUSTOMERS

For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, we derived revenue from operations of ₹9,273.06 million, ₹9,535.09 million, ₹9,360.83 million and ₹6,399.22 million, respectively, from our top ten clients, representing approximately 45.23%, 45.63%, 45.68% and 45.98%, respectively, of our total revenue from operations. For the nine months period ended December 31, 2021, for the year ended March 31, 2021, for the year ended March 31, 2020 and for the period February 20, 2018 to March 31, 2019, we derived revenue from operations of ₹2,077.31 million, ₹2,155.61 million, ₹2,604.93 million and nil, respectively, from our largest client, representing approximately 10.04%, 10.21%, 12.65% and nil, respectively, of our total revenue from operations. See "*Risk Factors — Internal Risks — A significant portion of our business is attributable to certain large clients.*

Any deterioration of their financial condition or prospects may have an adverse impact on our business. Further, if we fail to expand the size of our business with our existing clients or expand to new clients, or if we lose our large clients, our business, revenue, profitability and growth will be adversely affected" on page 40 for details.

SEASONALITY

The business of our clients in certain industries, such as retail and e-commerce, is affected by seasonal variations. For further details, see "*Risk Factors – Internal Risks - Some of the industries we serve in our general staffing and allied services and other HR services businesses are subject to seasonal variations, which may result in our operating results fluctuating*" on page 45.

SIGNIFICANT DEVELOPMENTS OCCURRING AFTER DECEMBER 31, 2021

We have the following significant developments occurring after December 31, 2021:

1. Additional Shares Acquired

We have acquired the remaining stake of Affluent Global Services Private Limited in the following manner:

i) pursuant to exercise of the call option by our Company under the Affluent SPSA (**"Call Option**"), a cash consideration of ₹ 20.00 million was paid out as follows: (a) ₹ 10.00 million on May 2, 2022 to Start 2 Scale Ventures LLP and (b) ₹ 10.00 million on May 7, 2022 to Start 2 Scale Ventures LLP; and

ii) pursuant to exercise of the Call Option, 1,380 equity shares amounting to 13.38% of the issued and paid-up share capital of Affluent Global Services Private Limited, were acquired from Shailesh Narayan for an aggregate cash consideration of ₹ 55.03 million on February 14, 2022; and simultaneous issuance and allotment of 473,036 Equity Shares of our Company to Seedthree Trading LLP on February 16, 2022.

2. Acquisition of New Subsidiaries

Our Company and Innovsource Services Private Limited (our Subsidiary) acquired in aggregate and as part of the first tranche, 75% of the issued and paid-up share capital of RLabs Enterprise Services Limited on February 2, 2022, wherein:

(a) our Company acquired 722,493 equity shares amounting to 8.65% of the issued and paid-up share capital of RLabs Enterprise Services Limited; and

(b) Innovsource Services Private Limited acquired 5,541,905 equity shares amounting to 66.35% of the issued and paid-up share capital of RLabs Enterprise Services Limited. The total purchase consideration for this tranche was ₹ 452.23 million as cash consideration.

Further, our Company is required to acquire the remaining 25% of the issued and paid-up share capital of RLabs Enterprise Services Limited in the second tranche on June 30, 2022 or any other date that may be decided by the parties to the RLabs SPA ("**RLabs Second Tranche**"). The purchase consideration for the RLabs Second Tranche shall be payable in cash and shall be a product of the EDITDA of RLabs Enterprise Services Limited for the Fiscal Year 2022 and certain price adjustments. In March 2022, our Subsidiary, V5 Global Services Private Limited, entered into an agreement to acquire certain assets including, *inter alia*, the accounts receivable or unbilled, and certain specified contracts of Dataformix Technologies Private Limited, a company in the business of providing staff augmentation and payrolling services, for a cash consideration of ₹ 15 million. Further, V5 Global Services Private Limited shall on the closing date of the transaction, also make an offer to employ certain categories of employees of Dataformix Technologies Private Limited, as per the terms and conditions specified in the transfer agreement for this acquisition. The consummation of the acquisition is subject to the satisfaction of the conditions precedents as specified in the said transfer agreement.

3. Rights Issue

We have raised funds via rights issue amounting to ₹1,199.99 million by issue of 4,361,574 Equity Shares at a price of ₹275.13 per Equity Share (including a share premium of ₹265.13 per Equity Share). Allotment pursuant to this rights issue was made on April 5, 2022.

To our knowledge, save as disclosed above and in this Draft Red Herring Prospectus, no circumstances have arisen since December 31, 2021 which materially and adversely affect or are likely to affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2021, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information – Restated Consolidated Financial Information*" and "*Risk Factors*" on pages 325, 235 and 89, respectively.

(in ₹ million, except for ratios)

Particulars	Pre-offer as at December 31, 2021	As adjusted for the Offer[(3)]
Borrowings		
Current Borrowings (I)	35.43	[●]
Non-Current Borrowings (II)	-	[●]
Current maturities of long-term loan (III)	-	
Total borrowings (IV = I + II + III)	35.43	[●]
Equity		
Equity share capital[(2)] (V)	722.19	[●]
Other Equity[(2)] (VI)	1,847.68	[●]
Total Equity (VII = IV + V)	2,569.87	[●]
Ratio: Non-current borrowings /Total Equity (VIII=I+II/VII)	-	[●]
Ratio: Total borrowings/ Total Equity (IX = IV/ VII)	0.01	[●]

Notes:

1) *The above has been computed on the basis on amounts derived from the Restated Consolidated Information.*

2) *Subsequent to December 31, 2021, our Company issued: (a) 473,036 Equity Shares on a private placement; and (b) 4,361,574 Equity Shares by way of rights issue, on April 5, 2022. For further details, see "Capital Structure – History of equity share capital of our Company" on page 89.*

3) *The corresponding post-Offer capitalization data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process and hence, the same have not been provided in the above statement. To be updated upon finalization of Offer Price.*

FINANCIAL INDEBTEDNESS

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding borrowings (on a standalone basis).

Our Subsidiaries avail loans in the ordinary course of business for meeting our working capital and operational requirements. Further, our Subsidiaries have obtained the necessary consents and issued the necessary intimations required under the relevant loan documentation for undertaking activities, such as, among others, change in their board of directors and change in their shareholding pattern.

For details regarding the borrowing powers of our Board, see "*Our Management – Borrowing powers of our Board of Directors*" on page 212.

Some of our Subsidiaries have availed certain secured borrowings, including working capital facilities. Set forth below is a brief summary of the aggregate borrowings of our Subsidiaries as of January 31, 2022[*]:

Category of borrowing	Sanctioned amount as on January 31, 2022 (in ₹ million)	Outstanding amount as on January 31, 2022 (in ₹ million)
Innovsource Services Private Limited		
Fund-based	563.00	500.21
Non-fund based (Sub-limit)[^]	100.00	6.23
V5 Global Services Private Limited		
Fund-based	13.00	Nil
Non-fund based (Sub-limit)[^]	13.00	Nil
CBSI India Private Limited		
Fund-based	50.00	23.44
Non-fund based (sub-limit)[^]	50.00	Nil
Total	**626.00**	**529.88**

Notes:

(i) As per facility letter dated September 9, 2021, the total sanctioned limit is of ₹ 800.00 million with the Standard Chartered Bank. The amount drawn is subject to revision of limits on a monthly basis as per the projected cash flow of the month.

(ii) As per facility letter dated July 13, 2021, the total sanctioned limit is of ₹ 150.00 million has been issued by the ICICI Bank.

(iii) Our Company does not have any unsecured indebtedness as on January 31, 2022.

[^] The sub-limit forms part of the total limit of the fund-based facilities.

[*]As certified by Ramanand & Associates, Chartered Accountants, pursuant to their certificate dated May 11, 2022.

For further details of borrowings availed by our Subsidiaries as on December 31, 2021, as per the requirements of Schedule III of Companies Act, 2013 and related accounting standards, see "*Financial Information – Restated Consolidated Financial Information*" on page 325.

Principal terms of borrowings availed by our Subsidiaries

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Subsidiaries.

(a) ***Tenor and Interest rate:*** The tenor of the facilities availed by our Subsidiaries ranges from 90 days to 12 months. In terms of the facilities availed by our Subsidiaries, the interest rate typically comprises a base rate plus applicable margin of the specified lender, ranging from 6.60% to 7.75% p.a.

(b) ***Security:*** In terms of their borrowings where security needs to be created, our Subsidiaries are typically required to*:* (i) create a first *pari passu* charge including by way of hypothecation on all current assets, both present and future; and (ii) procure and deliver to the lender, a bank guarantee or contractual comfort;

(c) ***Prepayment:*** Our Subsidiaries have the option to pre-pay our lenders, in part or in full, subject in some cases to a notice of pre-payment to the lender. Such prepayment is subject to the payment of applicable premiums including in the case of some of the facilities availed by our Subsidiaries, a combination of a pre-payment fee of 2% on the amount pre-paid and payment of "break costs" i.e., the net loss of interest revenue to the lender on account of pre-payment.

(d) ***Restrictive covenants*:** Our Subsidiaries, under the borrowing arrangements entered into by them respectively, require the relevant lender's prior written consent and/or are required to intimate the relevant lender, as applicable, for carrying out certain actions, including:

(i) undertaking or permitting any merger, de-merger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or any class of them or effecting any scheme of amalgamation or reconstruction including creation of any subsidiary or permitting any company to become its subsidiary;

(ii) making any investment whether by way of deposits, loans or investments in share capital or otherwise, in any concern;

(iii) effecting any change in the capital structure in any manner whatsoever;

(iv) undertaking any new business or operations or project or diversification, modernization or substantial expansion of existing businesses or operations or of any project during the currency of the facilities;

(v) any change in the directors, beneficial owners or management setup of the borrower;

(vi) making any investment (excluding fixed deposits, mutual funds or similar nature investments) beyond a stipulated limit in a particular financial year;

(vii) entering into any management contract or similar arrangement whereby its business or operations are managed by any other person;

(viii) amending provisions of major constitutive documents or change in constitution;

(ix) any amalgamation, merger, demerger or corporate reconstruction of our Company;

(x) any acquisition or investment in a company by our Subsidiaries or our Company, except where such acquisition or investment is made in the ordinary course of trading;

(xi) dilution in the combined shareholding of Samara Capital Management Limited, Emerald Strategic Holdings Pte. Ltd. and Janchor Partners in our Company to below a specific threshold;

(xii) availing any further loan or facility and/ or undertaking any guarantee obligations on behalf of any third party.

The abovementioned list is indicative and there may be additional restrictive covenants and conditions where our Subsidiaries may be required to take prior written consent or intimate the respective lender under the various borrowing arrangements entered into by them.

(e) ***Events of Default*:** Borrowing arrangements entered into by our Subsidiaries contain standard events of default, including but not limited to:

(i) failure and inability to pay amounts on the due date;

(ii) violation of any covenant of the relevant agreement or any other borrowing agreement;

(iii) any material adverse effect which would have an effect on our ability to repay the facilities availed;

(iv) cross default with other debt facilities at the group level;

(v) any representation or warranty found to be untrue or misleading when made or deemed to be repeated;

(vi) revocation, non-renewal of operating licenses and authorizations applicable to the borrower;

(vii) insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, unlawfulness, repudiation or cessation of business of the borrower;

(viii) if in the opinion of the lender, the security provided by the borrower is in jeopardy or ceases to have effect or is inadequate or insufficient or any document pertaining to it executed or furnished by the borrower becomes illegal, invalid or unenforceable;

(ix) compulsory acquisition, nationalization or expropriation of a substantial part of the assets of the business;

(x) any change in control of the borrower, either directly or indirectly.

The abovementioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by our Subsidiaries.

(f) ***Consequences of Events of Default*:** Upon the occurrence of an event of default under our borrowing arrangements, our lenders are entitled to, among other things:

(i) declare outstanding amounts immediately due and payable

(ii) withdraw or cancel the sanctioned facilities;

(iii) enforce their security created if any, to be enforceable;

(iv) exercise of any other rights of the lender, under applicable law;

The abovementioned list is indicative and there may be additional consequences on the occurrence of an event of default under the various borrowing arrangements entered into by our Subsidiaries.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Promoter and Directors; (ii) actions taken by regulatory or statutory authorities involving our Company, Subsidiaries, Promoter and Directors; (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Fiscals, including outstanding action involving our Company, Subsidiaries, Promoter and Directors; (iv) outstanding claims related to direct and indirect taxes involving our Company, Subsidiaries, Promoter and Directors (disclosed in a consolidated manner); and (v) other legal proceedings which are determined to be material as per the Materiality Policy adopted by our Board, in each case which may have a material impact on our Company.

*For the purpose of (v) above, our Board in its meeting held on April 12, 2022 has considered and adopted a materiality policy for identification of material litigation involving our Company, Subsidiaries, Promoter and Directors, in accordance with the SEBI ICDR Regulations ("**Materiality Policy**").*

In terms of the Materiality Policy, all pending litigation involving the our Company, Subsidiaries, Promoter and Directors, other than criminal proceedings, actions by regulatory authorities or statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter in the last five Fiscals including outstanding action, and claims related to direct and indirect taxes, will be considered 'material' for disclosure in this Draft Red Herring Prospectus if:

a) *if the monetary amount of claim by or against the our Company, Subsidiaries, Promoter and Directors in any such pending proceeding is individually in excess of 1% of the consolidated net worth of our Company, as per the latest period of Restated Consolidated Financial Information or 1% of the consolidated revenue of our Company as per the latest annual Restated Consolidated Financial Information, whichever is lower.*

   *As per our Restated Consolidated Financial Information, 1% of the consolidated revenue from operations of our Company for the year ended March 31, 2021, was ₹ 211.03 million and 1% the consolidated net worth attributable to the owners of the Company as at December 31, 2021 was ₹ 25.70 million. For details of the net worth attributable to the owners of the Company, see "Other Financial Information" on page 322. Therefore, ₹ 25.70 million has been considered as the materiality threshold (the "**Materiality Amount**"); or*

b) *such pending litigation that is material from the perspective of Company's business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.*

*Further, except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board in its meeting held on April 12, 2022 , has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value equal to, or exceeding ₹ 14.14 million, which is 5% of the total outstanding dues (i.e., trade payables) of our Company as on the last date of the latest period covered in the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, i.e., December 31, 2021, shall be considered as 'material'. Accordingly, for the purpose of this disclosure, any outstanding dues exceeding ₹ 14.14 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.*

In terms of the Materiality Policy, pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by the our Company, Subsidiaries, Promoter and Directors shall unless otherwise decided by our Board, not be considered as litigation until such time that any of them, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, is notified by any governmental authority or any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure pertain to such specific disclosure only.

I. Litigation involving our Company

A. Outstanding criminal proceedings involving our Company

Criminal proceedings initiated against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Company.

Criminal proceedings initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Company.

B. Action by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by statutory or regulatory authorities against our Company.

C. Other material pending litigation involving our Company

Other material pending litigation initiated against our Company

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations initiated against our Company.

Other material pending litigation initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations initiated by our Company.

II. Litigation involving our Directors

A. Outstanding criminal proceedings involving our Directors

Criminal proceedings initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors.

Criminal proceedings initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

B. Pending action by statutory or regulatory authorities against our Directors

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

C. *Other material pending litigation involving our Directors*

Other material pending litigation initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations initiated against our Directors.

Other material pending litigation initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations initiated by our Directors.

III. Litigation involving our Promoter

A. Outstanding criminal proceedings involving our Promoter

Criminal proceedings against our Promoter

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoter.

Criminal proceedings initiated by our Promoter

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoter.

B. Pending action by statutory or regulatory authorities against our Promoter

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoter.

C. Material outstanding litigation involving our Promoter

Other material pending litigation against our Promoter

As on the date of this Draft Red Herring Prospectus there are no other material pending litigations initiated against our Promoter.

Other material pending litigation initiated by our Promoter

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations initiated by our Promoter.

D. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter in the last five Financial Years immediately preceding the date of filing of this Draft Red Herring Prospectus

There has been no disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five Fiscals immediately preceding the date of filing of this Draft Red Herring Prospectus, and no such actions are currently outstanding against the Promoter.

IV. Litigation involving our Subsidiaries

A. Outstanding criminal proceedings involving our Subsidiaries

Criminal proceedings initiated against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil or criminal proceedings initiated against our Subsidiaries.

Criminal proceedings initiated by our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil or criminal proceedings initiated by our Subsidiaries.

B. Outstanding material civil proceedings involving our Subsidiaries

Other material pending litigation initiated against our Subsidiaries

Except as disclosed below, there are no other material pending litigations initiated against our Subsidiaries

Innovsource Services Private Limited

1. Sanjay Kumar Muduli along with 17 others (**"Applicants"**) made an application I.D. Case No. 76/ 2018 before the Labour Court, Bhubaneswar under the Industrial Disputes Act, 1947, seeking computation and determination of money/ benefit due to them with reference to termination of their employment. The Applicants were under the employment of two entities (**"Defendant 1 and 2")** through the staffing services provided by our Subsidiary (**"Defendant 4")**. The Applicants had been assured due compensation for travelling expenses, leave salary, bonus and other expenses by the Defendant 1 and 2. The Applicants thus made an application with a detailed scheduled of computation of compensation due to them before the Labour Court. The consolidated financial claim is ₹ 1.28 million, along with interest. The matter is currently pending before the Labour Court.

2. A group of 803 former employees (**"Applicants"**) had filed individual and group complaints before the Labour Court, Aurangabad, against termination of their employment and reinstatement, which were subsequently merged by the magistrate. The Applicants were employees of a certain entity (**"Defendant 1"**) employed at different posts. Our Subsidiary, (**"Defendant 2"**) was the recruiting entity supplying manpower and HR services to Defendant 1 on a contractual basis. The Applicants have contended that their termination was against their contract of fixed term appointment basing their contentions on appointment letters, salary restructure letters and renewal of contracts. While several of such complaints have been settled through a memorandum of settlement dated August 18, 2017 between the parties, nine group complaints by 263 employees are continuing to be presently pending before the Labour Court.

Innovsource Facilities Private Limited

1. Betha Umadevi **("Applicant")** has filed an application under Sub-Rule (1) of Rule 10 of Payment of Gratuity (Central) Rules, 1972, before the Controlling Authority under the Payment of Gratuity Act, 1972 and the Regional Labour Commissioner (Central), Vishakhapatnam, alleging that she has not been paid the gratuity amount due to her by our Subsidiary **(Defendant)** for the period she was under the employment of the Defendant. The Defendant has filed a reply to the application denying all allegations, stating that the Defendant merely deployed the Applicant to a client's office as part of the Defendant's business of supplying manpower. The Defendant has stated that the client is liable to pay gratuity, if any, to the Applicant as it was the principal employer of the Applicant. The gratuity claimed by the Applicant is ₹ 55,528 along with 10% interest. The matter is currently pending before the Labour Commissioner.

Other material pending litigation initiated by our Subsidiaries

Except as disclosed below, there are no other material pending litigations initiated by our Subsidiaries.

V5 Global Services Private Limited

Our Subsidiary (**"Appellant"**) filed an appeal before the Central Govt. Industrial Tribunal, New Delhi, under Section 7-I of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (**"EPF Act"**) against two orders dated November 8, 2019 of damage & interest passed against the Appellant under Sections 7Q and 14B of the EPF Act. The Appellant is covered under the EPF Act vide EPF Code No. DS/NHP/0034191 and claimed that it had been remitting the requisite provident fund contributions. The Appellant submitted that the order made against the appellant for default in payment by the Regional Provident Fund Commissioner-II (**"Respondent"**), is contrary to the law and facts of the case, on the grounds that the requisite monthly contribution was paid in a timely manner, but the ECR TRRN Number was submitted incorrectly requiring revision from the Respondent and that the order passed by the Respondent is erroneous, unjustified and considering the reasons for delay which were beyond the control of the Appellant. The Appellant has thus appealed the Tribunal for setting aside the impugned order. The matter is currently pending before the Tribunal.

C. Pending action by statutory or regulatory authorities against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Subsidiaries.

V. Tax claims against our Company, Subsidiaries, Promoter and Directors

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Subsidiaries, Directors and Promoter.

Nature of case	Number of cases	Amount involved (in ₹ million)^
Company		
Direct tax	-	-
Indirect tax	-	-
Subsidiaries		
Direct tax*	8	29.92
Indirect tax**	2	0.16
Promoter		
Direct tax	-	-
Indirect tax	-	-
Directors		
Direct tax	-	-
Indirect tax	-	-

^ *To the extent quantifiable.*

* *There are additional 5 cases / notices wherein amount is not ascertainable.*

** *There are additional 29 cases / notices wherein amount is not ascertainable.*

VI. Outstanding dues to creditors

As at December 31, 2021, we had 933 creditors to whom an aggregate outstanding amount of ₹ 282.76 million was due. Further, based on available information regarding the status of the creditor as a micro, small or a medium scale enterprise as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as of December 31, 2021, our Company owes an amount of ₹ 5.31 million to micro, small and medium enterprises.

As per the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 14.14 million, which is 5% of the total outstanding dues (i.e., trade payables) of our Company as per the date of the last Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, i.e., December 31, 2021, shall be considered as 'material'. As at December 31, 2021, there are no material creditors to whom our Company owes an exceeding ₹ 14.14 million. The details pertaining to outstanding dues towards our material creditors and their names are therefore not required to be made available on the website of our Company.

Details of outstanding dues owed to micro, small and medium enterprises, material creditors and other creditors as at December 31, 2021 are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	50	5.31
Material creditors	-	-
Other creditors	883	277.45
Total	**933**	**282.76**

VII. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments Occurring After December 31, 2021*" on page 346, there have been no developments subsequent to December 31, 2021, that we believe are expected to have a material or adverse impact on our business, revenue, trading, our profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental, statutory, and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of licenses, approvals, registrations, and permits obtained by our Company and its Material Subsidiaries which are considered material and necessary for the purpose of undertaking their business activities, and except as mentioned below, no further material approvals from any statutory or regulatory authority are required to undertake or continue such business activities. Certain material approvals may have expired or may expire in the ordinary course of business from time to time, and our Company and its Material Subsidiaries have either already made applications to the appropriate authorities for renewal of such material approvals or are in the process of making such renewal applications. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Further, for details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors - Our inability to obtain, renew or maintain our statutory and regulatory permits, certificates and approvals required to operate our business may have an adverse effect on our business, financial condition and results of operations." on page 36. For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 360 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 197.

We have also set forth below (i) approvals or renewals applied for but not received (ii) approvals expired and renewal yet to be applied for; and (iii) approvals required however yet to be obtained or applied for. For details in connection with the applicable regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 190.

In view of the key approvals listed below, our Company can undertake this Offer, current business activities and operations.

I. Material Approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures - Authority for this Offer*" on page 360.

II. Incorporation details of our Company and our Material Subsidiaries

1. Certificate of incorporation dated February 20, 2018 issued by the RoC to our Company, in its former name, being "FirstMeridian Business Services Private Limited".

2. Fresh certificate of incorporation dated November 23, 2021 issued by the RoC to our Company, consequent upon shifting of the registered office of our Company from Bengaluru, Karnataka to Mumbai, Maharashtra.

3. Fresh certificate of incorporation dated February 1, 2022 issued by the RoC to our Company, consequent upon change of name on conversion to public limited company to 'FirstMeridian Business Services Limited'.

For details of incorporation regarding our Company and Subsidiaries, see "*History and Certain Corporate Matters*" on page 197, "*General Information*" on page 79 and "*Our Subsidiaries*" on page 204.

III. Material Approvals in Relation to Our Business and Operations

Our Company and Subsidiaries engage in providing recruitment services which span the entire value chain of human resource services in India. For details, see "*Our Business - Overview*" on page 172. In furtherance of our business operations, our Company and Subsidiaries are required to obtain various approvals, licenses and registrations. The material registrations and approvals required and obtained by, subject to the location, as well as the nature of services offered by our Company and our Material Subsidiaries, are:

A. Business approvals

1. *Licences under the Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA Act**"):* We are required to obtain and maintain licenses under the provisions of the CLRA Act for providing contract labour to our

clients and get themselves registered. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license.

2. *Registrations under the Employees' State Insurance Act, 1948 ("**ESIC Act**"):* All our employees staffed in establishments covered by the ESI Act are required to be insured and we are required to register our establishments under the ESI Act and *maintain* prescribed records and registers in addition to filing of forms with the concerned authorities.

3. *Registrations under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("**EPF Act**"):* The ESI Act is applicable to our Company and Subsidiary offices and offices of our clients where we have deployed 20 or more of our employees/associates as part of our service. Our Company and its subsidiaries are thus required to mandatorily get registered where applicable under the EPF Act with the relevant regional provident fund *commissioner* with jurisdiction.

4. *Registrations under the Shops and Commercial Establishment legislations of relevant states:* In states where our units and offices are operational, registrations under the respective shops and establishments acts of those states, wherever *enacted* and in force, are required, if they fall within the criteria specified by the legislation. The term of such registrations and renewal requirements as well as processes may differ under the various applicable state legislations and may be subject to periodic renewals, as applicable.

5. *Registrations under Professional Tax Acts of relevant states*: We are required to obtain registration in relation to deduction of professional tax according to the respective professional tax legislations of relevant states. The term of such *registrations* and renewal requirements as well as processes may differ under the various applicable state legislations and may be subject to periodic renewals, as applicable.

6. *Registrations under Labour Welfare Fund legislations of relevant states*- In states where our units and offices are operational, and where state legislations for labour welfare provide for the constitution of labour welfare funds for the financing of activities to promote welfare of labour in the respective states and for conducting activities and for matters connected therewith, the Company and its subsidiaries are required to get registered as required. Liability towards labour welfare fund is accounted for on accrual basis and deposited into Labour Welfare Fund of the respective state governments.

IV. Miscellaneous approvals

1. PAN number AADCF3124G and TAN number BLRF04502B have been issued to us by the Income Tax Department, Government of India.

2. We have obtained goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations applicable to our Company and our Material Subsidiaries in the states and union territories where we operate. The GST registration number of our Company is 27AADCF3124G1ZZ for the state of Maharashtra, where our registered office is located and 29AADCF3124G1ZV for the state of Karnataka, where our corporate office is located.

3. Employee Identification Number 98-1507092 was issued to the branch office of our Subsidiary Affluent Group Services located in New York by the Department of Treasury Internal Revenue Service.

V. Material approvals applied for by our Company and Material Subsidiaries but not received, or not applied for:

We have obtained the necessary permits, licenses and approvals from the appropriate regulatory and governing authorities required to operate our business. Certain approvals may have lapsed in their normal course and our Company and Material Subsidiaries have either made applications to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications.

VI. Intellectual property related approvals

For details, see "*Our Business - Trademarks*" on page 186 and for risks associated with our intellectual property, see "*Risk Factors - Any failure to register our trademarks may have an adverse effect on our*

business and goodwill. Further, our intellectual property rights may be infringed upon or we may infringe the intellectual property rights of third parties" on page 48.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

Our Board has authorised the Offer, pursuant to a resolution dated April 12, 2022. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution passed at their extra-ordinary general meeting dated May 6, 2022. The IPO Committee has taken on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated May 9, 2022. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated May 9, 2022 and the IPO Committee pursuant to its resolution dated May 11, 2022.

Each of the Selling Shareholders has, severally and not jointly, authorised and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholders	Date of board resolution/ resolution passed by the designated partners, as applicable	Date of Consent Letter	Aggregate amount of Offer for Sale (up to) (in ₹ million)	Number of Equity Shares offered for sale (up to)
1.	Manpower Solutions Limited	May 6, 2022	May 9, 2022	6,650.00	[●]
2.	New Lane Trading LLP	April 15, 2022	May 9, 2022	450.00	[●]
3.	Seedthree Trading LLP	April 15, 2022	May 9, 2022	400.00	[●]

Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other authorities

Our Company, the Selling Shareholders, Promoter, members of the Promoter Group, Directors, and the persons in control of our Company and the Promoter are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, the Selling Shareholders, our Promoter and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to our Company and the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Directors associated with securities market

None of our Directors are associated with the securities market related business. There are no outstanding actions initiated by SEBI in the last five years preceding the date of this Draft Red Herring Prospectus against our Directors.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

We are an unlisted company, not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to allot not less than 75% of the Offer to QIBs to meet the conditions as

detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Each of the Selling Shareholders has, severally and not jointly, confirmed that it has held its respective portion of offered shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for sale.

Each of the Selling Shareholders confirms compliance with and has noted for compliance with conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

Our Company is in compliance with the following conditions specified under Regulations 5 of the SEBI ICDR Regulations:

(i) Our Company, the Selling Shareholders, our Promoter, the members of our Promoter Group, and our Directors are not debarred from accessing the capital markets;
(ii) None of the Promoter or the Directors are promoter or directors of companies which are debarred from accessing the capital markets by SEBI under any order or direction passed by the SEBI or any other authorities;
(iii) None of our Company, our Promoter or our Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower;
(iv) None of our Directors are Fugitive Economic Offenders, and our Promoter is a corporate entity; and
(v) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus except for the options granted under the ESOP Scheme.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING JM FINANCIAL LIMITED, DAM CAPITAL ADVISORS LIMITED (*FORMERLY IDFC SECURITIES LIMITED*), EDELWEISS FINANCIAL SERVICES LIMITED AND IIFL SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR

UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHARHEOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 11, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All applicable legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, the Selling Shareholders, our Directors, the BRLMs accept no responsibility for statements made otherwise than those confirmed in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.firstmeridian.com or the websites of the Selling Shareholders, if any, would be doing so at his or her or their own risk.

Unless required by law, the Selling Shareholders, and where applicable and their respective directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by them in this Draft Red Herring Prospectus specifically in relation to itself, and their respective Offered Shares, are true and correct.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere. Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, BRLMs and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Selling Shareholders and their respective group companies, directors and officers, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Subsidiaries, the Selling Shareholders and their respective group companies, directors and officers, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means (i) any other person that, directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with another person or entity; (ii) any other person which is a holding company, or subsidiary of another entity; and/or (iii) any other

person in which another person or entity has a "significant influence" or which has "significant influence" over such Party, where "significant influence" over a person is the power to participate in the management, financial or operating policy decisions of that person but is less than Control over those policies and that shareholders beneficially holding, directly or indirectly through one or more intermediaries, a 10% or more interest in the voting power of that person are presumed to have a significant influence over that person.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India except the United States of America. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date. Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"), pursuant Section 4(a) of the U.S. Securities Act. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other

jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, it will only do so (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to another available exemption from the registration requirements under the U.S. Securities Act, and (B) in accordance with all applicable laws, including the securities laws of any state of the United States or other applicable jurisdiction;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   "THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY

BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK."

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, the Selling Shareholders and the BRLMs, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of the Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time (i) the offer of such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, it will only do so (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the

requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, or (iii) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, and (B) in accordance with all applicable laws, including the securities laws of any state of the United States or other applicable jurisdiction;

7. the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the U.S. Securities Act) in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

"THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK."

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, Selling Shareholders and the BRLMs, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law and the Selling Shareholders will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to their Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. The Selling Shareholders confirm that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed. If our Company does not Allot the Equity Shares within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable law.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, Company Secretary and Compliance Officer, Statutory Auditor, the BRLMs, legal counsel, bankers/ lenders to our Company, F&S and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, and the Banker(s) to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Expert to the Offer

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

(i) Our Company has received written consent from the Statutory Auditors namely, Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their: (i) examination report, dated April 22, 2022 on our Restated Consolidated Financial Information; and (ii) the Statement of Special Tax Benefits available to the Company, the Shareholders

and its Material Subsidiaries (i.e., Innovsource Services Private Limited, V5 Global Services Private Limited, and Affluent Global Services Private Limited) dated April 22, 2022; and (iii) their report dated April 22, 2022, on the Proforma Condensed Combined Financial Information, included in this Draft Red Herring Prospectus.

(ii) Further, our Company has received a written consent from Pavan & Associates, Chartered Accountants, to include their name as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their report dated April 22, 2022 on the Statement of Special Tax Benefits available to RLabs.

(iii) Our Company has received written consent from Ramanand & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

Such consents have not been withdrawn as on the date of this DRHP. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company

Other than as disclosed in the *"Capital Structure – Notes to Capital Structure*" on page 89, our Company has not made any public or rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Capital issue by our Company, listed group companies, Subsidiaries and associates during the previous three years

Our Company does not have any listed group companies, listed associates and listed Subsidiaries. For details in relation to the capital issuances by our Company in the three years preceding the date of filing the Draft Red Herring Prospectus, see "*Capital Structure – Notes to Capital Structure*" on page 89.

Performance vis-à-vis objects – Last issue of Listed Subsidiaries or Listed Promoter

Our Promoter and Subsidiaries are not listed on any stock exchange.

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Price information of past issues handled by the BRLMs (during the current financial year and the two financial years preceding the current financial year)

- **JM Financial Limited**

1. Price information of past issues handled by JM Financial Limited:

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Campus Activewear Limited[*8]	13,997.70	292.00	May 05, 2022	360.00	Not Applicable	Not Applicable	Not Applicable
2.	AGS Transact Technologies Limited[#]	6,800.00	175.00	January 31, 2022	176.00	-42.97% [-3.05%]	-28.63% [-1.64%]	Not Applicable
3.	CMS Info Systems Limited[#]	11,000.00	216.00	December 31, 2021	218.50	21.99% [-1.81%]	25.35% [0.74%]	Not Applicable
4.	Data Patterns (India) Limited[*]	5,882.24	585.00	December 24, 2021	856.05	29.70% [3.61%]	13.56% [1.42%]	Not Applicable
5.	C.E. Info Systems Limited[#]	10,396.06	1,033.00	December 21, 2021	1,581.00	70.21% [6.71%]	48.48% [2.74%]	Not Applicable
6.	Tega Industries Limited[*]	6,192.27	453.00	December 13, 2021	760.00	30.70% [3.96%]	1.02% [-4.25%]	Not Applicable
7.	Go Fashion (India) Limited[*]	10,136.09	690.00	November 30, 2021	1,310.00	59.75% [1.36%]	32.91% [-1.91%]	Not Applicable
8.	Sapphire Foods India Limited	20,732.53	1,180.00	November 18, 2021	1,350.00	3.69% [-4.39%]	20.78% [-2.32%]	Not Applicable
9.	FSN – E-Commerce Ventures Limited[*7]	53,497.24	1,125.00	November 10, 2021	2018.00	92.31% [-2.78%]	68.46% [-4.46%]	36.80% [-8.91%]
10.	Aditya Birla Sun Life AMC Limited[*]	27,682.56	712.00	October 11, 2021	715.00	-11.36% [0.55%]	-23.85% [-0.74%]	-25.65% [-0.90%]

Source: www.nseindia.com and www.bseindia.com
[#] BSE as Designated Stock Exchange
** NSE as Designated Stock Exchange*
Notes:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 100 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of Rs. 27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *Not Applicable - Period not completed*

2. Summary statement of price information of past public issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (` Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023	1	13,997.70	-	-	-	-	-	-	-	-	-	-	-	-
2021-2022	17	2,89,814.06	-	1	2	5	5	4	-	2	-	4	2	2
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1

- **DAM Capital Advisors Limited *(Formerly IDFC Securities Limited)***

1. Price information of past issues handled by DAM Capital Advisors Limited *(Formerly IDFC Securities Limited)*:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	CMS Info Systems Limited(2)	11,000.00	216.00	December 31, 2021	218.50	+21.99%, [-1.81%]	+25.35%, [+0.74%]	Not applicable
2	Metro Brands Limited(2)	13,675.05	500.00	December 22, 2021	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	Not applicable
3	C.E. Info Systems Limited(2)	10,396.06	1033.00	December 21, 2021	1,581.00	+70.21%, [+6.71%]	+48.48%, [+2.74%]	Not applicable
4	Star Health and Allied Insurance Company Limited(1)	60,186.84	900.00@	December 10, 2021	845.00	-14.78%, [+1.72%]	-29.79%,[-6.66%]	Not applicable
5	Go Fashion (India) Limited(1)	10,136.09	690.00	November 30, 2021	1,310.00	+59.75%, [+1.36%]	+32.91%, [-1.91%]	Not applicable
6	Krsnaa Diagnostics Limited(1)	12,133.35	954.00*	August 16, 2021	1,005.55	-9.42%, [+4.93%]	-27.73%, [+9.30%]	-32.63%, [+4.90%]
7	Windlas Biotech Limited(2)	4,015.35	460.00	August 16, 2021	439.00	-18.02%, [+4.79%]	-34.42%, [+9.18%]	-37.01%, [+4.62%]
8	Glenmark Life Sciences Limited(2)	15,136.00	720.00	August 6, 2021	751.10	-6.38%, [+7.10%]	-12.94%, [+10.12%]	-20.67%, [+8.45%]
9	Laxmi Organic Industries Limited(1)	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	+294.50%, [+21.45%]
10	Indian Railway Finance Corporation Limited(1)	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15%, [+15.49%]

Source: www.nseindia.com and www.bseindia.com
**A discount of INR 93 per equity share was provided to eligible employees bidding in the employee reservation portion.*
@ A discount of INR 80 per equity share was provided to eligible employees bidding in the employee reservation portion.
(1) NSE was the designated stock exchange for the said issue.
(2) BSE was the designated stock exchange for the said issue.

Notes:
(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable
(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(f) Not applicable – Period not completed

2. Summary statement of price information of past public issues handled by DAM Capital Advisors Limited *(Formerly IDFC Securities Limited)*:

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	8	136,678.74	-	-	4	2	-	2	-	2	1	-	-	-
2020-21	3	56,770.65	-	-	1	-	1	1	-	-	1	1	1	-

Source: www.nseindia.com & www.bseindia.com

Notes:

a. The information is as on the date of this offer document
b. The information for each of the financial years is based on issues listed during such financial year.
c. Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

- **Edelweiss Financial Services Limited**

1. Price information of past issues handled by Edelweiss Financial Services Limited:

S. No.	Issue Name	Issue Size (₹ million) #	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Vedant Fashions Limited	31,491.95	866.00	February 16, 2022	935.00	3.99% [-0.20%]	Not Applicable	Not Applicable
2.	MedPlus Health Services Limited	13,982.95	796.00@	December 23, 2021	1,015.00	53.22% [3.00%]	23.06% [1.18%]	Not Applicable
3.	Tarsons Products Limited	10,234.74	662.00$	November 26, 2021	700.00	-4.16% [0.03%]	-4.46% [0.22%]	Not Applicable
4.	S. J. S. Enterprises Limited	8,000.00	542.00	November 15, 2021	542.00	-24.99% [-4.33%]	-29.33% [-4.06%]	Not Applicable
5.	Vijaya Diagnostic Centre Limited	18,942.56	531.00*	September 14, 2021	540.00	5.41% [4.50%]	8.08% [0.76%]	-20.59% [-4.31%]
6.	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82% [5.55%]	-0.82% [6.86%]	0.64% [3.92%]
7.	Devyani International Limited	18,380.00	90.00	August 16, 2021	140.90	32.83% [4.93%]	78.39% [9.30%]	97.17% [4.90%]
8.	Powergrid Infrastructure Investment Trust	77,349.91	100.00	May 14, 2021	104.00	14.00% [7.64%]	22.04% [10.93%]	21.83% [22.94%]
9.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	439.00	30.19% [-4.68%]	75.62% [10.85%]	146.92% [27.86%]
10.	Stove Kraft Limited	4,126.25	385.00	February 5, 2021	467.00	30.70% [-0.64%]	28.96% [-4.05%]	114.38% [6.09%]

Source: www.nseindia.com and www.bseindia.com
**Vijaya Diagnostic Centre Limited - A discount of ₹ 52 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹531 per equity share*
$Tarsons Products Limited - A discount of ₹ 61 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹662 per equity share.
@MedPlus Health Services Limited - A discount of ₹ 78 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹796 per equity share.
#As per Prospectus

Notes
1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of Disclosure:

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)#	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22*	9	2,31,182.63	-	-	3	1	2	3	-	-	**1**	2	-	2
2020-21	7	45,530.35	-	-	1	3	1	2	-	-	1	5	1	-

The information is as on the date of the document

1. Based on date of listing.

2. Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

3. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.

**For the financial year 2021-22- 9 issues have been completed of which 5 issues have completed 180 calendar days.*

#As per Prospectus

- **IIFL Securities Limited**

1. Price information of past issues handled by IIFL Securities Limited:

Table 1

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designated Stock Exchange as disclosed in the Red Herring Prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Aditya Birla Sun Life AMC Ltd	27,682.56	712.00	NSE	October 11, 2021	715.00	-11.36%,[+0.55%]	-23.85%,[-0.74%]	-26.14%,[-1.71%]
2	PB Fintech Ltd.	57,097.15	980.00	NSE	November 15, 2021	1,150.00	+14.86%,[-4.33%]	-20.52%,[-4.06%]	N.A.
3	S.J.S Enterprises Ltd.	8,000.00	542.00	NSE	November 15, 2021	542.00	-24.99%,[-4.33%]	-29.33%,[-4.06%]	N.A.
4	Sapphire Foods India Limited	20,732.53	1,180.00	NSE	November 18, 2021	1,350.00	+3.69%,[-4.39%]	+20.78%,[-2.32%]	N.A.
5	Star Health and Allied Insurance	60,186.84	900.00(1)	NSE	December 10, 2021	845.00	-14.78%,[+1.72%]	-29.79%,[-6.66%]	N.A.

	Company Limited								
6	Anand Rathi Wealth Limited	6,593.75	550.00[(2)]	BSE	December 14, 2021	602.05	+12.38%,[+5.22%]	+4.46%,[-4.42%]	N.A.
7	Rategain Travel Technologies Limited	13,357.35	425.00[(3)]	NSE	December 17, 2021	360.00	+11.99%,[+7.48%]	-31.08%,[-0.06%]	N.A.
8	Data Patterns (India) Limited	5,882.24	585.00	NSE	December 24, 2021	856.05	+29.70%,[+3.61%]	+13.56%,[+1.42%]	N.A.
9	Vedant Fashions Limited	31,491.95	866.00	NSE	February 16, 2022	935.00	+3.99%,[-0.20%]	N.A.	N.A.
10	Rainbow Childrens Medicare Limited	15,808.49	542.00[(4)]	NSE	May 10, 2022	510.00	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) A discount of INR 80 Per Equity Share was offered to eligible employees bidding in the employee reservation portion

(2) A discount of INR 25 Per Equity Share was offered to eligible employees bidding in the employee reservation portion

(3) A discount of INR 40 Per Equity Share was offered to eligible employees bidding in the employee reservation portion

(4) A discount of INR 20 Per Equity Share was offered to eligible employees bidding in the employee reservation portion

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

Table 2: Summary Statement of Disclosure

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2020-21	8	47,017.65	-	-	4	2	1	1	-	1	-	3	3	1
2021-22	17	3,58,549.95	-	-	5	-	4	8	-	3	2	3	-	1
2022-23	1	15,808.49	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, as applicable

Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	JM Financial Limited	https://www.jmfl.com
2.	DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*)	https://www.damcapital.in
3.	Edelweiss Financial Services Limited	https://www.edelweissfin.com
4.	IIFL Securities Limited	https:// www.iiflcap.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances other than of Anchor Investors in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

For offer related grievance investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 79.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI, by way of its circular dated March 16, 2021 as amended by its circular dated April 20, 2022 ("**March 2021 Circular**"), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the March 2021 Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular

no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock. The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and the March 2021 Circular, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014, in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee which is responsible for redressal of grievances of security holders of our Company. For details, see "*Our Management*" on page 208.

Our Company has appointed Monali Joshi as our Company Secretary and Compliance Officer for the Company who may be contacted in case of any pre-Offer or post-Offer related grievances. Her contact details are as follows:

Company Secretary and Compliance Officer
501, JollyBoard Tower 1, I Think Techno Campus, Kanjurmarg East
Mumbai City, Mumbai 400 042, Maharashtra, India
E-mail: investors@firstmeridian.com
Tel.: +91 22 4218 0000

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red

Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*" on page 108.

Ranking of the Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see "*Main Provisions of Articles of Association*" on page 406.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 234 and 406, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10 each and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, and advertised in [●] editions of [●], an English national daily newspaper, and [●] editions of [●] a Hindi national daily newspaper, and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity

Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 406.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated January 29, 2022, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated January 7, 2022, amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details, see "*Offer Procedure*" on page 386.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**(1)

**Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.*

***Our Company and the Promoter Selling Shareholder in consultation with the BRLMs may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(1)*UPI mandate end time and date shall be at [●] on [●].*

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

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholder in consultation

with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders confirms that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("**IST**"))
Bid/ Offer Closing Date*	
Submission and Revision in Bids	Only between 10:00 am and 3:00 pm IST

**UPI mandate end time and date shall be at [●] on [●].*

On the Bid/ Offer Closing Date:

(i) In case of Bids by QIBs and Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m.(IST) and uploaded by 4.00 p.m. IST, and

(ii) In case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company and the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserve the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Promoter Selling

Shareholder in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Offer Closing Date on the date of closure of the Offer or; the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the following order:

(i) In the first instance towards subscription for 90% of the Fresh Issue; and

(ii) If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made:

   a. pro rata towards Equity Shares offered by the Selling Shareholders;

   b. thereafter, towards the balance of the Fresh Issue.

The Selling Shareholders shall reimburse, in proportion to the respective portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of it for any delays in making refunds as required under the Companies Act and any other applicable law, provided that any Selling Shareholder shall not be responsible or liable for payment and/ or reimbursement of such expenses towards refund or interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution under

the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 89 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares.

Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of Articles of Association"* on page 406.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraws the Offer at any stage and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 8,000.00 million (the "**Offer**"). The Offer comprises of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 500.00 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 7,500.00 million. The Offer shall constitute [●]%, of the post-offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

The face value of the Equity Shares is ₹ 10 each.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*[(2)]	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and RII	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not less than 75% of the Offer Size shall be Allotted to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to QIBs	Not more than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders, subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million; provided that the unsubscribed portion in either of the subcategories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not more than 10% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the subcategories	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" on page 386.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
		specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 386.	
Mode of Bid	Only through the ASBA process (except for Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, subject to applicable limits, applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, (excluding the QIB Portion), subject to applicable limits, applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading lot	One Equity Share		
Who can apply[3]	Public financial institutions as specified in section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SI	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4]		

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

(1) *Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" on page 386.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 6(2) of the SEBI ICDR Regulations.*

(3) *If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN.*

The Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 392 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 377.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) disposal of application (x) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds; (xii) Designated Date and (xiii) interest in case of delay in allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable

laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be allocated on a proportionate basis to the QIBs, provided that our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

All potential Bidders (except Anchor Investors) are required to mandatorily utilise the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode on the platform of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for the UPI Bidders, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated

Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 (the "**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders can additionally Bid through the UPI Mechanism.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. UPI Bidders bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders) as applicable, in the

relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs and NIBs (other than the RIIs and NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIIs and NIBs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a

confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant Section 4(a) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoter and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor (ii) any "person related to the Promoter/ Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board. Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoter and members of the Promoter Group will not participate in the Offer except to the extent of the offer for sale by the Promoter of its respective Offered Shares. .

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 405. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

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, 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 be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of 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 are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a

confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking companies s should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Selling Shareholders in consultation with the BRLMs may deem fit.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) , nor any "person related to Promoter or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids. The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidders using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. RIBs Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Ensure that you have correctly signed the authorisation/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

23. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

25. Ensure that the PAN is linked with Aadhaar and are in compliance with notification dated February 13, 2020 and press release dated June 25, 2021 issued by Central Board of Direct Taxes;

26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

27. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

29. Bids by eligible NRIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional category for allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders;

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price for Bids by QIBs and Non-Institutional Bidders;

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

10. If you are an UPI Bidder, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;

20. Do not submit your Bid after 3 pm on the Bid/ Offer Closing Date;

21. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/ Offer Closing Date for the QIBs;

22. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

23. Do not Bid for Equity Shares in excess of what is specified for each category;

24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

27. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID; and

28. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" on page 79.

Further, helpline details of the BRLMs pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 82.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for UPI Bidders) details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Bank;

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

11. GIR number furnished instead of PAN;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and

13. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

Allocation to Bidders in all categories, except the Retail Individual Bidders Portion, Non-Institutional Bidders Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non - Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity

Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the members of Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], an English national daily newspaper, and (ii) all editions of [●], a Hindi national daily newspaper, and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the respective Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed;

- If our Company and the Selling Shareholders, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI; and

- that, except issuance of the Equity Shares pursuant to the Fresh Issue, and any exercise of options vested pursuant to the ESOP Schemes, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes, severally and not jointly, in respect of itself as a selling shareholder and its respective portion of its Offered Shares that:

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;

- it is the legal and beneficial owner of the Offered Shares and the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;

- it shall deposit its respective portion of the Offered Shares in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

- it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to its respective portion of the Offered Shares;

- it shall provide such reasonable cooperation to our Company in relation to its respective portion of the Offered Shares for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company and the Promoter Selling Shareholder in consultation with the BRLMs.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2020 dated October 15, 2020 issued by the DPIIT (formerly Department of Industrial Policy & Promotion) ("**FDI Circular**") consolidates the policy framework which was in force as on October 15, 2020. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. The FDI Circular will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Non-debt Instruments Rules.

As per the FDI Circular read with Press Note, 100% foreign direct investment is permitted under the automatic route for human resources and management of human resources functions. In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular 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 Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on page 392.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144Aunder the U.S. Securities Act), pursuant Section 4(a) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the commencement of the listing of equity shares of the Company pursuant to the initial public offering of the Equity Shares of the Company. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All articles of Part B shall automatically terminate, without any further corporate or other action by the Company or by its shareholders and cease to have any force and effect from the Consummation of the IPO (as defined below in Part A) and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

Part –A

Article No.	Particulars	
1.	The regulations contained in the Table marked 'F' in Schedule 1 to the Companies Act, 2013 shall not apply to the EXCLUDED Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	TABLE 'F' EXCLUDED
	The regulations for the management of the Company and for Company to be observance by the members thereto and their governed by Articles representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles	Company to be governed by Article
	Interpretation Clause	
2.	In these Articles:	Interpretation Clause
	(a) "Act" means the Companies Act, 2013 or any statutory "Act" modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. "Articles" means these articles of association of the Company or as altered from time to time. (c) "Board of Directors" or "Board", means the collective body of the directors of the Company. (d) "Company" means "FirstMeridian Business Services Limited" (e) "Consummation of the IPO" means the listing and trading of the equity shares of the Company pursuant to the IPO." (e) "IPO" or "Offer" means the initial public offering of the equity shares of the Company. (f) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Companies Act, 2013. (g) "Seal" means the common seal of the Company. (h) "Manpower" means "Manpower Solutions Limited" Words importing the singular number shall include the plural and Gender the context admits, include the feminine gender. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	
	Share capital and variation of rights	
3.	Subject to the provisions of the Companies Act, 2013 and these Articles, the shares capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.	Shares under the control of Board
4.	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be.	Directors may allot shares otherwise than for Cash
5.	The Authorized Share Capital of the Company is as specified in Clause V of Memorandum of Association of "FirstMeridian Business Services Limited".	Share Capital and Kinds of Share Capital

Article No.	Particulars	
	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: (a) Equity share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital.	
6.	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide - (a) one certificate for all his shares without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.	Issue of Certificate
	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon	Certificate to bear the Seal
	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more shares held jointly than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	One certificate for shares held jointly
7.	A person subscribing to shares offered Company shall have the option either to receive certificates for such Option to receive share shares or hold the shares in a dematerialized state with a certificate or hold shares depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. The Company or a shareholder may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.	
8.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for Issue of new certificate endorsement of transfer, then upon production and in place of one defaced, Surrender thereof to the Company, a new certificate may be issued lost or destroyed lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board, in accordance with the Act and the Rules. The Company will issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgment or such other time as mat be prescribed under Regulation 39(2) of, Listing Obligations and Disclosure Requirements) Regulations, 2015.	
8A.	Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, or such other time as may be prescribed, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, or such other time as may be prescribed, as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve. PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of	

Article No.	Particulars	
	a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.	
9.	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures mutatis (except where the Act otherwise requires) of the Company.	
10.	The Company may exercise the powers of paying Power commissions conferred by the Act, to any person in commission connection with the subscription to its securities, provided person in connection that the rate per cent or the amount of the commission paid with the subscription to or agreed to be paid shall be disclosed in the manner its securities. Required by the Act and the Rules.	
11.	The rate or amount of the commission shall not exceed the Rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
12.	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
13.	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members right
14.	To every such separate meeting, the provisions of these Articles 10 members Provisions relating to general meetings shall mutatis mutandis apply.	Provisions as General Meetings to apply mutatis mutandis to each meeting
15.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
16.	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
17.	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to- (a) persons who, at the date of offer, are holders of equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; or (b) employees under any scheme of employees' stock share option: or (c) Any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.	Further issue of share capital
18.	A further issue of stares may be made in any manner whatsoever as (2) the Board may determine including by way of preferential offer, further issue of shares. Or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
19.	The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to monies called or payable at a fixed time in respect of such Shares. The Company shall have a first and paramount lien – (a) on every share (not being a fully paid shares), for all on monies (whether presently payable or not) called, or payable Shares at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his Estate to the Company. Provided that the Board may at any time declare any share to be wholly or in part except from the provisions of this clause.	Company's lien on Share
20.	The Company's lien, if any, on a share shall extend to all or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends
21.	Unless otherwise agreed by the Board, the registration of a Waiver of lien in (E) transfer of shares shall operate as a waiver of the Company's case of lien.	Waiver of lien in case of registration
22.	The Company may sell, in such manner as the Board thinks As to enforcing fit, any shares on which the Company has a lien: Provided that no sale shall be made- (a) unless a sum in respect of which the lien exists presently payable; or	As to enforcing lien by sale

Article No.	Particulars	
	(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto because of his death or insolvency or otherwise.	
23.	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	
	The purchaser shall be registered as the holder of the shares Purchaser to be comprised in any such transfer.	
	The receipt of the Company for the consideration (if any) Validity of given for the share on the sale thereof shall (subject, if Company's necessary, to execution of an instrument of transfer or a receipt transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	
	The purchaser shall not be bound to see to the application of Purchaser not the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	
24.	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application proceeds of the sale
25.	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale	Payment of residual money
26.	In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien
27.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to lien to apply mutatis mutandis to debentures, etc.
	Calls on shares	
28.	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of The nominal value of the shares or by wav premium and not by the conditions of allotment thereof made payable at fixed times. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.	Board may make calls
	Each member shall, subject to receiving at least fourteen days' Notice of call notice specifying the time times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	
29.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the board may deem appropriate in any circumstances.	Board may extend time for payment
30.	A call may be revoked or postponed at the discretion of the Board.	A call may be revoked or postponed at the discretion of the Board.
31.	A call shall be deemed to have been made at the time when the resolution of the board authorizing the call was passed and may be required to	Call to take effect from date of resolution
32.	The Joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
33.	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from on whom the sum is due shall pay interest thereon from the due date to call the time of actual payment at such rate as may be fixed by the Board.	When interest on call or installment payable
34.	The Board shall be at liberty to waive payment of any such interest Board wholly or in part	Board may waive interest
35.	Any sum which by the terms of issue of a share becomes payable Sums deemed on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums be deemed to be calls

Article No.	Particulars	
36.	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or payment otherwise shall apply as if such sum had become payable by virtue sums of a call duly made and notified.	Effect of non- payment of sums
37.	The Board – (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled calls may carry and unpaid upon any shares held by him; and (b) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	Payment in anticipation of calls may carry interest
38.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the duly Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Instalments on shares to be duly paid.
39.	All calls shall be made on a uniform basis on all shares falling Calls on shares under the same class. Explanation: Shares of the same nominal value on which different same class to amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
40.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as here in provided.	Partial payment not to preclude forfeiture
41.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including Debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
42.	The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The Company shall also use a common form of transfer.	Instrument of transfer to be executed by transferor and transferee
	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	
43.	Subject to the provisions of the Act, the Securities Contracts (Regulation) Act, 1956 and these Articles, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles, applicable laws or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of (i) fifteen days, in case of transfer of shares, (ii) seven days in case of transmission of shares held in dematerialized form, or (iii) twenty one days in case of transmission of shares held in physical form, or such other time period as prescribed under Regulation 40(3) of Listing Obligations And Disclosure Requirements Regulations, 2015 for transfer or transmission of securities, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send to the transferee and transferor notice of the refusal Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on Shares. Transfer of Shares/Debentures in whatever lot shall not be refused.	Board may refuse to register transfer
44.	In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make transfer; and the instrument of transfer is in respect of only one class of shares.	Board may decline to recognize instrument of transfer

Article No.	Particulars	
45.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine; Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year	Transfer of shares when suspended
46.	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.
	Transmission of shares	
47.	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal on representatives where he was a sole holder, shall be the only death persons recognized by the Company as having any title to his member interest in the shares.	Title to shares on death of the member
	Nothing in clause (1) shall release the estate of a deceased joint Estate holder from any liability in respect of any share which had been jointly held by him with other persons.	Estate of Deceased member liable
48.	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board end subject as here in after provided, elect, cither – (a) to be registered himself as holder of the share; or (b)to make such transfer of the share as the deceased or insolvent himself as holder of the share; or member could have made.	Transmission Clause
	The Board shall, in either cause, have the same right to decline or Suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
	The Company shall be fully indemnified by such person from all Indemnity, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
49.	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects	Right to election of holder of share and Limitations applicable to notice
	If the person aforesaid shall elect to Transfer the share, he shall testify his election by executing a transfer of the share.	
	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	
50.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and entitled to same other advantages to which he would be entitled if he were the advantage registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
51.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other Securities including debentures of the Company.	Provision as to transmission to apply mutatis mutandis to debentures, etc.
	Forfeiture of Shares	
52.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so Mach of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or installment not paid notice must be given
53.	The notice aforesaid shall:	Form of notice

Article No.	Particulars	
	(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
54.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to the forfeited
55.	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.	Receipt of part amount or grant of indulgence not to affect forfeiture
56.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of members
57.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other Rights incidental to the share.	Effect of forfeiture
58.	(1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereof or to any other person on such terms and in such entitled thereto manner as the Board thinks fit. Forfeited shares may be sold, etc.	Forfeited shares may be sold etc.
59.	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of Forfeiture
60.	A person whose shares have been forfeited shall cease to be a Members still member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the company all monies which, at the date off or future, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owning at the time of forfeiture
61.	All such monies payable shall be paid together with interest at such rate as the Board may determine, from the time of forfeiture liable until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.	Member still liable to pay money owing at the time of forfeiture
62.	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of liability the shares.	Cease of Liability
63.	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of Forfeiture
64.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is and sold or disposed of,	Title of purchaser and transferee of forfeited shares
65.	The transferee shall thereupon be registered as the holder of the share; and	Transferee to registered as holder
66.	The transferee shall not be bound to see to the application the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
67.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales

Article No.	Particulars	
68.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
69.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.	Surrender of share certificates
70.	The provisions of these Articles as to forfeiture shall apply in the case non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made und notified	Sums deemed be calls
71.	The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.
	Alteration of capital	
72.	Subject to the provisions of the Act, the Company may, by ordinary resolution/Special Resolution (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) sub-divide its Shares, or any of them into Shares of smaller amount than is fixed by the Memorandum of Association(c) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall (d) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares (e) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (f) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person .	Power to alter share capital
73.	Where shares are converted into stock: the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;	Shares may be converted into stock
	the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the 10 Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage	
	such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.	
74.	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules,- (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	Reduction of capital
	Joint Holder	
75.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint-holders
76.	The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders
77.	On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may	Death of one or more joint-holders

Article No.	Particulars	
	deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	
78.	Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one Sufficient
79.	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and-any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
80.	(i)Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed Joint-holders.	Vote of joint holders Executors or administrators as joint holders
81.	The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	The Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.
82.	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve – (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; a (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalisation
83.	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards : (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; (B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B). A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; The Board shall give effect to the resolution passed by the Company in pursuance of this Article.	Sum how applied
84.	Whenever such a resolution as aforesaid shall have been passed, the Board shall – (a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and generally do all acts and things required to give effect thereto	Powers of the Board for capitalisation
85.	The Board shall have power- (a) to make Such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.	Board's power to issue fractional certificates/ coupon etc.

Article No.	Particulars	
86.	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
	Buy Back of Shares	
87.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy Back of Shares
	General meetings	
88.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary
89.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
	Proceedings at general meetings	
90.	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
91.	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
	The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.	Chairperson of the meetings
92.	If there is no such Chairperson, or if he is not present within-fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	Directors to elect a Chairperson
93.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
94.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
95.	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
96.	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	Certain matters not to be included in Minutes
97.	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of The Chairperson
98.	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be evidence
99.	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	Inspection of minute books of general meeting
100.	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above: Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	Members may obtain copy of minutes
101.	The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meetings, and the future orderly conduct of the	Powers to arrange security at meetings

Article No.	Particulars	
	meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.	
	Adjournment of meeting	
102.	The Chairperson may, suo moto, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Notice of adjourned meeting
	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of adjourned meeting not required
	Voting rights	
103.	Subject to any rights or restrictions for the time being attached to any class or classes of shares: (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	Entitlement to on show of hands and on poll
104.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
105.	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of holders the votes of the other joint holders.	Vote of joint holders
	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
106.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members non compos mentis and minor may vote
107.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
108.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may Proceed pending poll
109.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.	Restriction on voting rights
110.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases. to be void
111.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
	Proxy	
112.	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
113.	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
114.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
115.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the not principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:	Proxy to be valid not withstanding death of the principal

Article No.	Particulars	
	Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
116.	(a) Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 14 (fourteen). (b) Notwithstanding anything contained elsewhere in these Articles, till such time as Manpower remains a "promoter" of the Company (or such other term that a "promoter" of the Company may be referred to) under applicable law, Manpower shall have the right to nominate up to 2 (Two) Directors, including their alternate directors, ("**Promoter Nominee Directors**" or "**Nominee Directors**") on the Board of Directors. (c) The Board of Directors shall also comprise appointment of such number of whole-time directors and independent directors ("**Independent Directors**") as required under applicable law, including the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI LODR Regulations**"). (d) To the extent permissible under, and in accordance with applicable law, the appointment and removal of the Nominee Directors shall take effect from the date such appointment or removal is notified to the Company in writing, by Manpower. (e) Unless specifically designated as such with consent of Manpower, and to the extent permissible under applicable law, the Nominee Directors shall not be whole time directors and/or be designated as "officers in default". The Company shall appoint its functional heads like CEO, CFO, COO or other relevant employees, as permitted by applicable law, as "officers in default. (f) Except if required under applicable law, no person other than Manpower shall be entitled to remove or replace, for any reason whatsoever, the Nominee Directors. (g) Any Director on the Board shall be entitled to nominate an alternate Director to attend and vote at Board meetings in his absence, as per the provisions of applicable law. Provided, however, that, it is hereby clarified, upon the Consummation of the IPO, Manpower will be entitled to exercise its right pursuant to this Article 116 only after receipt of approval of the shareholders by way of a special resolution in the first general meeting convened after the Consummation of the IPO.	Board of Directors
117.	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
118.	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.	Same individual may be Chairperson and Managing Director/ Chief Executive Officer
119.	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of directors
120.	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent
121.	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company, or (b) in connection with the business of the Company.	Travelling and other expenses

Article No.	Particulars	
122.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable Instruments
123.	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
124.	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
125.	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
126.	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	Duration of office of alternate director
127.	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re- appointment provisions applicable to Original Director
128.	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
129.	The director so appointed shall hold office only up to the date-up to which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
	Powers of Board	
130.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
	Proceedings of the Board	
131.	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board	Who may summon Board meeting
	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation At Board meetings
132.	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
133.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum

Article No.	Particulars	
134.	The Chairperson of the Company shall be the Chairperson at meetings 0f the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	Directors to elect a Chairperson
135.	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	Delegation of powers
	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations.
	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Committee meetings
136.	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
137.	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
138.	All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee notwithstanding defect of appointment
139.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by circulation
139A	The Board shall have the power to constitute, if necessary, committees or sub-committees of the Board and delegate such of the Board's powers to the aforesaid committees and sub-committees, as the Board may deem fit. Provided that the constitution and composition of committees and sub-committees of the Board, shall be as per the provisions of applicable law, including the SEBI LODR Regulations. Till such time as Manpower remains a "promoter" of the Company (or such other term that a "promoter" of the Company may be referred to) under applicable law, it shall have the right to nominate at least 1(one) of the Promoter Nominee Directors on each of the committees and sub-committees of the Board. Provided, however, that, it is hereby clarified, upon the Consummation of the IPO, Manpower will be entitled to exercise its right pursuant to this Article 139A only after receipt of approval of the shareholders by way of a special resolution in the first general meeting convened after the Consummation of the IPO.	Constitution of Committees
	Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer	
140.	Subject to the provisions of the Act,- A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.

Article No.	Particulars	
	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
	Registers	
141.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, register of transfers, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules and in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialised forms in any medium including in any form of electronic medium. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
142.	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register, and\ the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the beneficial owners/register of members resident in that state or country.	
	The Seal	
143.	The Board shall provide for the safe custody of the seal.	The seal, its custody and use
	The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	Affixation of seal
	Dividends and Reserve	
144.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
145.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
146.	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising, dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as reserve.	Carry forward of profits
147.	with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned

Article No.	Particulars	
148.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to Receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
149.	Any dividend, interest or other monies payable in cash in respect of Dividend how remitted shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
150.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
151.	No dividend shall bear interest against the Company.	No interest on dividend
152.	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividend
	Accounts	
153.	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the Directors Restriction applicable provisions of the Act and the Rules.	Inspection by Directors
	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board.	Restriction on inspection by members
	Winding up	
154.	Subject to the applicable provisions of the Act and the Rules made thereunder -	Winding up of Company
	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	Indemnity and Insurance	
155.	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of LII the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Indemnity and Insurance
	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	

Article No.	Particulars	
	The Company may take and maintain any insurance as the Board ray think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	
	General Power	
156.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	General power

Part - B

Part B of the Articles of Association provides for, amongst other things, the rights of our Promoter pursuant to the SHA. For more details on SHA, see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" on page 202.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies for filing and are also available at the website of our Company which can be accessed at https://firstmeridian.com/investors. Copies of the above-mentioned documents for inspection referred to hereunder, may be inspected at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

Material Contracts to the Offer

1. Offer Agreement among our Company, the Selling Shareholders and the BRLMs dated May 11, 2022.

2. Registrar Agreement among our Company, the Selling Shareholders and Registrar to the Offer dated May 6, 2022.

3. Escrow and Sponsor Bank Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Banker(s) to the Offer and the Registrar to the Offer.

4. Share Escrow Agreement dated [●] between the Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders, the Registrar to the Offer and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated February 20, 2018, a fresh certificate of incorporation dated November 23, 2021 upon change in registered office from Karnataka to Maharashtra, and a fresh certificate of incorporation dated February 1, 2022, upon conversion into a public company.

3. Resolutions of the Board of Directors dated April 12, 2022, authorising the Offer and noting the Fresh Issue.

4. Resolution of the Shareholders dated May 6, 2022, under section 62(1)(c) of the Companies Act, 2013 authorising the Fresh Issue.

5. Resolutions of the Board dated May 9, 2022 and the IPO Committee dated May 11, 2022 respectively approving this Draft Red Herring Prospectus.

6. Resolution of the IPO Committee dated May 9, 2022 taking on record the Offer for Sale.

7. Resolution of the Board of Directors dated [●], approving the Red Herring Prospectus.

8. Consent letters from the Selling Shareholders, each dated May 9, 2022, for participating in the Offer for Sale.

9. Amended and restated Shareholders' Agreement dated June 11, 2018 amongst our Company, our Promoter and New Lane Trading LLP as amended by: (a) the amendment agreement dated August 17, 2020 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP; (b) the amendment agreement dated September 17, 2020 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP; and (c) the amendment agreement dated April 20, 2022 between our Company, our Promoter, New Lane Trading LLP and Seedthree Trading LLP.

10. Employment Agreement dated June 6, 2018 between our Company and Sudhakar Balakrishnan, as amended through an amendment agreement dated April 20, 2022 between our Company and Sudhakar Balakrishnan, read with Schedule 3 of the SHA.

11. Share Purchase Agreement dated April 14, 2018 entered among our Company, Innovsource Private Limited, Raja Sekhar Reddy, Shishir Rambhau Gorle, Innovsource Services Private Limited and Innovsource Facilities Limited**.**

12. Share Purchase and Shareholders' Agreement dated April 18, 2018 entered among our Company, V5 Global Services Private Limited, Satya Prasan Rajguru, Specvision Holding Pte. Ltd. Singapore, Vikram Khanna, Mani Sharma, Rajendra Kumar Jain and Sanjay Kumar Gupta as amended by amendment agreements dated June 8, 2018, June 22, 2018, July 5, 2018 and July 22, 2018 entered into among our Company, V5 Global Services Private Limited, Satya Prasan Rajguru, Specvision Holding Pte. Ltd. Singapore, Vikram Khanna, Mani Sharma, Rajendra Kumar Jain and Sanjay Kumar Gupta.

13. Share Purchase and Shareholders' Agreement dated July 31, 2018 between our Company, Affluent Global Services Private Limited, Start 2 Scale Ventures LLP, Rasama Estates LLP, Shailesh Narayan, Sudhakar Balakrishnan and Seedthree Trading LLP.

14. Share Purchase Agreement dated September 24, 2020 entered among our Company, CBSI India Private Limited, CBSI Asia Pacific Pte Ltd., and Vattikuti Technologies Private Limited.

15. Business Transfer Agreement dated July 1, 2020 entered among our V5 Global Services Private Limited (our Subsidiary), H.R. Cornucopia Private Limited and N. Ahmedali.

16. Share Purchase Agreement dated January 11, 2022 entered among our Company, RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan, as amended by the amendment agreement dated February 1, 2022 entered among our Company, RLabs Enterprise Services Limited, Prameela Aitharaju, Malladi Vasu, Juvvadi Rajani, Renuka Tadakamalla and Vinodh Venkatesan.

17. Additional Agreement to the RLabs SPA dated February 2, 2022 entered among our Company, RLabs Enterprise Services Limited and Vinodh Venkatesan.

18. Transfer agreement dated March 15, 2022 entered into among our Subsidiary, V5 Global Services Private Limited and Dataformix Technologies Private Limited.

19. Agreement dated January 29, 2022 among NSDL, our Company and the Registrar to the Offer.

20. Agreement dated January 7, 2022 among CDSL, our Company and the Registrar to the Offer.

21. Copies of auditor's reports of our Company in respect of our audited consolidated financial statements for the Fiscal Years 2021, 2020 and 2019.

22. Copies of annual reports of our Company for Fiscal Years 2021, 2020 and 2019.

23. Examination report of our Statutory Auditors dated April 22, 2022 on the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

24. Statement of Special Tax Benefits available to the Company, the Shareholders and its Material Subsidiaries (viz., Innovsource Services Private Limited, V5 Global Services Private Limited, and Affluent Global Services Private Limited) in India from our Statutory Auditors, dated April 22, 2022.

25. Statement of special tax benefits available to RLabs under direct and indirect tax laws from Pavan & Associates, Chartered Accountants, dated April 22, 2022.

26. Industry report titled "Assessment of Staffing Solutions Market in India" dated May 2022, prepared and issued by F&S and commissioned by our Company for an agreed fees, pursuant to an engagement letter dated November 15, 2021 entered into with our Company, and consent letter dated May 9, 2022.

27. Written consent dated May 11, 2022, from the Statutory Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated April 22, 2022, on our Restated Consolidated Financial Information; and (ii) the Statement of Special Tax Benefits available to the Company, the Shareholders and its Material Subsidiaries (viz., Innovsource Services Private Limited, V5 Global Services Private Limited, and Affluent Global Services Private Limited) in India, included in this DRHP, dated April 22, 2022 and such consent has not been withdrawn as on the date of this DRHP; and (iii) their report dated April 22, 2022, on the Proforma Condensed Combined Financial Information, included in this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

28. Written consent dated May 11, 2022 from Ramanand & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

29. Written consent dated May 11, 2022 from Pavan & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the statement of the special tax benefits available to RLabs under direct and indirect tax laws, issued by them.

30. Consents of the Selling Shareholders, Bankers to our Company, the BRLMs, Syndicate Members, Registrar to the Offer, Directors of our Company, Company Secretary and Compliance Officer for the Offer, Chief Financial Officer, Indian legal counsel to the Company and the Selling Shareholders, Indian legal counsel to the BRLMs, International legal counsel to the BRLMs and Bankers to our Company as referred to, in their respective capacities.

31. In-principle listing approvals dated [●] and [●], received from NSE and the BSE, respectively.

32. Due diligence certificate dated May 11, 2022 to SEBI from the BRLMs.

33. SEBI observation letter [●] and the in-seriatim reply of the BRLMs to the same dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Avinash Vashistha

(Chairperson and Independent Director)

Place: San Jose, California

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Aduthuraiperumalkoil Ramachandran Chandrasekharan

(Independent Director)

Place: Madurai

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Pooja Prabhakar

(Independent Director)

Place: Bengaluru

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Richa Arora

(Independent Director)

Place: Mumbai

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Manish Mehta

(Non-Executive Nominee Director)

Place: Mumbai

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Nilay Pratik

(Non-Executive Nominee Director)

Place: Mumbai

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

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Sudhakar Balakrishnan

(Whole Time Director and Group Chief Executive Officer)

Place: Bengaluru

Date: May 11, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE GROUP CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Satish Srinivasan

Place: Bengaluru

Date: May 11, 2022

DECLARATION BY MANPOWER SOLUTIONS LIMITED, AS THE SELLING SHAREHOLDER

Manpower Solutions Limited, confirms that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as the Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. Manpower Solutions Limited assumes no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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For Manpower Solutions Limited

Authorised Signatory

Date: May 11, 2022

Place: Mauritius

DECLARATION BY NEW LANE TRADING LLP, AS THE SELLING SHAREHOLDER

New Lane Trading LLP, confirms that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as the Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. New Lane Trading LLP assumes no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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For New Lane Trading LLP

Authorised Signatory

Date: May 11, 2022

Place: Bengaluru

DECLARATION BY SEEDTHREE TRADING LLP, AS THE SELLING SHAREHOLDER

Seedthree Trading LLP, confirms that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as the Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. Seedthree Trading LLP assumes no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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For Seedthree Trading LLP

Authorised Signatory

Date: May 11, 2022

Place: Hyderabad