



S U R A J

**SURAJ ESTATE DEVELOPERS LIMITED**

CORPORATE IDENTITY NUMBER: U99999MH1986PLC040873

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL ID AND TELEPHONE	WEBSITE
301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India	Shivil Kapoor, Company Secretary and Compliance Officer	suraj@surajestate.com +91 22 2437 7877	www.surajestate.com

OUR PROMOTER: RAJAN MEENATHAKONIL THOMAS

## DETAILS OF ISSUE

TYPE	FRESH ISSUE SIZE	ELIGIBILITY									
Fresh Issue	Up to [●] equity shares of face value of ₹ 5 each (“Equity Shares”) aggregating up to ₹ 5,000 million (“Issue”)	The Issue is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations, as our Company did not fulfil the requirements under Regulation 6(1) of SEBI ICDR Regulations.									
<table border="1"> <thead> <tr> <th colspan="3">SHARE RESERVATIONS AMONGST QIBs, NIBs and RIBs</th> </tr> <tr> <th>QIBs</th> <th>NIBs</th> <th>RIBs</th> </tr> </thead> <tbody> <tr> <td>At least 75.00% of the Issue (of which up to 60.00% of the shall be available for allocation to Anchor Investors)</td> <td>Not more than 15.00% of the Issue</td> <td>Not more than 10.00% of the Issue</td> </tr> </tbody> </table>			SHARE RESERVATIONS AMONGST QIBs, NIBs and RIBs			QIBs	NIBs	RIBs	At least 75.00% of the Issue (of which up to 60.00% of the shall be available for allocation to Anchor Investors)	Not more than 15.00% of the Issue	Not more than 10.00% of the Issue
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**RISKS IN RELATION TO THE FIRST ISSUE:** The face value of the Equity Shares is ₹ 5 each. The Issue Price, Floor Price and Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## DETAILS OF ISSUE

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page 27.

## ISSUER’S 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 the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

## LISTING

The Equity Shares issued through the Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited and National Stock Exchange of India Limited. For the purposes of the Issue, [●] is the Designated Stock Exchange

## BOOK RUNNING LEAD MANAGERS (“BRLMs”)

Name of the BRLM and Logo	Contact Person	Email and Telephone
 Centrum Capital Limited	Pooja Sanghvi/ Sooraj Bhatia	E-mail: suraj.ipo@centrum.co.in Telephone: +91 22 4215 9000
 Anand Rathi Advisors Limited	Sumeet Lath/ Pari Vaya	E-mail: sedl.ipo@rathi.com Telephone: +91 22 6626 6666

## REGISTRAR TO THE ISSUE

Name of the Registrar	Contact Person	Email and Telephone
 Link Intime India Private Limited	Shanti Gopalkrishnan	E-mail: surajestate.ipo@linkintime.co.in Telephone: +91 22 49186200

## BID ISSUE PROGRAMME

BID/ ISSUE OPENS ON	[●]*	BID/ ISSUE CLOSES ON	[●]**
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\*Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●].

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

**THIS DRAFT RED HERRING PROSPECTUS IS NOT AN ADVERTISEMENT UNDER THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016 AND IS NOT INTENDED FOR INFORMING PERSONS ABOUT OUR REAL ESTATE PROJECTS OR TO INVITE ANY PERSON TO MAKE ADVANCES OR DEPOSITS IN RELATION TO ANY OF OUR REAL ESTATE PROJECTS**



SURAJ

## SURAJ ESTATE DEVELOPERS LIMITED

Our Company was originally incorporated as 'Suraj Estate Developers Private Limited', a private limited company under the Companies Act, 1956 in Mumbai, Maharashtra, pursuant to a certificate of incorporation dated September 10, 1986 issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the shareholders of our Company dated October 30, 2021 and the name of our Company was changed to 'Suraj Estate Developers Limited' and a fresh certificate of incorporation dated December 9, 2021 was issued by the RoC. For further details on the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 193.

**Registered and Corporate Office:** 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India.

**Tel:** +91 22 2437 7877, **Website:** www.surajestate.com

**Contact Person:** Shivil Kapoor, Company Secretary and Compliance Officer, **E-mail:** suraj@surajestate.com

**Corporate Identity Number:** U99999MH1986PLC040873

### OUR PROMOTER: RAJAN MEENATHAKONIL THOMAS

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 5 EACH ("EQUITY SHARES") OF SURAJ ESTATE DEVELOPERS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ 5,000 MILLION (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [●] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH. THE PRICE BAND AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND REGIONAL EDITION OF [●], A MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED, WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").**

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

The Issue is being made through Book Building Process in terms of Rule 19(2)(b) of the Securities Contracts Regulation Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations and is being made through Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. 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 Issue cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except 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 RIBs) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 361.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5 each. The Issue Price, Floor Price and Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 27.

### ISSUER'S 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 the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated BSE and NSE, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A 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 until the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 416.

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE ISSUE

<b>Centrum Capital Limited</b> Centrum House C.S.T. Road, Vidyanageri Marg Kalina, Santacruz (East) Mumbai 400 098 Maharashtra, India <b>Telephone:</b> +91 22 4215 9000 <b>E-mail:</b> suraj.ipo@centrum.co.in <b>Website:</b> www.centrum.co.in <b>Investor Grievance e-mail:</b> igmbd@centrum.co.in <b>Contact Person:</b> Pooja Sanghvi/ Sooraj Bhatia <b>SEBI Registration Number:</b> INM000010445	<b>Anand Rathi Advisors Limited</b> 10th Floor, Trade Tower – D, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, 400013 Maharashtra, India <b>Telephone:</b> +91 22 6626 6666 <b>E-mail:</b> sedl.ipo@rathi.com <b>Website:</b> www.rathi.com <b>Investor Grievance e-mail:</b> grievance.ecm@rathi.com <b>Contact Person:</b> Sumeet Lath/ Pari Vaya <b>SEBI Registration Number:</b> INM000010478	<b>Link Intime India Private Limited</b> C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India <b>Telephone:</b> +91 22 49186200 <b>Email:</b> surajestate.ipo@linkintime.co.in <b>Investor grievance e-mail:</b> surajestate.ipo@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI registration number:</b> INR000004058

### BID ISSUE PROGRAMME

<b>BID / ISSUE OPENS ON</b>	[●]*
<b>BID / ISSUE CLOSES ON</b>	[●]**

\*Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●].

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue 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.*

*Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 112, 185, 107, 232, 103, 330 and 382, respectively, shall have the meaning ascribed to them in the relevant section.*

#### General Terms

Term	Description
“our Company” or “the Company”	Suraj Estate Developers Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies or except in terms of our Restated Consolidated Financial Statements, refers to our Company together with our Subsidiaries

#### Company related terms

Term	Description
Accord	Accord Estates Private Limited
AoA /Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management – Committees of our Board of Directors – Audit Committee” on page 212
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s. Bhuwania & Agarwal Associates, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company, as described in “Our Management”, beginning on page 205
Chief Financial Officer/CFO	Chief financial officer of our Company, Shreepal Shah. For details, see “Our Management” on page 205
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Shivil Kapoor. For details, see “Our Management” on page 205
CSR Committee/ Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in “Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee” on page 217
Director(s)	Directors on our Board as described in “Our Management”, beginning on page 205
Equity Shares	The equity shares of our Company of face value of ₹ 5 each
Executive Director(s)	Executive directors on our Board, as described in “Our Management”,

	beginning on page 205
Group Companies	Companies identified as ‘group companies’ of our Company in terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, namely, Technica Exports Private Limited, Exemplica Realty Private Limited; and Gratique Realty Private Limited
Iconic Property	Iconic Property Developers Private Limited
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on page 205
IPO Committee	The IPO committee of our Company
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management</i> ” on page 205
Materiality Policy	The policy adopted by our Board of Directors on January 19, 2022, for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
Material Subsidiary	The material subsidiary of our Company, namely Accord Estates Private Limited as disclosed in “ <i>Our Subsidiaries</i> ” on page 199
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 215
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 205
Promoter	The promoter of our Company, being Rajan Meenathakonil Thomas. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 224
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 224
Registered and Corporate Office	The registered and corporate office of our Company, situated at 301, 3 <sup>rd</sup> Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company comprises of the restated consolidated statement of assets and liabilities as at 31 October 2021, 31 March 2021, 31 March 2020 and 31 March 2019, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for seven months period ended 31 October 2021 and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and the summary statement of significant accounting policies, and other explanatory information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
RoC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Stakeholders’ Relationship Committee</i> ” on page 217

Subsidiaries	Subsidiaries of our Company as set out in “ <i>Our Subsidiaries</i> ” on page 199
Skyline Realty	Skyline Realty Private Limited
Uditi	Uditi Premises Private Limited
Whole-time Director	Whole-time director on our Board, as described in “ <i>Our Management</i> ”, beginning on page 205

### Issue Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have bid in the Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anand Rathi	Anand Rathi Advisors Limited
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus 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 in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	Final 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 than the Issue Price but not higher than the Cap Price.  The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company 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 in accordance with the SEBI ICDR Regulations.
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 Issue Price, not later than two Working Days after the Bid/Issue Closing Date
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIIs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by

	a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Issue Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 361
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the 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 payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	<p>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 published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.</p> <p>Our Company in consultation with the Book Running Lead Managers may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall also be notified on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.
Bid/ Issue Period	Except in relation to Bid by Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in 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.

		In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days
Bidder		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 Centers		Centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process		Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers/ BRLMs		The book running lead managers to the Issue, namely, Centrum Capital Limited and Anand Rathi Advisors Limited
Broker Centres		Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges.
CAN/Confirmation Allocation Note	of	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price		The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof
Centrum		Centrum Capital Limited
Client ID		Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Participant/ CDP	Depository	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 the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE
Cut-off Price		The Issue Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band.  Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non- Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details		Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where 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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> 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 (other than Anchor Investors) can submit the ASBA Forms. 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)
Designated Date		The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue
Designated Intermediaries		In relation to ASBA Forms submitted by Retail Individual Investors (not



	using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.
	In relation to ASBA Forms submitted by Retail Individual Investors (Bidding using the UPI Mechanism) where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs.
	In relation to ASBA Forms submitted by QIBs and NIIs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
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 ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated March 4, 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 Issue including any addenda or corrigenda thereto
Eligible FPI(s)	FPIs that are eligible to participate in this Issue in terms of applicable laws
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the BRLMs and Banker(s) to the Issue for inter alia collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	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(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, 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 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
Issue	The initial public offer of [●] Equity Shares aggregating up to ₹ 5,000 million
Issue Agreement	The agreement dated March 4, 2022 amongst our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor

	Investor Issue Price in terms of the Red Herring Prospectus.
	The Issue Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 93
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered between our Company and the Monitoring Agency.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 93
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NII’s	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not more than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof.  The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the

	Designated Date, in this case being [●]
QIB Category/ QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Issue, consisting of [●] Equity Shares aggregating to ₹ [●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto.  The Bid/Issue Opening Date shall be at least three Working Days after the registration of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and BRLMs and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated February 1, 2022 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue/ Registrar	Link Intime India Private Limited
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Retail Individual Investors(s)/ RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being not more than 15% of the Issue consisting of [●] Equity Shares aggregating to ₹ [●] million, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Investors 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 Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date
SCORES	Securities and Exchange Board of India Complaints Redress System
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 <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> 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 RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in</a>

	<p><a href="#">tmId=40</a> or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43</a>. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a>.</p>
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIIs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	Agreement to be entered into among our Company, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue and carry out activities as an underwriter, namely, [●]
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 among the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	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 circular no. 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 no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investor, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor using the UPI Mechanism initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by Retail Individual Investors to make Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business and the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the

Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

## Conventional and General Terms and Abbreviations

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Extraordinary general meeting
EOU	Export oriented unit
EPS	Earnings per share
EUR/ €	Euro
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
GDP	Gross domestic product
GoI	Government of India
GST	Goods and services tax

Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
IT	Information technology
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MPCB	Maharashtra Pollution Control Board
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NEFT	National electronic fund transfer
NFE	Net foreign exchange
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
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 BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
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 Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US\$	United States Dollars
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

### Technical and Industry Related Terms

Terms	Description
AICTE	All India Council of Technical Education
BPO	Business process outsourcing
CAGR	Compound Annual Growth Rate
CMIE	Centre for Monitoring Indian Economy Pvt. Ltd
CSIA	Chhatrapati Shivaji International Airport
FSI	Floor space index
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
IBC	Insolvency and Bankruptcy Code
IMF	International Monetary Fund
INR	Indian National Rupee
IT	Information technology
ITeS	Information Technology Enabled Services
MCGM	Municipal Corporation of Greater Mumbai
MHADA	Maharashtra Housing and Area Development Authority
MBRRB	Mumbai Building Repair And Reconstruction Board
MMR	Mumbai Metropolitan Region

NCR	National Capital Region
NITIE	National Institute of Industrial Engineering
PMAY	Pradhan Mantri Awas Yojna
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority
TDR	Transfer of Development Rights
UN	United Nations
UT	Union Territories
UNDP	United Nations Development Program
UNFPA	United Nations Population Fund
Y-o-Y	Year on year



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

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references 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 to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### **Financial Data**

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Statements.

Our Restated Consolidated Financial Statements are prepared by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

For further information on our Company’s financial information, see “*Restated Consolidated Financial Statements*” on page 232. Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified and reference to Stub Period is to the seven months period ended October 31.

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, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. 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. For further details in connection with risks involving differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*” on page 58.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 27, 159 and 293, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. 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 numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points

to conform to their respective sources.

### Non-GAAP Measures

Certain non-GAAP measures such as EBIT, EBITDA, EBITDA Margin, Gross Margin, Capital Employed, Return on Capital Employed, Return on Equity, PAT Margin, total borrowings and debt to equity ratio, total product sales to revenue from operations (standalone), Net Worth and Return on Net Worth and net asset value per equity share (“**Non-GAAP Measures**”) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / 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, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company’s operating performance. See “*Risk Factors*” on page 27.

### Currency and Units of Presentation

All references to “**Rupees**” or “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India.

All references to “**U.S.\$**”, “**U.S. Dollar**”, “**USD**” or “**U.S. Dollars**” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents ‘10 lakhs’ or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

### Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows.

Currency	Exchange Rate as on			
	October 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1 USD	74.79	73.50	75.39	69.17

Source: [www.fbil.org.in](http://www.fbil.org.in)

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day has been disclosed. The reference rates are rounded off to two decimal places.

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled “Real Estate Industry Report” dated March 4, 2022 (the “**Company Commissioned Anarock Report**”), which has been commissioned and paid for by our Company from Anarock Property Consultants Private Limited. For risks in relation to commissioned reports, see “*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and*

*other industry information is either complete or accurate” on page 52.*

Disclaimer of Company Commissioned Anarock Report:

*“This assignment of Market Research has been done on a best effort and knowledge basis of the Consultant. The Consultant has relied on the information provided to them, whether from public and private sources. However, property markets in cities continue to be plagued by misinformation, non-disclosure, and fragmentation, wherein almost inevitably some information is withheld in every case. The data, documentation, and assumptions used to prepare any analysis or reports hereunder will be derived from basic information / data points supplied by Client, published information, information prepared by the Consultant in the regular course of its business, and other industry sources.*

*The Client acknowledges and agrees that there may be differences between projected and actual scenarios because events and circumstances frequently do not occur as predicted, and those differences may be material and hereby releases Consultant from any claims or liability arising from these differences. Whilst every effort has been taken to provide authentic data and analysis, Anarock Property Consultants Private Limited, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred based on the information and analyses provided, nor are liable to any damages in any form or shape. Our liability for this exercise (whether arising from negligence or whatsoever) is as mentioned in the Consulting Services Agreement. The Consultant does not accept any liability to any third party in relation to the issue of this Market Research.*

*This assignment of Market Research and its result are specific to the purpose of ‘Market Research’ as per agreed terms of Scope of Work. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. The Market Research is substantively based only on information contained in this memo and are governed by concept of materiality.*

*Result of the Market Research are specific to the date of this assessment. A market research of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. As such, our assessment and projections of scenarios of the market Research are, to a significant extent, subject to continuance of current trends beyond the date of the assessment. It is usually the case that some events and circumstances may not occur as expected or are not anticipated. Therefore, actual scenarios during the forecast period may differ from the forecast and such differences may be material. The Consultant, however, have no obligation to update this assessment for events, trends or transactions relating to the company or the market/economy in general and occurring subsequent to the date of this assessment.*

*Consultant’s analysis, interpretation, projections, scenarios and conclusions from the Market Research shall not be treated as an advise to anybody to take buy or sell decision*

*The client has further agreed that any reports and deliverables under this assignment will not be submitted in any court of law anywhere in the world, neither submitted nor presented in any legal platform, including any government agency or arbitration proceedings.”*

Except for the Company Commissioned Anarock Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that derived from the Company Commissioned Anarock Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLMs, or any of their respective affiliates or advisors. 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. 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section ‘Risk Factors’ on page 27. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

The extent to which the market and industry data used 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, "*Basis for Issue Price*", beginning on page 103 includes information relating to our peer group companies. Such information has been derived from publicly available sources. No investment decision should be made solely on the basis of such information.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- Continuing and unpredictable impact of COVID-19;
- Heavy dependence of the performance of, and the conditions affecting, the real estate markets in the SCM;
- Ability to anticipate and respond to consumer preference and requirements in the residential real estate market;
- Uncertainty in the title of our real estate assets;
- Ability to complete our projects by the expected completion dates;
- Inability to successfully identify and acquire suitable land parcels;
- Increase in price of land; and
- Availability of real estate financing on acceptable terms or at all.

For details regarding factors that could cause actual results to differ from expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, beginning on pages 27, 159 and 293, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on 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 currently available information. Although we believe 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. Neither our Company, our Promoter, our Directors, the Book Running Lead Managers nor any of its respective affiliates or advisors 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 Book Running Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Issue.

## SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Consolidated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 27, 67, 83, 93, 112, 159, 224, 232, 330, and 361, respectively of this Draft Red Herring Prospectus.

### Primary business of our Company

We are among the top two developers with 15.25% market share as per supply (in number of units) and rank third with 13.50% market share as per absorption (in number of units) in the residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in South Central Mumbai region for calendar years 2016 to 2021 (till Q3). (Source: Company Commissioned Anarock Report). We have been involved in the real estate business since 1986, and develop real estate across the residential and commercial sectors in the South Central Mumbai region.

### Industry in which our Company operates

It is a globally established fact that demographic shifts fundamentally affect the demand for real estate. India’s large population base of over 1.37 bn provides a huge domestic demand base which attracts businesses from across the world to setup their operations here. Along with rising population, India’s urbanization rate is also increasing at a fast pace. As per UNDP projections, by 2046 approx. 50% of population in India will be urban. However, rapid urbanization is expected to drive the demand for housing, offices and other real estate asset classes in the medium – long term. UNDP has projected that there will be 8 cities with a population of 10 mn & above by the year 2035 in India, highlighting the unmet housing demand.

For further details, see “Industry Overview” on page 112.

### Name of Promoter

As on the date of this Draft Red Herring Prospectus, our Promoter is Rajan Meenathakonil Thomas. For further details, see “Our Promoter and Promoter Group” on page 224.

### Issue Size

Issue <sup>(1)</sup>	Issue of up to [●] Equity Shares aggregating up to ₹ 5,000 million
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(1) The Issue has been authorised by our Board pursuant to resolution passed on January 19, 2022 and the Issue has been authorized by our Shareholders pursuant to a resolution passed on January 25, 2022.

### Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Details of the objects	Amount (in ₹ million)
Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited	3,150.00
Acquisition of land or land development rights	450.00
General corporate purposes*	[●]
<b>Total Net Proceeds</b>	<b>[●]</b>

\*To be determined upon finalisation of the Issue 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 Gross Proceeds.

For further details, see “Objects of the Issue” beginning on page 93.

## Aggregate pre-Issue shareholding of Promoter and Promoter Group

The aggregate pre-Issue shareholding of our Promoter and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company is set out below:

S. No	Name of the Shareholder	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
<b>Promoter</b>			
A.	Rajan Meenathakonil Thomas	27,282,000	82.05
	Total (A)	<b>27,282,000</b>	<b>82.05</b>
<b>Promoter Group</b>			
A.	Sujatha R. Thomas	3,877,500	11.66
B.	Rahul Rajan Jesu Thomas	392,000	1.18
C.	Elizabeth Lavanya Rajan Thomas	76,500	0.23
D.	Margarette Shwetha Thomas	121,800	0.37
	Total (B)	<b>4,467,800</b>	<b>13.44</b>
	<b>Total (A+B)</b>	<b>31,749,800</b>	<b>94.89</b>

For further details, see “*Capital Structure*” beginning on page 83.

## Summary of Financial Information

A summary of the financial information of our Company as per the Restated Consolidated Financial Statements is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the Seven months period ended October 31, 2021*	As at and for the Fiscal		
		2021	2020	2019
Share capital	158.75	63.50	63.50	63.50
Net worth <sup>(1)</sup>	244.80	291.47	230.13	216.98
Revenue (total income)	1,096.24	2,399.87	869.28	345.84
Profit after tax	118.95	62.77	15.16	16.23
Earnings per share (basic and diluted)				
- Basic (in ₹) <sup>(2)</sup>	3.75	1.98	0.48	0.51
- Diluted (in ₹) <sup>(3)</sup>	3.75	1.98	0.48	0.51
Net asset value per Equity Share (in ₹) <sup>(4)</sup>	7.71	45.90	36.24	34.17
Total borrowings	6,490.64	6,004.78	4,973.64	3,711.30

\*Not annualised

- (1) “Net Worth” means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Consolidated Financial Statements;
- (2) Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
- (3) Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
- (4) Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period

For further details, see “*Restated Consolidated Financial Statements*” on page 232.

## Qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Statements

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Statements. For further details, see “*Restated Consolidated Financial Statements*” on page

### Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Directors, Promoter, Group Companies and Subsidiaries, to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ million)*
1.	<b>Company</b>						
	By the Company	2	-	-	-	1	7.98
	Against the Company	-	5	-	-	27	23.27
2.	<b>Subsidiaries</b>						
	By the Subsidiaries	-	-	-	-	-	-
	Against the Subsidiaries	-	2	-	-	7	477.37
3.	<b>Directors</b>						
	By the Directors	-	-	-	-	1 <sup>^</sup>	- <sup>@</sup>
	Against the Directors	-	1	-	-	2 <sup>#</sup>	0.63
4.	<b>Promoter</b>						
	By the Promoter	-	-	-	-	1 <sup>^</sup>	- <sup>@</sup>
	Against the Promoter	-	1	-	-	2 <sup>#</sup>	4.07
5.	<b>Group Company</b>						
	By the Group Company	-	-	-	-	-	-
	Against the Group Company	-	-	-	-	-	-

\*To the extent quantifiable.

@Cannot be quantified

<sup>^</sup>The referred case has been included in material civil litigation by the Company.

<sup>#</sup>The referred case has been included in material civil litigation against the Company.

For further details, see “Outstanding Litigation and Material Developments” beginning on page 330.

### Risk factors

Investors should see “Risk Factors”, beginning on page 27 to have an informed view before making an investment decision.

### Summary of contingent liabilities and commitments

The details of our contingent liabilities as disclosed in the Restated Consolidated Financial Statement are set forth in the table below:

Particulars	(in ₹ million)			
	As at October 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019



<b>(i) Claims against the Company/disputed liabilities not acknowledged as debts</b>				
Disputed income tax demands	51.73	51.73	4.15	4.15
<b>(ii) Guarantees given by the bank on behalf of Company and group entities</b>				
Guarantees given by bank to Government Authorities on behalf of the Company	37.25	37.25	12.25	61.70

Notes:

In respect of (i) above, future cash outflows (including interest/ penalty, if any) are determinable on receipt of judgement from tax authorities / settlement of claims or non-fulfilment of contractual obligations. Further, our Company does not expect any reimbursement in respect of above. In respect of (ii) above, our Company does not expect any cash outflow till such time contractual obligations are fulfilled for which guarantees are issued.

For further details, see “Restated Consolidated Financial Statements –Note 40.2: Contingent liabilities and Commitments” on page 273.

### Summary of related party transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Consolidated Financial Statements is set forth below:

Nature of transaction	Name of the party	Period ended October 31, 2021	% of the revenue	Year ended March 31, 2021	% of the revenue	Year ended March 31, 2020	% of the revenue	Year ended March 31, 2019	% of the revenue
Funds received	Rajan Meenathakonil Thomas	73.94	6.74	10.00	0.42	86.21	9.92	58.49	16.91
	Rahul Rajan Jesu Thomas	66.34	6.05	25.15	1.05	12.89	1.48	25.00	7.23
	Margaratte Shwetha Thomas	-	-	2.05	0.09	-	-	-	-
	John Thomas	-	-	1.50	0.06	-	-	-	-
	Sujatha R.Thomas	8.85	0.81	0.07	0.00	-	-	5.13	1.48
Funds Paid	Rahul Rajan Jesu Thomas	44.10	4.02	28.13	1.17	14.99	1.72	22.31	6.45
	Margaratte Shwetha Thomas	-	-	-	-	-	-	1.04	0.30
	Rajan Meenathakonil Thomas	33.99	3.10	1.55	0.06	2.71	0.31	11.49	3.32
	Sujatha R.Thomas	0.73	0.07	-	-	7.89	0.91	5.13	1.48
	Elizabeth Lavanya Rajan Thomas	3.25	0.30	0.05	0.00	-	-	-	-
	Amount paid for re-	Technica Exports	1.74	0.16	3.56	0.15	0.54	0.06	-

imbursement of expenses	Private Limited								
	Exemplica Realty Private Limited	0.00	-	0.01	0.00	-	-	-	-
	Gratique Realty Private Limited	0.00	-	0.01	0.00	-	-	-	-
	Rajan Meenathakon il Thomas	23.23	2.12	24.51	1.02	1.15	0.13	29.11	8.42
	Rahul Rajan Jesu Thomas	0.52	0.05	1.16	0.05	7.03	0.81	5.83	1.69
	Sujatha R.Thomas	0.56	0.05	1.61	0.07	0.92	0.11	0.23	0.07
	Margaratte Shwetha Thomas	0.60	0.05	0.01	0.00	-	-	-	-
Amount received for reimbursement of expenses	Technic Exports Private Limited	1.74	0.16	4.10	0.17	-	-	-	-
	Rajan Meenathakon il Thomas	10.04	0.92	22.76	0.95	11.50	1.32	35.45	10.25
	Rahul Rajan Jesu Thomas	0.24	0.02	3.21	0.13	7.75	0.89	11.49	3.32
	Sujatha R.Thomas	0.52	0.05	1.40	0.06	2.39	0.27	-	-
	Margaratte Shwetha Thomas	0.50	0.05	0.01	0.00	-	-	-	-
Car Hiring Charges	Rajan Meenathakon il Thomas	0.77	0.07	1.98	0.08	1.98	0.23	1.98	0.57
	Rahul Rajan Jesu Thomas	0.49	0.04	0.84	0.04	0.84	0.10	-	-
Managerial Remuneration	Sujatha R.Thomas	0.27	0.02	0.35	0.01	0.30	0.03	0.33	0.10
	Rajan Meenathakon il Thomas	3.72	0.34	4.76	0.20	4.08	0.47	2.21	0.64
	Rahul Rajan Jesu Thomas	3.28	0.30	4.50	0.19	3.75	0.43	1.95	0.56
Rent Income	Technica Exports Private Limited	-	-	-	-	0.54	0.06	-	-
	Sujatha R.Thomas	0.07	0.01	0.12	0.01	0.12	0.01	0.12	0.03

Purchase of Tenancy	Rajan Meenathakon il Thomas	-	-	-	-	-	-	29.90	-
Sale of flat	Rahul Rajan Jesu Thomas	1.89	0.17	10.40	0.95	-	-	-	-
	Margaratte Shwetha Thomas	1.89	0.17	10.40	0.95	-	-	-	-
	Elizabeth Lavanya Rajan Thomas	3.25	0.30	17.88	1.63	-	-	-	-
Interest Expenses	Rajan Meenathakon il Thomas	9.93	0.91	16.69	0.70	10.62	1.22	8.44	2.44
	Rahul Rajan Jesu Thomas	0.24	0.02	0.22	0.01	-	-	-	-
Purchase of Equity Shares of Skyline Realty Private Limited	Rajan Meenathakon il Thomas	1.47	0.13	-	-	-	-	-	-
	Rahul Rajan Jesu Thomas	1.47	0.13	-	-	-	-	-	-
Purchase of Equity Shares of Iconic Property Developers Private Limited	Rajan Meenathakon il Thomas	0.06	0.00	-	-	-	-	-	-
	Rahul Rajan Jesu Thomas	0.04	0.00	-	-	-	-	-	-
Purchase of Equity Shares of Accord Estates Private Limited	Rajan Meenathakon il Thomas	86.80	7.92	-	-	-	-	-	-
	Rahul Rajan Jesu Thomas	31.79	2.90	-	-	-	-	-	-
	Sujatha R.Thomas	35.45	3.23	-	-	-	-	-	-
Purchase of Equity Shares of Udit Premises Private Limited	Rajan Meenathakon il Thomas	2.54	0.23	-	-	81.90	9.42	-	-
	Rahul Rajan Jesu Thomas	2.54	0.23	-	-	-	-	-	-
	Sujatha R.Thomas	2.54	0.23	-	-	-	-	-	-

For further details, see “Restated Consolidated Financial Statements – Note 42.2: Related party disclosures” beginning on page 273.

### Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company other

than in the normal course of business of the relevant financing entity, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

### Weighted average price at which the Equity Shares were acquired by our Promoter in the three years and one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoter in three years and one year preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition (in ₹) <sup>#</sup>	Cap price is 'X' times the weighted average cost of acquisition <sup>@</sup>	Range of acquisition price: Lowest price – Highest price (in ₹) <sup>@</sup>
Last one year	Nil*	[●]	[●]-[●]
Last three years	Nil*	[●]	[●]-[●]

*@To be included on finalization of Price Band*

*Note: The weighted average price at which Equity Shares were acquired in the last one year and three years has been calculated considering (a) the number of Equity Shares issued on gross basis in the last year (ignoring the number of Equity Shares sold, if any), and (b) the number of Equity Shares arising out of the Equity Shares held under (a), pursuant to (i) issue of bonus shares on October 21, 2021 (ii) share split with effect from October 30, 2021.*

*\*There are no acquisition of Equity Shares during the last one year and three years by our Promoter except by way of the bonus issue on October 21, 2021 and share split on October 30, 2021.*

*#As certified by the M/s. Bhuwania & Agrawal Associates, Chartered Accountants pursuant to their certificate dated March 4, 2022.*

For further details, please see the section entitled “Capital Structure” beginning on page 83.

### Average cost of acquisition of Equity Shares by our Promoter

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

S. No	Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) <sup>*</sup>
A.	Rajan Meenathakonil Thomas	27,282,000	2.06

*\* As certified by M/s. Bhuwania & Agrawal Associates, Chartered Accountants, by way of their certificate dated March 4, 2022.*

### Details of pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until grant of listing and trading permission by the Stock Exchanges.

### Issuance of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

### Split/consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus:

Date of Shareholder's resolution	Particulars
October 30, 2021	Clause V(a) of the Memorandum of Association was amended to reflect the subdivision of face value Equity shares from ₹10/- (Rupees Ten Only) each to ₹ 5/- (Rupees Five Only) each and consequently, the authorised share capital of our Company was amended from ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores only) of ₹10/- (Rupees Ten Only) each to ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 6,00,00,000 (Six Crores only) of ₹ 5/- (Rupees Five Only) each.

Please see “*Capital Structure - Equity Share capital history of our Company*” on page 83, for details of split of our equity shares in the one year preceding the date of this Draft Red Herring Prospectus.

**Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

As on the date of this Draft Red Herring Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

## SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 159 and 293, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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 further information, see “Forward-Looking Statements” on page 18.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 232. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. 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 Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Suraj Estate Developers Limited on a consolidated basis and references to “the Company” or “our Company” refers to Suraj Estate Developers Limited on a standalone basis.*

*Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. Accordingly, their business activities are referred to as being under the joint venture model in this section of the Draft Red Herring Prospectus, although all such entities are classified as subsidiaries and not joint ventures in the Restated Consolidated Financial Statements. See “Certain Conventions, Presentation of Financial, Industry and Market Data” on page 14.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report “Real Estate Industry Report” dated March 4, 2022 (the “**Company Commissioned Anarock Report**”) prepared and issued by Anarock Property Consultants Private Limited commissioned and paid by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Company Commissioned Anarock Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### **Internal Risk Factors**

#### **Risks relating to our business**

- 1. The Covid-19 pandemic adversely affects our business, financial condition, results of operations, cash***

*flows, liquidity and performance, and it may reduce the demand for our projects in future.*

In the first half of 2020, Covid-19 spread to a majority of countries across the world, including India. The Covid-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets.

The global impact of the Covid-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as prohibiting people from assembling, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared Covid-19 as a “notified disaster” and imposed a nationwide lockdown on all services except for essential services from March 25, 2020 for three weeks, which was subsequently extended to May 31, 2020. Post May 31, 2020, the government had reimposed lockdown for a brief period several times and may continue to do so basis the spread of the variant of the Covid19 virus as well as the rise in number of cases across Maharashtra and India. Factors related to the Covid-19 pandemic, or a future pandemic, that could have an adverse impact on our financial condition, results of operations and cash flows, include:

- a complete or partial closure of, or other operational issues at, one or more of our construction sites, resulting from government action; while operations at all of our construction sites were suspended due to the government directives, we have been able to resume operations at majority of our construction sites with certain restrictions;
- shortage of workers owing to migration of workers back to their native states during the period when the lockdown was or may be imposed by the government;
- an increase in operational costs as a result of additional measures that we have and will continue to undertake at our construction sites for the health and safety of our workers and employees;
- Covid-19 has caused a material decline in general business activity and demand for real estate developments, and if this persists, it could adversely affect our ability to execute sales of units in developments;
- requests from joint development partners or joint venture partners for a modification or waiver of their obligations under the joint development agreements and joint venture agreements;
- inability of customers to fulfil their obligations and instalments due on units sold to them as part of our Ongoing Projects and Upcoming Projects; and
- liquidity situation in the real estate sector declined with banks and NBFCs becoming more risk averse and thereby resulting in funding issues for many developers including us;
- our inability to secure debt and equity capital on acceptable terms, or at all;
- our inability to comply with the covenants in our financing agreements could result in events of default and the acceleration of indebtedness, which could negatively impact our financial condition, results of operations and our ability to obtain additional borrowings; we had availed moratorium for a period of up to six months i.e. the months of March 2020 to August 2020 from all our lenders to maintain sufficient liquidity, and have also availed an extension on the commencement of commercial operations under certain of our facility arrangements;
- increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of individuals working from home;
- our inability to seek protection under our existing insurance coverage for liabilities and expenses that may arise due to the effect of Covid-19 on our business and operations;
- the potential negative effect on the health of our personnel, particularly if a significant number of them are, or if any key managerial employee is, afflicted by Covid-19, could result in a deterioration in our ability to ensure business continuity during this disruption.

We are closely monitoring the impact of the Covid-19 pandemic on our developments, trade receivables and other current assets. In preparation of our Restated Consolidated Financial Statements, we have assessed the impact and future uncertainties resulting from the Covid-19 pandemic and based on our assumptions and current estimates, we expect the carrying amount of our assets as reflected in the balance sheet as at October 31, 2021 to be recovered. The ultimate effect of the Covid-19 pandemic on the business and operations may, however, differ from that assessed by us due to the evolving nature of the pandemic and its response by various government authorities and, therefore, we will continue to monitor developments to identify significant uncertainties in future periods that may have an effect on our business and operations.

Further, as Covid-19 adversely affects our business and results of operations, it may also have the effect of exacerbating many of the other risks described in this “*Risk Factors*” section.

**2. There are certain outstanding litigation proceedings involving our Company, Subsidiaries, Directors, Promoter and Group Companies an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

There are outstanding legal proceedings involving our Company, Subsidiaries, Directors, Promoter and Group Companies which are pending at varying levels of adjudication at different fora. Such proceedings could divert management time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company, Promoter, our Directors and our Subsidiaries. The summary of outstanding matters set out below includes details of outstanding criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, Subsidiaries, Directors, Promoter and Group Companies.

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ million)*
1.	<b>Company</b>						
	By the Company	2	-	-	-	1	7.98
	Against the Company	-	5	-	-	27	23.27
2.	<b>Subsidiaries</b>						
	By the Subsidiaries	-	-	-	-	-	-
	Against the Subsidiaries	-	2	-	-	7	477.37
3.	<b>Directors</b>						
	By the Directors	-	-	-	-	1 <sup>^</sup>	- <sup>@</sup>
	Against the Directors	-	1	-	-	2 <sup>#</sup>	0.63
4.	<b>Promoter</b>						
	By the Promoter	-	-	-	-	1 <sup>^</sup>	- <sup>@</sup>
	Against the Promoter	-	1	-	-	2 <sup>#</sup>	4.07
5.	<b>Group Company</b>						
	By the Group Company	-	-	-	-	-	-
	Against the Group Company	-	-	-	-	-	-

\*To the extent quantifiable.



@Cannot be quantified

^The referred case has been included in material civil litigation by the Company.

#The referred case has been included in material civil litigation against the Company.

Note:

*Outcome of certain material civil cases, wherein our Company or our Subsidiaries are not directly involved, could have a material adverse impact on our Company and our Subsidiaries. For further information, see “Outstanding Litigation and Other Material Developments” on page 330.*

For further information, see “*Outstanding Litigation and Other Material Developments*” on page 330.

Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations.

**3. We may not be able to successfully identify and acquire suitable land or development rights, which may affect our business and growth prospects.**

Our ability to identify suitable parcels of land for development is a vital element of growing our business and involves certain risks, including identifying land with clean title and at locations that are preferred by our target customers. We have an internal assessment process for land selection and acquisition, which includes a due diligence exercise to assess the title of the land and its suitability for development and marketability. Our internal assessment process is based on information that is available or accessible to us. We cannot assure you that such information is accurate, complete or current, and any decision based on inaccurate, incomplete or outdated information may result in certain risks and liabilities associated with the acquisition of such land, which could adversely affect our business and growth prospects.

We acquire parcels of land at various locations in South Central Mumbai and adjoining areas of the MMR, upon which we can undertake development. In connection with the acquisition of land, disputes may arise between the local government and residents as to the applicable compensation payable or residents may refuse to relocate. Such disputes could delay the resettlement process and the land acquisition and development process. We cannot assure you that such disputes would be resolved in a timely manner or at all. Additionally, we may be asked to pay premium amounts for acquiring certain large parcels of land. In certain instances, the payment consideration for land acquisition is on a deferred basis, which may be pending in certain cases. If we are unable to make the deferred payment consideration on time, or at all, on our current land reserves or future land reserves, it may result in disputes and ultimately affect our ability to develop such land and may also result in a failure to realize profit on our initial investment.

In addition, due to the increased demand for land in connection with the development of residential, commercial and retail properties, we may experience increased competition in our attempt to acquire land in the geographical areas in which we operate and the areas in which we anticipate operating in the future. For example, the supply of land in Mumbai and particularly in South Central Mumbai region is limited and acquisition of new land in these and other parts of Mumbai poses substantial challenges and is highly competitive. Increased competition may result in a shortage of suitable land that can be used for development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors, such as the price of land.

Moreover, the availability of land, as well as its use and development, is subject to regulations by various local authorities. Further, certain land parcels can be subject to reservations, including reservations for road widening amongst others, and accordingly, such reserved areas will be deducted from the developable area. Further, certain areas may fall under eco-sensitive or buffer or green zone or coastal regulation zone etc., and due to such zoning, there may be restrictions on carrying out developmental activities in accordance with the applicable development regulations. For more information, see “*Key Regulations and Policies*” beginning on page 185. We may also be required by applicable laws or court orders to incur expenditures and undertake activities in addition to real estate development on certain portions of our land reserves. Accordingly, our inability to acquire parcels of land or development rights or any restrictions on use of our land or development thereof may adversely affect our business and growth prospects.

**4. Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.**

As of December 31, 2021, we had total financial indebtedness of ₹ 6,684.90 million. For further information, see “*Financial Indebtedness*” on page 290. We may also incur additional indebtedness in the future. Our ability to meet our debt service obligations and repay our outstanding borrowings depends primarily on the cash flows generated by our business. We cannot assure you that we will generate sufficient cash flows to service existing or proposed borrowings or fund other liquidity needs. Increasing our level of indebtedness could have several important consequences, including but not limited to the following: a portion of our cash flows may be used towards repayment of our existing debt and interest payments, which will reduce the availability of our cash flow to fund working capital, acquisition of land and other general corporate requirements; our ability to obtain additional financing in the future at reasonable terms may be affected; fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness are at variable interest rates; we may have difficulty in satisfying payment and other obligations under our existing financing arrangements and an inability to comply with these requirements could result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our Land Reserves and/ or other assets; there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and we may be more vulnerable to economic downturns.

Additionally, our financing agreements contain certain restrictive covenants and events of default that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. These financing agreements also require us to maintain certain financial ratios. Certain restrictive covenants under our financing agreements which require seeking a prior consent from the respective lenders of our Company’s lenders include restrictions on (a) prepayment of the outstanding principal amounts of the facilities availed by our Company; (b) any amalgamation, demerger, merger, corporate or debt restructuring; (c) any change in the constitution, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company; (d) significant change in the debt-equity ratio/current ratio of our Company; (e) undertaking any new project or expansion of the project from funds envisaged for the project by certain lenders to our Company or bidding for new projects by our Company; (f) amending of any constitutional documents, including the memorandum of association and articles of association and any organizational documents or trust deed by our Company. Further, under the terms of certain of our financing agreements, in several cases, a charge has been created, in favour of the lenders, over the land owned or being developed by us, in respect of the projects for which financing has been availed along with a charge on the receivables from the respective projects. Such security may be invoked by the lenders in the events of default under the respective financing agreements. For further information, see “*Financial Indebtedness*” on page 290.

Failure to meet the conditions listed above or obtain consents from lenders, as may be required, could invoke certain penalty clauses or any other consequence of events of default set out in the respective financing arrangement, which could have significant consequences for our business. Compliance with the various terms of such financing arrangements, however, is subject to interpretation and there can be no assurance that we have requested or received all relevant consents from our lenders as contemplated under our financing arrangements in a timely manner or at all. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents in a timely manner or at all. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities and trigger cross default provisions under certain of our other financing agreements, and may materially and adversely affect our ability to conduct our business and operations or implement our business plans. In relation to all lenders and their financing agreements, we have obtained consents for this Issue.

We cannot assure you that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest. Moreover, our ability to borrow and the terms of our borrowings depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

##### **5. *Certain unsecured loans have been availed by our Company which may be recalled by lenders at any time.***

As on December 31, 2021, the total unsecured loans stood at ₹ 793.64 million. The unsecured loans taken by our Company may be recalled by the respective lenders at any time. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to a termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, which may adversely affect our Company. For further information with respect to the unsecured loans availed by our

Company, see “Financial Indebtedness” and “Management Discussion and Analysis of Financial Condition and Result of Operations – Financial Indebtedness” on page 290 and 325, respectively

6. ***Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have in the past experienced, and may in the future, experience negative operating cash flows. The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

*(in ₹ million)*

Particulars	Seven months ended October 31, 2021	Fiscal		
		2021	2020	2019
Net cash flow from/ (used in) operating activities	126.26	(149.31)	(317.10)	(531.80)
Net cash flow from/ (used in) investing activities	(151.58)	(68.41)	(146.64)	(42.16)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see “Restated Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 232 and 293.

7. ***We have certain contingent liabilities, which if they materialize, may adversely affect our business, financial condition and results of operations.***

As of seven months ended October 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our contingent liabilities that have not been provided for were as follows:

*(₹ in million)*

Particulars	As at October 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Claims against the Company/disputed liabilities not acknowledged as debts				
Disputed income tax demands	51.73	51.73	4.15	4.15
(ii) Guarantees given by the bank on behalf of Company and group entities				
Guarantees given by bank to Government Authorities of on behalf of the Company	37.25	37.25	12.25	61.70

Notes:

*In respect of (i) above, future cash outflows (including interest/ penalty, if any) are determinable on receipt of judgement from tax authorities / settlement of claims or non-fulfilment of contractual obligations. Further, our Company does not expect any reimbursement in respect of above. In respect of (ii) above, our Company does not expect any cash outflow till such time contractual obligations are fulfilled for which guarantees are issued.*

For further information on our contingent liabilities, see “Restated Consolidated Financial Statements” on page 232.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

8. ***We have not entered into any definitive agreements to use a portion of the proceeds of the Issue and may invest or spend the proceeds of the Issue in ways with which you may not agree.***

As described in the “Objects of the Issue” beginning on page 93, we intend to use a portion of the proceeds from the Issue for the acquisition of land or land development rights. However, as on date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements and do not have any definite and specific commitments for such acquisitions. We may not be able to conclude such agreements or commitments on terms anticipated by us, or at all. As a result, subject to compliance with requirements under the Companies Act and the

SEBI ICDR Regulations, our planned use of the proceeds of the Issue may change in ways with which you may not agree. The amount of Net Proceeds identified for acquisitions is based solely on management estimates. The actual deployment of funds will depend on a number of factors, including the location of the parcels, whether they are undivided etc. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc. Further, we may not be able to identify suitable parcels of land in a timely manner to be able to deploy the Net Proceeds as per the timelines stipulated. For further details, please see “*Risk Factors -3. We may not be able to successfully identify and acquire suitable land or development rights, which may affect our business and growth prospects.*” on page 30. Furthermore, land acquisition may also be subject to legal uncertainties and title defects, and we may not be able to capitalize on our acquisitions or ascertain clean and marketable title in a timely manner.

**9. *Our business is heavily dependent on the performance of, and the conditions affecting, the real estate sub markets in the South-Central Mumbai region. Consequently, we are exposed to risks from economic, regulatory and other changes as well as natural disasters in the South Central Mumbai region, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our real estate development activities are primarily focused in and around the South Central Mumbai region. As of December 31, 2021, forty-two (42) Completed Projects, nine (9) Ongoing Projects twenty-one (21) Upcoming Projects, and 10,359.77 Square Meters of our Land Reserves are located in the South Central Mumbai, Bandra (West), Santacruz (East), Goregaon and Wadala. As of December 31, 2021, we did not have any ongoing projects in any other areas apart from South Central Mumbai. For further information on our projects and Land Reserves, see “*Our Business – Business Operations*” and “*Our Business – Our Land Reserves*” on pages 167 and 177, respectively. As a result, our business, financial condition and results of operations have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting, the real estate markets in the South-Central Mumbai region. The real estate markets in this region may be affected by various factors outside our control, including prevailing local and economic conditions, changes in the supply and demand for properties comparable to those we develop, changes in the applicable governmental regulations, demographic trends, employment and income levels and interest rates, among other factors. These factors may contribute to fluctuations in real estate prices and the availability of land in South Central Mumbai and may adversely affect our business, financial condition and results of operations. These factors can also negatively affect the demand for and valuation of our Ongoing Projects and Upcoming Projects. For instance, due to the nationwide lockdown and inability to conduct site-visits, sales enquiries from prospective customers that typically follow site-visits, were significantly affected. For further information on the impact of Covid-19 on our sales, see “*Our Business – Business continuity during COVID-19 times*” on page 182.

Further, real estate projects take a substantial amount of time to develop. The price at which we acquire land, either through an outright purchase or through acquisition of joint development rights, and the price at which we sell Ongoing Projects and Upcoming Projects are determined by factors mentioned above, which are out of our control. In the event we are forced to sell our units in Ongoing Projects and Upcoming Projects at a price which is lower than estimated, it may adversely affect our results of operations. Further, the real estate market, both for land and developed properties is relatively illiquid, which may limit our ability to respond promptly to changing market events. In the event the market conditions deteriorate and cause a sharp decline in real estate prices in South Central Mumbai, our business, financial condition and results of operations could be materially and adversely affected.

**10. *Our business involves development and redevelopment of residential projects. The success of our business is therefore dependent on our ability to anticipate and respond to consumer preferences and requirements.***

We have in the past and continue to be engaged in the development and redevelopment of residential real estate projects for customers in the Value Luxury and Luxury segments, in the South-Central Mumbai real estate markets. As part of our growth strategy, we intend to consolidate our position in the Value Luxury and Luxury Segments and enhance strong market position in aspirational market in South Central Mumbai. As of December 31, 2021, all of our Completed Projects, Ongoing Projects and Upcoming Projects are in the residential real estate space and in commercial space. Change in consumer lifestyle and aspirations is driving demand for value luxury and luxury residential apartments. As customers continue to seek better housing amenities as part of their residential needs, we continue to focus on development of residential projects with various amenities. An inability to provide customers with quality construction or to anticipate and respond to customer preferences and requirements may affect our business and prospects. In addition, as we focus on residential projects, with limited exposure to commercial and retail projects, any changes in the market for residential real estate, including a change in the home loans market or governmental regulations making home loans less attractive to our customers, may

materially and adversely affect our business, growth prospects and financial performance.

***11. Any uncertainty in our title to our real estate assets could have a material adverse impact on our current and future revenue.***

Some of our projects include directly acquired land from the landowners and tenants. While we conduct due diligence and assess such land prior to acquisition of any land or interest in any land, obtaining title guarantees in India is challenging as title records provide only for presumptive rather than guaranteed title of the land. Such land may involve irregularities in title, such as improperly executed or non-executed, unregistered or insufficiently stamped conveyance instruments in the chain of title of the relevant land, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, and other defects which may not be revealed through our diligence and assessment. Further, the original title to such land may be fragmented and the land may have multiple owners and such information may not be publicly available or revealed through our diligence and assessment. As each transfer in a chain of title may be subject to any such or other defects, our title and/ or development right over such land may be subject to such irregularities that we are not aware of, and which our diligence and assessment exercise may not reveal. As a result, title to such land is subject to risks and potential liabilities arising from inaccuracy of such information. Such inaccurate information and any defects or irregularities of title may result in the loss of title or development rights over such land, and/ or the cancellation of our development plan in respect of such land. In addition, certain acquisition of or development right to land may involve deferred payments. If we are unable to fulfil such payment obligations, our ability to develop such land may be affected, resulting in a failure to realize profit on our initial investment.

While we typically obtain independent title reports for the land relating to our projects, and have obtained such reports with respect to our Land Reserves, we may not be able to assess or identify all the risks and liabilities associated with such land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. In addition, very few insurance companies in India provide title insurance to guarantee title or development rights in respect of land. In absence of such title insurance, together with the challenges involved in verifying title to land, may increase our exposure to third party claims to such land. As a result, the uncertainty of title makes land acquisition and real estate development projects more complex and may impede the transfer of title, expose us to legal disputes and adversely affect the valuation of the land involved. In addition, we may also face the risk of illegal encroachments on the land parcels owned by us or over which we have development rights. We may be required to incur additional costs and face delays in our project development schedule in order to clear such encroachments. Disputes relating to land title can take several years and considerable expense to resolve if they become the subject of legal proceedings and their outcome can be uncertain. If we are unable to resolve such disputes, the title to and/ or interest in, such land may be affected. An inability to obtain good title to any plot of land may adversely affect the development of a project for which such plot of land is critical and this may result in the write-off of expenses incurred in relation to such development. As a result, our business, financial condition and results of operations could be materially and adversely affected.

***12. Inability to complete our Ongoing Projects and Upcoming Projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition.***

Some of our projects are developed on land owned by us. As of December 31, 2021, our Ongoing Projects had an aggregate carpet area for sale of 442,616 square feet, and our Upcoming Projects had an aggregate estimated carpet area for sale of 928,400 square feet. Our ability to complete our projects within the estimated time or at all is subject to a number of risks and unforeseen events, including, without limitation, clear title to the relevant plot of land, any changes in applicable regulations, availability of adequate financing arrangements on commercially viable terms, and an inability or delay in securing necessary statutory or regulatory approvals for such projects. Further, there were delays in construction activities in 2020 and 2021 due to the lockdown imposed in India to control the Covid-19 pandemic. In addition, we may not receive the expected benefits of the development rights or the relevant land, and we may not be able to develop the estimated Developable Area resulting from a lack of knowledge of, or any misunderstanding with respect to, existing or proposed regulations and policies.

If any of the foregoing risks materialize, we may not be able to complete our projects or develop our Ongoing Projects and Upcoming Projects in the manner we currently contemplate, which could have a material adverse effect on our business, results of operations and financial condition.

In addition, the agreements we enter into with customers for our Ongoing Projects and Upcoming Projects may require us to pay certain interest in the event of any delay in the completion of the construction and development

of such projects within the specified timelines, or in the event of cancellation of any of these projects. Accordingly, any such delay or cancellation resulting in payments by us may have an adverse effect on our business, financial condition and results of operation.

***13. We may be unable to successfully identify and acquire suitable parcels of land for development and redevelopment, which may impede our growth and could also adversely affect our business prospects, financial conditions and results of operations.***

Our ability to identify suitable parcels of land for development and redevelopment is a vital element of our business and involves certain risks, including acquiring appropriate parcels of land. We have an internal assessment process for identification and acquisition of land which includes a due diligence exercise to assess the title of the land and its suitability for development, re-development, development potential and marketability. Our internal assessment process is based on information that is available or accessible to us either through publicly available means or our diligence and assessment exercises. There can be no assurance that such information is accurate, complete or updated. Any decision based on inaccurate, incomplete or outdated information may result in certain risks and liabilities associated with the acquisition of such land, which could adversely affect our business, financial condition and results of operations.

Failure to acquire such parcels of land may cause a delay or force us to abandon or modify our development or re-development of land that we have acquired at a certain location, which may result in a failure to realize profit on our initial investment. Further, due to the increased demand for land in connection with the development of residential properties, we may experience increased competition in our attempt to acquire land in the geographical areas in which we operate. This may result in a shortage of suitable land that can be used for development or re-development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors, such as the price of land. Additionally, we may be asked to pay premium amounts for acquiring certain large parcels of land. If we experience delay in or are unable to acquire the remaining undivided rights from other co-owners, we may not be able to develop such land. Accordingly, our inability to acquire parcels of land may adversely affect our business prospects, financial condition and results of operations.

***14. We have significant number of unsold units among our Ongoing Projects.***

As of December 31, 2021, we had 9 Ongoing Projects with a Developable Area of 1,970,445.02 square feet. As of December 31, 2021, the 9 Ongoing Projects comprised 571 units, of which 287 units remain unsold.

The table below sets out details of unsold units within our Ongoing Projects as on December 31, 2021:

Sr. No.	Project Name	Location	Type	Segment	Details of registration certificate under RERA	Company's/ Entity's effective stake in Project	Developable Area	Carpet Area for Sale	Unit details			Expected Completion Date As filed with RERA#	Ticket Size
							(square feet)	(square feet)	Total units for sale	Sold	% of units sold		(in ₹ million)
1.	Louisandra	F.P. No. 1/274, Gokhale Road (North), Dadar (W)	Residential	Value Luxury	P51900010078	100	63,360.13	28,800	60	59	96.67%	30/06/2022	15 to 40
2.	Emmanuel	F.P. No. 751-752, MTNL Lane, Dadar (W)	Residential	Value Luxury	P51900028729	100	78,577.20	28,138	59	45	76.27%	30/12/2025	17 to 30
3.	Ave Maria	F.P. No. 822, Govindrao Patwardhan Road, Dadar (W)	Residential	Value Luxury	P51900021954	100	1,77,020.55	20,948	40	37	92.50%	30/12/2024	15 to 30
4.	Vitalis	F.P.No.107, L.J.Road, Mahim (W)	Residential	Value Luxury	P51900031447	100	3,49,410.20	81,027	142	14	9.86%	31/12/2026	17 to 30
5.	Suraj Eterna	F.P. No. 606-607, 2 <sup>nd</sup> L.J. Cross Road, Mahim (W)	Residential	Value Luxury	P51900032173	100	61,416.26	33,431	66	-	0.00%	31/12/2026	15 to 30
6.	Nirvana**	C.S. No.662,	Residential	Value Luxury	P51900010100	Share of Area as per	6,63,515.56**	75,600**	69	50	72.46%	30/12/2024	23 to 50

Sr. No.	Project Name	Location	Type	Segment	Details of registration certificate under RERA	Company's/ Entity's effective stake in Project	Developable Area	Carpet Area for Sale	Unit details			Expected Completion Date As filed with RERA#	Ticket Size
							(square feet)	(square feet)	Total units for sale	Sold	% of units sold		(in ₹ million)
		G.D. Ambedkar Marg, Parel				Joint Development Agreement							
7.	Palette*	F.P. No. 823, R.B.S.K. Bole Road, Dadar (W)	Residential	Luxury	P51900008207	100	4,14,048.02	1,31,168	109	59	54.13%	30/06/2022	45 to 80
8.	Ocean Star-I*	F.P. No. 1198-1199, Kashinath Dhuru Marg, Dadar (W)	Residential	Luxury	P51900007257	100	1,47,020.42	29,327	24	20	83.33%	30/06/2023	60 to 80
9.	CCIL Bhavan (Phase-II-additional 2 floors)	F.P. No. 822, Govindrao Patwardhan Road, Dadar (W)	Commercial	Commercial	P51900021953	100	16,076.68	14,177	2	-	0.00%	30/12/2024	350 to 700
	<b>Total</b>						<b>19,70,445.02</b>	<b>4,42,616</b>	<b>571</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*Part of a larger project; areas taken are for ongoing portion only)

(\*\*Total Developable Area and Developed Area reflects 100% Developable Area of Ongoing Project Nirvana whereas the Carpet Area for Sale reflects Accord Estates Private Limited's Share of Carpet Area for Sale in the Project Nirvana)

(# The RERA dates mentioned herein stands extended by a cumulative period of 12 months as per notifications No. MahaRERA / Secy/Order/ 26 /2020 dated 18th May 2020 and No. MahaRERA I Secy/File No. 27 / 157 / 2021 dated 06<sup>th</sup> August 2021 issued by Maharashtra Real Estate Regulatory Authority (Maha RERA).

There is a lag between the time we acquire land and the time we construct and develop a project and sell our inventories. Given that the market for properties is relatively



illiquid, there may be little or insufficient demand for properties at the expected sale price. The risk of owning unsold inventories can be substantial and the market value of the same can fluctuate significantly as a result of changing economic and market conditions. If we are unable to sell our unsold inventory currently held, our business, results of operation and financial condition may be adversely affected.

**15. Significant increases in prices (including for increase in taxes and levies) or shortage of or delay or disruption in supply of, construction materials, contract labour and equipment could adversely affect our estimated construction cost and timelines resulting in cost overruns.**

Our principal construction materials include steel, cement, ready mix concrete and wood. These materials are sourced from third party vendors. The prices and supply of these and other construction materials depends on factors beyond our control, including general economic conditions, competition, production levels, transportation costs, government taxes and levies, and import duties. Our ability to develop and construct project profitably is dependent on our ability to obtain adequate and timely supply of construction materials within our estimated budget. We do not have long-term agreements with our raw material suppliers and typically procure materials on the basis of purchase orders. If our primary suppliers of construction materials curtail or discontinue their delivery of such materials to us in the quantities we need and at reasonable prices, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted, and we may not be able to complete our projects as per schedule. Prices of certain building materials are susceptible to increase including for increase in government taxes and levies. During periods of shortage in supply of building materials or due to a delay or disruption in supply of building materials, we may not be able to complete our projects as per schedule or at estimated costs. We may also not be able to pass on any increase in the costs incurred for procuring construction materials to our customers, and this could adversely affect our results of operations and impact our financial condition.

We also incur expenses towards project execution that primarily includes employee and contract labour costs, and other subcontractor expenses. The cost and supply of employee and contract labour depend on various factors beyond our control, including general economic conditions, competition and minimum wage rates. For instance, after the sudden announcement of the nationwide lockdown from March 25, 2020, operations at our construction sites were brought to a complete standstill and due to reduced economic activity, workforce deployed at our construction sites returned to their native cities/ towns/ villages. While we subsequently resumed construction activities at all our sites, any such unanticipated events, increases in raw material and labour costs, may impair our ability to meet construction schedules and our business, financial condition and results of operations may be adversely affected.

**16. We are subject to extensive statutory or governmental regulations, including the Real Estate (Regulation and Development) Act, 2016 (the “RERA”) and change in laws, rules, regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws or any non-compliance of any applicable law, may adversely affect our business, prospects and results of operations.**

The real estate sector in India is heavily regulated by the central, state and local governments including the Real Estate (Regulation and Development) Act, 2016, the Maharashtra Tenancy and Agricultural Lands Act, 1948, the Maharashtra Land Revenue Code, 1966 and rules made thereunder, the Maharashtra Regional and Town Planning Act, 1966 and regulations thereunder, such as the Unified Development Control and Promotion Regulations for Maharashtra State, the Maharashtra Stamp Act, 1958 and the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963. The RERA was introduced in May 2017 to regulate the real estate industry and to ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. The RERA has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realised from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanction plan. Further, while most state Governments in India have notified rules in relation to RERA including Maharashtra where all our projects are located. In addition, as the RERA regime has been introduced relatively recently in the May 2017 and was amended in December 2021, we may face challenges in interpreting and complying with the provisions of the RERA due to limited jurisprudence on them. In the event our interpretation of provisions of the RERA differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. For further information on laws applicable to our business, see “Key Regulations and Policies” on page 185.

Real estate developers are required to comply with a number of legal requirements, including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land. Certain of these laws vary from state to state. Compliance with such state specific legislations will require significant management and financial resources, and we may need to allocate additional

resources, which may increase our regulatory compliance costs and divert management attention. For example, the procedure for obtaining a certificate for change of land use varies from state to state. In the event that we decide to expand our business operations into such States where these laws are applicable, we will have to comply with these laws. Any non-compliance with state specific legislations in Maharashtra may result in punishments (including penalties and/ or imprisonment), blacklisting of promoter and revocation of registration of our Ongoing Projects and Upcoming Projects which may have a material and adverse impact on our business, operations and financial condition. Further, if a court of competent jurisdiction adjudicates that we are in violation of applicable land ceiling laws, our property rights, including those held through our various Subsidiaries may be compulsorily acquired by the State Government concerned, which may have a material adverse effect on our business, financial condition and future plans. Any future violation of the provisions of RERA could result in penalties being imposed on us, which may have an adverse effect on our business, financial condition and results of operations.

Development of real estate projects is also subject to laws that govern zoning, permitted land uses, proportion and use of open spaces, building designs, fire safety standards, height of the buildings, access to water and other utilities and water and waste disposal. In addition, we and our sub-contractors are subject to laws and regulations relating to, among others, environmental approvals in respect of the project, minimum wages, working hours, health and safety of our labourers and requirements of registration of contract labour. Although we believe that our projects materially comply with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings which may affect the development of our projects, and as a result, adversely affect our business, financial condition and results of operations. Further, these laws and regulations may change in the future, requiring the expenditure of resources and changes in development plans, among other things, which would adversely affect our business, financial condition and results of operations.

In addition, determining the Developable Area of a particular project is subject to municipal planning and land use regulations in effect in the regions in which we operate. These regulations limit the maximum area of completed buildings on plots to specified amounts, calculated based on a ratio of maximum floor space of completed buildings to the surface area of each plot of land. Certain other municipal corporations require developers to reserve portions of their projects for economically weaker sections and any such imposition on us could adversely affect our business and prospects.

Further, on December 2, 2020, the Government of Maharashtra notified the Unified Development Control and Promotion Regulations for Maharashtra, 2020 (“UDCPR”) to boost real estate development in the state. The UDCPR applies to all building activities and land works within the jurisdiction of all planning authorities and regional plan areas, excluding those under the Municipal Corporation of Greater Mumbai, MIDC, Jawaharlal Nehru Port Trust, hill station municipal councils, notified eco-sensitive regions and the Lonavala Municipal Council. It establishes procedures for obtaining development or building permissions or commencement certificates, and prescribes general uniform development requirements, including the length of roads, requirements in buildings and minimum dimensions for open spaces, amenity spaces and plots. It also permits an increase in the floor space index for residential and commercial spaces and may have a positive impact on the calculation of Saleable Area in respect of our upcoming projects.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. The Government has introduced several incentives to promote the construction and development of affordable housing. For further information, see “*Statement of Possible Tax Benefits*” on page 107. There are also various tax benefits under the Income Tax Act which are available to us and the purchasers of residential premises who avail loans from banks or other financial institutions. We or our customers may not be able to realize these benefits if there is a change in law or in interpretation of law resulting in the discontinuation or withdrawal of these tax benefits. There can also be no assurance that the Central Government or the State Governments may not implement new regulations and policies which will require us to obtain additional approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations. Any new regulations and policies and the related uncertainties with respect to the implementation of such new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

The real estate sector may also be affected by regulatory changes of a general nature. For example, on November 8, 2016, Indian currency notes of denominations 500 and 1,000 ceased to be legal tender (barring specific exemptions for a limited time period). With effect from November 9, 2016, persons holding the se currency notes

were required to deposit them with bank branches and post offices or use them for only specified purposes. While new Indian currency notes of denominations 500 and 2,000 were subsequently introduced, the immediate impact of these measures was a decrease in cash liquidity in India which in turn negatively affected consumer spending. This demonetization had a negative effect on the secondary market for residential properties, which in turn dampened demand in the primary market. Any future measures taken by the Government in response to diseases such as Covid-19, which may include lockdowns, may affect the availability of labour and our ability to function normally and may consequently have an adverse effect on our projects, business and results of operations.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and 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, prospects and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect our business, prospects and results of operations.

***17. Our redevelopment projects have long gestation periods and any delays and cost overruns in relation to our Ongoing Projects and Upcoming Projects could adversely affect our prospects, business and results of operations.***

It may take a considerable period of time, following the acquisition of land, before income or positive cash flows can be generated through the sale or lease of a real estate project. Real estate projects take a substantial amount of time to develop and we could incur losses if we purchase land during periods when land prices are high, and sell or lease our developed properties when property prices are relatively lower. Additionally, there could be delays and cost overruns in relation to our Ongoing Projects and Upcoming Projects and we cannot assure you that we will be able to complete these projects within the expected budgets and time schedules. The RERA was implemented in 2017 to regulate the real estate industry and to ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest and has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realised from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanction plan. During the period that our projects are developed, there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of the project and changes with respect to competition from other property developments. Changes to the business environment during such time may affect the costs and revenues associated with the project and may ultimately affect the profitability of a project. If any of such changes occur during the time it takes to complete a certain project, our return on such project may be lower than expected which could adversely affect our prospects, results of operations and financial condition. Any delays and cost overruns could adversely affect our prospects, business and results of operations.

***18. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.***

We propose to utilize the Net Proceeds for (i) repayment or prepayment of certain outstanding borrowings availed by our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited; and (ii) acquisition of land or land development rights. For further information of the proposed objects of the Issue, see "*Objects of the Issue*" on page 93. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013 and Regulation 59 of the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

We intend to use approximately ₹3,600 million of the Net Proceeds to repay or prepay, in full or part, certain

loans availed by our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited; and (ii) acquisition of land or land development rights. The details of the loans identified to be repaid using the Net Proceeds have been disclosed in the section “*Objects of the Issue*” on page 93. Such part of the Net Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for prepayment or repayment, in full or part, of certain loans and working capital facilities availed by us.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**19. *Our redevelopment projects require compliance of the provisions of Regulation 33(7) of the Development Control and Promotion Regulation, 2034. The compliance inter alia involves tenant settlement, approvals from MHADA & MCGM, construction of the tenant and saleable portion units.***

As on December 31, 2021, we have redeveloped houses for more than 1,011 tenants free-of-cost under regulation 33(7) of the Development Control and Promotion Regulation, 2034 (“**DCP Regulations**”). Compliance of Regulation 33(7) of the DCP Regulations enables sanction of more than FSI - 3.00 for development from regulatory authorities. DCP Regulations applies to all development, redevelopment, erection and/or re-erection of a building, change of user etc. as well as to the design, construction or reconstruction of, and additions and alterations to a building and may take longer time than anticipated by us. If we are unable to acquire such TDRs or approval under Regulation 33(7) of the DCP Regulations within the estimated time or if we are unable to acquire them at the expected price, then this may impact our ability to complete certain projects due to us having insufficient FSI or because of a significant increase in the cost of completing such projects. The price and availability of TDRs may have an adverse effect on our ability to complete our projects and on our financial condition and results of operations. In addition, the use and development of land is subject to regulations by various local authorities.

Further, we are subject to municipal planning and land use regulations in effect in South Central Mumbai, which limit the maximum square footage of completed buildings we may construct on plots to specified amounts, calculated based on a ratio of the combined gross floor area of all floors, except areas specifically exempted, to the total area of each plot of land (the floor space index, or “**FSI**”).

Our operations are focused in the South Central Mumbai and adjoining areas. The availability of developable land, particularly in the South Central Mumbai region, is limited and therefore, the acquisition of new land in these parts poses substantial challenges, is highly competitive and costly. Further, due to the increased demand for land in connection with the development of residential, commercial and retail properties, we have experienced and may continue to experience increased competition in our attempt to acquire land/ interest in such land in the geographical areas in which we operate and the areas in which we anticipate operating in the future. This increased competition may result in a shortage of suitable land that can be used for development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors including price of land. Further, we may not be able to pass on the cost of acquisition to customers of our real estate projects. Any such increase in the price of land to be used for development could materially and adversely affect our business, prospects, financial condition and results of operations.

**20. *Work stoppages, shortage of labour and other labour problems could adversely affect our business. Further, our operations are dependent on contract labour and an inability to access adequate contract labour at reasonable costs at our project sites may adversely affect our business prospects and results of operations.***

We operate in a labour-intensive industry and hire contract labour is hired by our civil construction contractors for our projects. If the relationships of the independent contractors and their personnel deteriorate, we may experience labour unrest, strikes or other labour action and work stoppages.

We depend on third party contractors for the provision of various services associated with our business. Such third-party contractors and their employees/ workmen may also be subject to similar labour legislations. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such third-party contractors to pay the labourers’ wage payments. Any

requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, notified and enforced by the Central Government and adopted with such modifications as may be deemed necessary by respective State Governments, we may be required to absorb a number of such contract labourers as permanent employees. In the event of any non-compliance by contractors with statutory requirements, legal proceedings may also be initiated against us. These factors could adversely affect our business, financial position, results of operations and cash flows.

**21. *We may be subject to third-party indemnification or liability claims, which may adversely affect our business, cash flows, results of operations and reputation.***

Some of the agreements that we have entered into with third parties place indemnity obligations on us that require us to compensate such third parties for loss or damage suffered by them on account of a default or breach by us. In the event that such third parties successfully invoke these indemnity clauses under their respective agreements, we may be liable to compensate them for loss or damage suffered in respect of such agreements, which may adversely affect our financial condition. We may be subject to claims resulting from defects in our developments, including claims brought under the RERA and the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (the “**Ownership of Flats Act**”). See “*Key Regulations and Policies*” beginning on page 185. For details concerning litigation involving claims from defaults involving our developments, see “*Outstanding Litigation and Material Development*” beginning on page 330. We may also be exposed to third-party liability claims for injury or damage sustained on our properties. These liabilities and costs could have an adverse effect on our business, cash flows, results of operations and reputation. In the past, we have sold inventory in our projects through bulk sale transactions.

**22. *Our business is capital intensive and requires significant expenditure for land acquisition and development, and is therefore heavily dependent on the availability of real estate financing, which may not be available on terms acceptable to us in a timely manner or at all.***

Development of real estate projects involves significant expenses, a large part of which we fund through real estate financing from banks and other financial institutions. As of December 31, 2021, we had total financial indebtedness of ₹ 6,684.90 million. For further information on our secured borrowings, see “*Financial Indebtedness*” on page 290. As we intend to pursue a strategy of continued investment in our development activities, we will incur additional expenditure in the current and future fiscal periods. We propose to fund such expenditure through a combination of debt, equity and internal accruals. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory changes and engineering design changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. We may also have difficulty accessing capital markets, which may make it more difficult or expensive to obtain financing in the future.

Moreover, certain of our loan documents contain provisions that may limit our ability to incur future debt, make certain payments or take certain actions. In addition, the availability of borrowed funds for our business may be greatly reduced, and lenders may require us to invest increased amounts of funds in a certain project or require increased security coverage in connection with both new loans and the extension of facilities under existing loans. We may not be successful in obtaining these additional funds in a timely manner, or on favourable terms or at all. Without sufficient liquidity, we may not be able to acquire additional land or develop additional projects, which would adversely affect our results of operations. If we do not have access to additional capital, we may be required to delay, postpone or abandon some or all of our projects or reduce capital expenditures and the size of our operations, any of which may adversely affect our business, financial conditions and results of operations.

Our ability to make payments on our indebtedness will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial

condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness and/ or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

**23. *Some of our projects are in the preliminary stages of planning and require approvals and renewals of certain approvals for our projects and we are required to fulfil certain conditions precedent in respect of some of them, which may require us to reschedule our Ongoing Projects and Upcoming Projects.***

As of December 31, 2021, we had nine (9) Ongoing Projects and twenty-one (21) Upcoming Projects. Our development plans in relation to some of Upcoming Projects are yet to be finalized and approved. To successfully execute each of these projects, we are required to obtain statutory and regulatory approvals and permits for which applications need to be made to the concerned authority at appropriate stages of the projects. For example, we are required to obtain the approval of building plans, layout plans, environmental consents and fire safety clearances for each of our projects. Further, we may be required to renew certain of our existing approvals. Further, some of our key approvals which are in the nature of operational licenses will expire in the next two years in the ordinary course of business and our Company or our Subsidiaries, as the case may be, will seek renewal in line with our past practices. While we will make the applications for renewal of these approvals at the appropriate time, we cannot assure you that we will be granted such approvals in a timely manner. Any inability to renew these approvals may have an adverse effect on our operations. For details regarding the pending material approvals of our Company, on a consolidated basis, see “*Government and Other Approvals*” on page 339.

Any delay or failure to obtain the required approvals or renewals in accordance with our plans may adversely affect our ability to implement our Ongoing Projects and Upcoming Projects which may adversely affect our business and prospects. Moreover, we may encounter material difficulties in fulfilling any conditions precedent to the approvals or renewals such as failure to obtain a certificate of change of land use in respect of lands designated for purposes other than real estate development. Further, we may not be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to the granting of approvals or renewals, which may cause a delay in the implementation of our projects. For instance, if there is a change in the approved land use in urban master plan areas, we may be required to obtain new consents for the use of our land and any failure on our part to obtain such consents may adversely affect our business and results of operation. For details regarding the pending material approvals of our Company, on a consolidated basis, see “*Government and Other Approvals*” on page 339.

We cannot assure you that we will be able to obtain approvals or renewals in relation to our new projects, at such times or in such form as we may require, or at all. The laws and regulations, under which we and our subcontractors operate, may result in delays or stoppage in construction and development, causing us to incur substantial compliance costs and other increased costs, and prohibit or severely restrict our real estate and construction businesses. If we are unable to continue to acquire, construct and develop land as a result of these restrictions or if our compliance costs increase substantially, our business, financial condition and results of operations may be adversely affected.

**24. *Some or all of our outstanding receivables against the bookings may not be received in the future which may adversely affect our business prospects, financial conditions and results of operations.***

At the time of the booking of units in our various projects, our customers pay us a booking amount, which is usually a small portion of the entire consideration. Upon the receipt of such booking amount, we book the unit in favour of the customer, and the customer remains obligated to make instalment payments to satisfy payment of the entire consideration. Sometimes customers default in making timely instalment payments. However, we retain the right to forfeit the booking amount and cancel the registration of such a defaulting customer. Therefore, the outstanding receivables against the booked units may or may not be received in future and we may not be able to make a fresh sale of such units which may adversely affect our business prospects, financial conditions and result of operations.

**25. *Redevelopment projects are subject to certain risks involving existing tenants and applicable Government regulations.***

We are one of the market leaders in the redevelopment projects in South Central Mumbai sub markets. From 2016 to December, 2021, we had launched 14 residential projects out of which 12 projects (~86%) are redevelopment projects. (Source: *Company Commissioned Anarock Report*). As of December 31, 2021, seven (7) of our Ongoing Projects, and eighteen (18) of our Upcoming Projects are redevelopment projects. Under the redevelopment agreements entered into by us with various housing societies or public charitable trusts, we have paid certain amounts as refundable deposits or non-refundable advance compensation. We have also agreed to compensate the members of the housing societies for the inconvenience they suffer during the course of development and construction. As we have committed to a time frame within which we are required to hand over the completed units to the housing societies, we may be liable to pay a penalty from the date of expiry of the stated period until the date we offer possession of the units, apart from the additional rent payable for the alternate premises during such period of delay. Our ability to pursue such redevelopment projects is contingent on the occupants providing us with peaceful vacant possession of the property. Further, these projects require, among other things, obtaining consent from a majority of the occupants and consensus between various groups of occupants as well as their approval for project plans. While we have obtained consent from the majority of the occupants for our existing redevelopment projects, as required under the Development Control Rules, 1991, as amended, we cannot assure you that we will not face any delays or be able to obtain the requisite consents from the occupants in our future projects. Further, we may be required to first develop the rehabilitee building or portion of the project for tenants and handover possession to them before developing the saleable portion for our customers. This leads to a significant outflow of funds for approvals and development of the rehabilitee portion of the building before we begin development and sales of the saleable portion of the project to our customers. We are also subject to the risk of litigation in such projects, primarily from one or more disgruntled occupants. Any delay in the construction or prolonged construction period or objections from existing occupants may result in delays and may lead to increased costs and adversely affect our profitability.

Additionally, the security deposit made by us may be forfeited in the event we fail to honour our commitments or obligations under the redevelopment agreements. We are also required to provide a bank guarantee for the completion of the project in accordance with the redevelopment agreement. In the event we fail to offer possession of the units within the time period stipulated under the agreement, these housing societies would be entitled to terminate the agreement and invoke the bank guarantee and all the amounts paid by us under the agreement may stand forfeited. We have also agreed to allot units within specified areas in the newly constructed buildings to the members of the housing societies. Such allotment is irrespective of the final FSI that may be available for the project in accordance with the Development Control Rules, 1999 and the MMRDA Act, 1974. If the law in this regard is amended or altered, our profits from such projects will also be affected as a result.

Further, these projects require, among other things, obtaining consent from the tenants, consensus between various groups of tenants, providing accommodation to the tenants during the interim period of obtaining consents, demolition and construction. Delay in any of these activities may have adverse financial implications. Any delay in the construction or prolonged construction period will lead to increased costs and will affect our profitability. Moreover, our ability to obtain suitable sites for our redevelopment projects in and around the MMR in the future, and our cost to acquire land development rights over such sites, could be adversely affected by any changes to the applicable Governmental regulations. If the current redevelopment scheme in effect in and around the MMR were to significantly change or be terminated, it may have an adverse effect on our business.

**26. *Our business and growth plan could be adversely affected by the incidence and change in the rate of property taxes and stamp duties.***

As a real estate development company, we are subject to the property tax in the region we operate. We are also subject to stamp duty for the agreement entered into in respect of the properties we buy and sell. These taxes could increase in the future, and new types of property taxes and stamp duties may be introduced which will increase our overall costs. If these property taxes and stamp duties increase, the cost of buying, selling and owning properties may rise. Additionally, if stamp duties were to be levied on instruments evidencing transactions that we believe are currently not subject to such duties, our acquisition costs and sale values may be affected, resulting in a reduction of our profitability. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and the results of operations.

**27. *We may experience difficulties in expanding our business into additional geographical markets including MMR region.***

While the sub markets within South Central Mumbai region are expected to remain our primary strategic focus, we also evaluate attractive growth opportunities in various other micro markets on a case by case basis. We may



not be able to leverage our experience in existing micro markets to expand our operations in other MMR or into other cities, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, customer tastes, behaviour and preferences in these regions where we may plan to expand our operations may differ from those in the micro markets where we are currently present, and our experience in such micro markets may not be applicable to other regions. In addition, as we enter new regions, we are likely to compete not only with national developers, but also local developers who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors, suppliers, relevant government authorities, and who have access to existing land reserves or are in a stronger financial position than us, all of which may give them a competitive advantage over us.

If we plan to expand our geographical footprint, our business will be exposed to various additional challenges, including adjusting our construction methods to different terrains; obtaining necessary governmental approvals and building permits under unfamiliar regulatory regimes; identifying and collaborating with local business partners, construction contractors and suppliers with whom we may have no previous working relationship; successfully gauging market conditions in local real estate markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility or brand recognition; being susceptible to local taxation in additional geographical areas of India; and adapting our marketing strategy. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations.

**28. *We have not obtained certain approvals for some of our projects including our Completed Projects and we are required to fulfill certain conditions precedent, which makes us incur additional costs and as a result, have an adverse effect on our business.***

We must obtain statutory and regulatory approvals or permits at various stages in the development of our projects. For example, we are required to obtain requisite environmental approvals, fire safety clearances and commencement, completion and occupation certificates from relevant Governmental authorities. Also, our redevelopment projects depend substantially upon approvals from societies and certain Government agencies. As of December 31, 2021, we have forty-two (42) Completed Projects and out of which for seven (7) projects we have not received occupation certificate for certain flats. For details, please see “*Our Business - Completed Projects*” on page 172. We have applied for, or are in the process of applying for, such approvals.

We may not be able to handover possession of units to our customers in non-compliant buildings developed by us. Full consideration for units sold to our customers may also not be received in time due to delay in obtaining occupation certificate from relevant Governmental authorities. Delay in obtaining approvals from Governmental authorities may lead to imposition of penalties, claims from customers for non-fulfilment of obligations on our part and disputes with our customers claiming damages before authorities like MahaRera and consumer courts. Delay in obtaining occupation certificates and such other critical approvals may affect our business, prospects, financial condition, cash flows and results of operations.

**29. *Certain information included in this Draft Red Herring Prospectus, including the measurements with respect to the estimated Developable Area of our projects, estimated Carpet Area of our projects and the expected launch and completion dates of our projects, is based on certain assumptions and estimates which may change for various reasons.***

Some of the information contained in this Draft Red Herring Prospectus with respect to our Completed Projects, Ongoing Projects and Upcoming Projects such as the amount of land or development rights owned by us, location and type of development, estimated Developable Area, estimated carpet area, description of amenities, our funding requirements and intended use of Net Proceeds of the Issue by the Company are based on certain assumptions and estimates and have not been independently appraised or verified. Further, the expected launch date of a project is the date by which we anticipate making the first booking, sales, and the expected date of completion is the date by which we expect to receive the occupation certificate.

Developable Area of our Completed Projects and Ongoing Projects, estimated Developable Area and carpet area of our Upcoming Projects, and plot area of our Land Reserves have been calculated based on the current rules and regulations which govern the construction area of the respective projects. Our Land Reserves comprise land on which no development activity has commenced and no plan for development has been initiated but which we intend to develop in future, subject to various factors including marketability, receipt of regulatory clearances and development of adequate infrastructure. As of December 31, 2021, we had Land Reserves of 10,359.77 square

meters. The total area of a project that is ultimately developed and the actual Developable Area and actual carpet area may differ from the descriptions of the project presented herein and a particular project may not be completely booked, sold, leased or developed until a date subsequent to the expected completion date. We may also have to revise our assumptions, estimates, development plans (including the type of proposed development) and the estimated construction commencement and completion dates of our projects depending on future contingencies and events, including, among others, changes in our business plans due to prevailing economic and market conditions, and changes in laws and regulations. Further, the information we have provided in relation to our Completed Projects, Ongoing Projects and Upcoming Projects are not representative of our future results.

We may also change our management plans and timelines for strategic, marketing, internal planning and other reasons. Therefore, management's estimates and plans with respect to our projects are subject to uncertainty. Also see "*Risk Factors – Inability to complete our Ongoing Projects and Upcoming Projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition*" on page 34.

**30. *Our bids may not always be accepted for housing society redevelopment projects. We may not be able to qualify for, compete and win for redevelopment projects, which could adversely affect our business and results of operations.***

One of our strategies is to venture into the redevelopment of co-operative housing societies. We intend to participate in the bidding process for the tenders issued by such housing societies for redevelopment projects under the provisions of the Maharashtra Co-operative Societies Act, 1960. Redevelopment projects are awarded following competitive bidding processes and satisfaction of prescribed qualification criteria as set-out by the housing society. While service quality and performance, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in authority decisions, there can be no assurance that we would be able to meet such qualification criteria, particularly for such redevelopment projects. We cannot assure you that our bids for such redevelopment projects, when submitted, would be accepted. In addition, such housing societies conducting tender processes may change qualification criteria, leading to unexpected delays and uncertainties. We may not be successful in these bids and may lose out on such housing society redevelopment projects. There can be no assurance that redevelopment projects for which we bid will be tendered within a reasonable time, or at all. We will be required to compete with other developers for housing societies redevelopment projects where tenders are issued by co-operative societies seeking bids from developers. In the event that redevelopment projects which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

**31. *We are subject to risks in relation to sales made prior to completion of our projects, and an inability to pre-sell may adversely affect recovery of our capital outlay.***

We finance our residential projects through pre-sales prior to completion, in line with industry practice, and also finance our developments through progressive payment plans based on the proportion of construction completed. Proceeds from the pre-sale of our projects are an important source of financing for development of our projects. In the event of a failure, or delay beyond the contractually specified period, in the delivery of our pre-sold projects to purchasers, we would be required to refund all proceeds received in connection with pre-sales of or progressive payment plan for such project and we may be liable for potential losses that purchasers may suffer as a result. Our financial resources may be limited in making the requisite refunds in time if at all. Any restriction on our ability to pre-sell our projects would extend the time period required for the recovery of our capital outlay and would result in the need to seek alternative means to finance the various stages of the development of our projects. There is no assurance that we will not experience significant delays in completion or delivery of a project. This, in turn, could adversely affect our business, prospects, financial condition and results of operations.

**32. *Sales of our projects may be adversely affected by the ability of our prospective customers to purchase property which is dependent on availability of financing to potential customers.***

Lower interest rates on housing finance from Indian banks and housing finance companies, particularly for residential real estate, combined with the favourable tax treatment of loans facilitate growth of the Indian real estate market. Any changes in the tax treatment with respect to the repayment of principal on housing loans and interest paid on housing loans is likely to affect demand for residential real estate. There are various tax benefits under the Income Tax Act which are available to purchasers of residential premises who utilize loans from banks or financial institutions. This could adversely affect the ability or willingness of our potential customers to

purchase residential apartments. Further, adverse changes in interest rates affect the ability and willingness of prospective real estate customers, particularly customers of residential properties, to obtain financing for the purchase of our projects. A decision by the Reserve Bank of India to increase the repo rate could impose an inflation risk as the interest rates charged by banks on home loans from our prospective customers have in the past, and may continue to, be increased. Interest rates at which our customers may borrow funds for the purchase of our properties affects the affordability of our real estate projects. Any changes in the home loans market, making home loans less attractive to our customers may adversely affect our business, future growth and results of operations.

**33. *The industry in which we operate is competitive and highly fragmented resulting in increased competition that may adversely affect our results.***

Our Company preferentially operates on an asset light business model, in which low initial investment is deployed. Moreover, due to the lesser requirements of technical expertise in the residential real estate sector as opposed to the industrial/ infrastructure construction sector, the residential real estate sector has a larger number of new entrants and existing players from whom we face competition. These new and existing players undertake projects in the same regional markets in which our projects are located. Given the fragmented nature of the real estate development industry, we often do not have adequate information about the property our competitors are developing and accordingly, run the risk of underestimating supply in the market. Our inability to compete successfully in our industry with the new entrants or the existing players may materially affect our business prospects and financial condition.

Further, we compete for land, sale of projects, manpower resources and skilled personnel with other developers. Some of our competitors may have greater resources (including financial, land resources, and other types of infrastructure) to take advantage of efficiencies created by size, and access to capital at lower costs, have a better brand recall, and established relationships with homeowners. For instance, we face competition from developers including Macrotech Developers Limited, Oberoi Realty Limited, D B Realty Limited and Hubtown Developers Limited, that have residential projects in South Central Micro Market (*Source: Company Commissioned Anarock Report*). Our success in the future will depend significantly on our ability to maintain and increase market share in the face of such competition. Our inability to compete successfully with the existing players in the industry, may affect our business prospects and financial condition.

**34. *We face significant risks with respect to the length of time needed to complete each project. If we are unable to complete our projects in a timely manner or at all, it would adversely affect our business prospects, financial conditions and results of operations.***

It may take several years following the acquisition of land or development rights before income or positive cash flows can be generated through the sale of a completed real estate development project. Generally, the time required to complete any real estate construction and development project is significant. The risk of owning undeveloped land, developed land and inventories can be substantial as the market value of land and inventories can change significantly as a result of changing economic and market conditions. There is a time gap between our acquisition of land or development rights to the land and the development and sale of our projects, during which, deviations if any, could have a material adverse effect due to, among other things, changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of our properties, and changes with respect to competition from other property developments. Since our real estate investments are relatively illiquid, our ability to mitigate the risk of any market fluctuations is limited. We could be adversely affected if the market conditions deteriorate or if we purchase land or inventories at higher prices during stronger economic periods and the value of the land or the inventories subsequently declines during weaker economic periods. We cannot assure you that real estate market cyclicality will not continue to affect the Indian real estate market in the future. As a result, we may experience fluctuations in property values over time which in turn may adversely affect our business, financial condition and results of operations.

**35. *We have reversed some of the revenue recognised in prior periods as a result of cancelled bookings for certain of our projects and may be required to do so in the future.***

We and our customers have cancelled bookings for certain of our projects in recent years. For example, we have cancelled bookings where our customers have failed to make instalment payments. In addition, where projects are delayed beyond the scheduled completion date, our customers may have a right to cancel their bookings. For some of these projects, we had recognised all or a portion of the income from these bookings as revenue. We have

consequently been required to reverse the revenue recognised from these bookings. If an increasing number of bookings are cancelled in respect of projects where we have recognised revenue, this could lead to a decline in our business prospects, financial position and results of operations.

**36. *Failure to successfully implement our business strategies and our development plans may materially and adversely affect our business prospects, financial conditions and results of operations.***

We are embarking on a growth strategy which involves an expansion of our current business. We are currently focused on developing residential real estate projects in the certain micro-markets within the South Central Mumbai for the value luxury and luxury residential segments. While we intend to continue to focus on this segment, we propose to expand our operations into other micro-markets within the South Central Mumbai and adjoining areas. Further, we intend to leverage our experience in the real estate industry to capitalize on emerging industry opportunities. Pursuing these strategies may place significant demands on our management as well as our financial resources and accounting and operating systems. Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. Our failure to execute our growth strategy may result in our inability to maintain prior rates of growth.

Further, as we expand our operations, we may be unable to manage our business efficiently, which could result in delays, increased costs and affect the quality of our projects, and may adversely affect our reputation. Such expansion also increases the challenges involved in preserving a uniform culture, set of values and work environment across our business operations, developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems, recruiting, training and retaining management, technical and marketing personnel, maintaining high levels of customer satisfaction, and adhering to health, safety, and environmental standards. Our failure to manage our growth could have an adverse effect on our business and financial condition.

Each of the elements of new project initiatives that we develop to grow our business carries significant risks, as well as the possibility of unexpected consequences, including acceptance by and sales of the new project initiatives to our customers may not be as high as we anticipate; our marketing strategies for the new projects may be less effective than planned and may fail to effectively reach the targeted consumer base or engender the desired consumption; we may incur costs exceeding our expectations as a result of the continued development and launch of the new projects; we may experience a decrease in sales of certain of our existing projects as a result of the introduction of new projects nearby; and any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives.

In the event of failure on our part to successfully implement our business strategies and our development plans for any of the foregoing reasons, our business and financial condition could be adversely affected.

**37. *Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.***

We experience seasonality in our business. Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities to some extent and fully utilize our resources. Our sales may also increase during the last quarter of every Fiscal. Accordingly, our results of operations in one quarter may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations for other quarters.

**38. *We rely on various contractors or third parties in developing our projects, and factors affecting the performance of their obligations could adversely affect our projects.***

Most of our projects require the services of contractors and various other parties including architects, engineers, consultants and suppliers of labour and materials for our projects. The timing and quality of construction of the projects that we develop depends on the availability and skill of these parties, as well as contingencies affecting them, including labour and construction material shortages and industrial action such as strikes and lockouts. We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our projects, or at all. As a result, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services and any delay in project execution could adversely affect our

profitability. Additionally, we rely on suppliers and do not have direct control over the quality of the products they supply, which may adversely affect the construction quality of our developments. In addition, if such contractors or third parties do not complete our orders in a timely manner or match our requirements on quality, our reputation and financial condition could be adversely affected. Further, any defects in construction of our projects may expose us to the risk of claims for damages.

**39. *We may suffer uninsured losses or experience losses exceeding our insurance limits, which may have a material adverse effect on our business, financial condition and results of operations.***

We maintain insurance coverage that we believe is in accordance with industry standard. Our insurance cover as of October 31, 2021 for project insurance as part of the standard fire and special perils insurance policy, vehicle insurance policy, plant and machinery insurance policy and contractor all risk insurance policy was ₹ 2,278.30 million and work-in-progress including land cost, vehicle and plant and machinery cost was ₹ 6,356.29 million as of October 31, 2021. As of October 31, 2021, our project insurance cover as a percentage of work-in-progress including land cost was 35.84%. Our real estate projects could suffer physical damage from fire or other causes, resulting in losses which may not be fully covered by our insurance policies. In addition, there are certain types of losses, such as those due to earthquakes, floods, other natural disasters, terrorism or acts of war, which may not be insurable at a reasonable premium. We may also be subject to claims resulting from defects in our projects. The proceeds of any insurance claim with respect to insurance that either we or our contractors have taken may be insufficient to cover any expenses faced by us including higher rebuilding costs as a result of inflation, changes in building regulations, environmental issues as well as other factors. Should an uninsured loss or a loss in excess of insured limits occur, we may lose the capital invested in and the anticipated revenue from the affected property. We could also remain liable for any debt or other financial obligation related to that property. We cannot assure you that losses in excess of insurance proceeds will not occur in the future. In addition, any payments we make to cover any uninsured loss may have a material adverse effect on our business, financial condition and results of operations. If we suffer any losses, damages and liabilities in the course of our operations and real estate development, we may not have sufficient insurance or funds to cover any such losses.

**40. *Non-compliance with, and changes in, safety, health and environmental laws could adversely affect our projects.***

We are subject to a broad range of safety, health and environmental laws in the jurisdictions in which we operate in the ordinary course of our business, including on controls on noise emissions, air and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. Under these laws, owners and operators of property may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property.

Although we believe that our projects are generally in compliance with such safety, health and environmental laws, statutory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties and other civil or criminal proceedings. Further, though we have been able to obtain the necessary approvals in the past, we cannot assure you that we will be able to obtain approvals in relation to our new projects, at such times or in such form as we may require, or at all.

These laws and regulations and their resulting obligations, under which we and our sub-contractors operate, may result in delays in construction and development, cause us to incur substantial compliance and other related costs and prohibit or severely restrict our real estate and construction businesses. If we are unable to continue to deliver products as a result of these restrictions, or if our compliance costs increase substantially, our revenues and earnings may be reduced, which may adversely affect our results of operations, business and financial condition.

**41. *In the event that we are unable to acquire lands for which we have entered into agreements for purchase or similar arrangements, or such agreements are held to be invalid or expire, we may not be able to acquire the land and may also lose advances paid towards acquisition of such lands.***

As part of our land acquisition process, we enter into agreements for purchase or similar arrangements with third parties prior to the transfer or conveyance of title to parcels of land to ensure that the sellers of the land satisfy certain conditions within the stipulated time frame specified under these agreements. For instance, the owners of the land may be required to provide to us all of the original deeds and documents in relation to the land. Upon entering into such arrangements, we are required to pay these landowners certain advances towards the purchase of the lands. These arrangements also provide that the lands must be conveyed in our favour within a prescribed period of time. In the event that we are not able to acquire the lands covered by these arrangements, we may not

be able to recover all, or part of the advance monies related to these lands. Further, in the event that these arrangements are either invalid or have expired, we may lose the right to acquire these lands and also may not be able to recover the advances made in relation to the land. Also, any indecisiveness or delay on our part to perform our obligations under these arrangements may jeopardize our ability to acquire these lands before these agreements expire. Additionally, any failure to renew any of these arrangements on similar terms or recover the advanced monies from the relevant counterparties following the expiration of the initial term of such agreement could adversely affect our business, financial condition and results of operations.

We cannot assure you that such lands will be conveyed to us, that we will be successful in acquiring them or that we will be successful in registering them in our name or the name of one of our Subsidiaries.

**42. *We rely on our information technology systems for our operations and its reliability and functionality is critical to the success of our business.***

We rely on our information technology systems for our operations and its reliability and functionality is critical to our business success. Our growing dependence on the IT infrastructure, applications, and data has caused us to have a vested interest in its reliability and functionality, which can be affected by a number of factors, including, the increasing complexity of the IT systems, frequent change and short life span due to technological advancements and data security. We have fully implemented the Far Vision application across the various business functions in our Company to integrate systems among our departments, including engineering and accounting, and are also in the process of implementing a customer relationship management software. If our IT systems malfunction or experience extended periods of down time, we may not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation and volume of business and our financial condition and results of operation may be materially and adversely affected. So far, we have not experienced any material widespread disruptions of service to our clients, but there can be no assurance that we may not encounter disruptions in the future.

Our information technology systems may be vulnerable to computer viruses, privacy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our ability to maintain a track record and analyse the work in progress, cause loss of data and disruption in operations, including an ability to assess the progress of the projects, process financial information or manage creditors/debtors or engage in normal business activities. Moreover, we may not operate an adequate disaster recovery system. Fixing such problems caused by computer viruses or security breaches may require interruptions or delays, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks.

**43. *Changes in technology may affect our business by making our construction and development capabilities less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails technical and business risks. While we have invested in, and are involved with, a number of technology and development initiatives, several technical aspects of these initiatives are still unproven and the eventual commercial outcomes cannot be assessed with any certainty. Even if we are successful with these initiatives, we may not be able to deploy them in a timely fashion. Accordingly, the costs and benefits from our investments in new technologies and the consequent effects on our financial results may vary from present expectations. We cannot assure you that we will be able to successfully implement new technologies or adapt our systems to emerging industry standards. Changes in technology may require us to make additional capital expenditures to upgrade our capabilities. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

**44. *We have applied for registrations of certain intellectual property rights and any failure to enforce our rights could have an adverse effect on our business prospects.***



Our trademark is significant to our business and operations. We have applied for trademark of our logo SURAJ appearing on the cover page of this Draft Red Herring Prospectus and the same is objected by concerned department. For further information, see “Government and Other Approvals” on page 339. Our ability to enforce

our trademark and other intellectual property is subject to general litigation risks and an action for passing-off may not sufficiently protect our trademarks or trade names and other intellectual property rights. Further, we may not have adequate mechanisms in place to protect our confidential information. While we do take precautions to protect confidential information against breach of trust by employees, consultants, customers and suppliers, it is possible that unauthorized disclosure of confidential information may occur.

In addition, we may become subject to claims by third parties if we use slogans, names, designs, software or other such subjects in breach of any intellectual property rights registered by such third party. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our marketing strategies or brand names of our products and services, which could adversely affect our business, prospects, results of operation and financial condition.

***45. A portion of our projects is held through our Subsidiaries and we may pledge our shareholding to secure financing for such Subsidiaries. In the event of a default in our financing agreements, pledge may be invoked and our shareholding in our Subsidiaries may be diluted.***

We hold a part of our Ongoing Projects and Upcoming Projects, and Land Reserves through our Subsidiaries. We regularly enter into financing arrangements to enable purchase of land including for the projects developed by the Subsidiaries. Some of the debt financing taken by Subsidiaries may require us to pledge shares held by our Company in our relevant Subsidiary in favour of the relevant lender. Any default in such loans by the relevant Subsidiary can result in the concerned lender exercising the rights in respect of such pledge and acquiring the shareholding of the Company in the relevant Subsidiary. In such circumstances, our ownership in the relevant Subsidiary may be diluted. Such an event may have an adverse impact on the business and financial position of the Company and/or our Subsidiaries concerned.

***46. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid by Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have availed the services of an independent third party research agency, Anarock Property Consultants Private Limited, to prepare an industry report titled “*Real Estate Industry Report*” dated March 4, 2022, (“**Company Commissioned Anarock Report**”) commissioned and paid by us for purposes of inclusion of such information in this Red Herring Prospectus. The Company Commissioned Anarock Report is subject to various limitations and based upon certain assumptions that are subjective in nature including that the Company Commissioned Anarock Report is not based on comprehensive market research of the overall market for all possible situations, and that changes in socio-economic and political conditions could result in a substantially different situation than those presented. We have not independently verified data from these industry reports. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies/peer companies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

***47. Our operations and the workforce, customers and/ or third parties on property sites are exposed to various hazards, which could adversely affect our business, financial condition and results of operations.***

We conduct various site studies to identify potential risks prior to the acquisition of any parcel of land or development rights for a parcel of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as outbreaks of storms, hurricanes, lightning, floods, landslides, rockslides and earthquakes and other reasons. Additionally, our operations are subject to hazards inherent in providing such services, such as risk of equipment failure, impact from falling objects, collision, work accidents, fire, or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Accidents and, in particular, fatalities may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents.

If any one of these hazards or other hazards were to occur involving our workforce, customers and/or third parties on property sites, our business, financial condition and results of operations may be adversely affected. Further, we may incur additional costs for reconstruction of our projects which are damaged by hazards which may not be covered adequately or at all by the insurance coverage we maintain, and this may adversely affect our business, reputation and financial condition.

**48. *We utilize independent construction contractors, whom we do not control, to construct projects and any failure on their part to perform their obligations could adversely affect our business, results of operations and cash flows.***

As part of our operations, we may contract with independent construction contractors for the construction of our projects. If a contractor fails to perform its obligations satisfactorily or within the prescribed time periods with regard to a project or terminates its arrangements with us, we may be unable to develop the project within the intended timeframe, at the intended cost, or at all. If this occurs, we may be required to incur additional cost or time to develop the property to appropriate quality standards in a manner consistent with our development objective, which could result in reduced profits or in some cases, significant penalties and losses. We cannot assure you that the services rendered by such independent construction contractors will always be satisfactory or match our requirements for quality. In addition, we may be subject to claims in relation to defaults and late payments to our contractors, which may adversely affect our business, results of operations, and cash flows.

**49. *Fraud or improper conduct may delay the development of a project and adversely affect our business and results of operations.***

The real estate development and construction market in India is not immune to the risks of fraud or improper practices. Large construction projects provide opportunities for corruption, fraud or improper conduct, including bribery, deliberate poor workmanship, theft or embezzlement by employees, contractors or customers or the deliberate supply of low-quality materials. If we or any other persons involved in any of the projects are the victim of or involved in any such practices, our reputation or our ability to complete the relevant projects as contemplated may be disrupted, thereby adversely affecting our business and results of operations.

**50. *We are dependent on a number of key personnel, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

We are highly dependent on our Key Managerial Personnel for setting our strategic business direction and managing our business. Our Managing Director and certain other Key Managerial Personnel have extensive experience in the real estate development sector. For further information, see “*Our Management – Key Management Personnel*” on page 221. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel in our industry, competition for senior management is intense. The loss of the services of our Key Managerial Personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

**51. *Our Promoter and certain members of Promoter Group and Directors hold Equity Shares in our Company and are therefore interested in the Company’s performance in addition to their normal remuneration and reimbursement of expenses.***

Our Promoter and certain members of our Promoter Group and Directors are interested in our Company, in addition to normal remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or their relatives’ holding in our Company. Further, other than as disclosed in “*Related Party Transactions*”, “*Our Management*” and “*Our Promoter and Promoter Group*” on page 326, 205 and 224, there are no other transactions entered into by our Company with our Promoter, Promoter Group, Directors or Key Management Personnel. While we believe that all such transactions have been conducted on an arm’s length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. For further information on the interest of our Directors, Promoter and Key Management Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see “*Our Management – Interest of Directors*”, “*Our Promoter and Promoter Group - Interest of Promoter*” and “*Our Management-Interest of our Key Management Personnel*” on pages 211, 224 and 222, respectively.

**52. *We have, in the past, entered into certain transactions with related parties and may continue to do so in***



***the future. Any related party transactions that are not on an arm's length basis may adversely affect our business, results of operation and financial condition.***

We have, in the past, entered into certain transactions with related parties, including our Promoter and Promoter Group and may continue to do so in the future. For further information, see “*Restated Consolidated Financial Statements*” on page 232. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we would not have achieved more favourable commercial terms had such transactions not been entered into with related parties. Further, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest.

In seven months, period ended October 31, 2021 and in Fiscal 2021, 2020 and 2019, the aggregate amount of such related party transactions was ₹243.81 million, ₹77.55 million, ₹188.32 million and ₹45.31 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in seven months period ended October 31, 2021 and in Fiscal 2021, 2020 and 2019 was 22.24%, 3.23%, 21.66% and 13.10%, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority Shareholders and it will not have an adverse effect on our business, results of operations, cash flows and financial condition.

**53. *Our Statutory Auditors have included certain matters of emphasis in our Financial Statements. In addition, the annexure to our Statutory Auditors’ report issued under the Companies (Auditor’s Report) Order, 2016 (“CARO”), on our audited standalone financial statements contain statement on certain matters.***

Our Statutory Auditors have included certain matters of emphasis in relation to our Company in our Restated Consolidated Financial Statements. Details of the same are as follows

<b>Period</b>	<b>Reservations/ Adverse Remarks/ Matter</b>	<b>Qualifications/ Emphasis of</b>	<b>Particulars</b>
Fiscal year 2019	Audit qualifications adjustments in the Consolidated Statement are as follows: Qualification given in standalone IGAAP Financial Statement of one of the subsidiary of the Company (M/s Accord Estates Private Limited) for the financial year ended 31 <sup>st</sup> March 2019,	modification/ requiring Restated Financial	The Company has not provided interest on term loan taken from India Infoline Limited amounting to Rs. 112.50 million and to that extent financial statement will undergo change”.  Management comment: Restatement has been made in the Restated Consolidated Financial Statement for the respective financial year. (Refer Note 55 (d) (vii) (II)  There are no other modification/ qualification other than as stated above.
Fiscal year 2021, 2020 and 2019	Emphasis of matters requiring adjustments to Restated Consolidated Statement	Financial	1) Emphasis of matter for the financial year ended 31 <sup>st</sup> March, 2021 in standalone IGAAP financials of subsidiary of the Company, Accord Estates Private Limited: its policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 – Employee Benefits. However, Statutory Auditor’s opinion is not qualified in respect of this matter.  2) Emphasis of matter for the period ended 31 <sup>st</sup> March, 2020 in standalone IGAAP financials of Suraj Estate Developers Limited and subsidiary of the Company, Accord Estates Private Limited: Company’s policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 – Employee Benefits. However, Statutory Auditor’s opinion is not qualified in respect of this matter.  3) Emphasis of matter for the period ended 31 <sup>st</sup> March, 2019 in standalone IGAAP financials of Suraj Estate Developers Limited and subsidiary of the Company,

Period	Reservations/ Adverse Remarks/ Matter	Qualifications/ Emphasis of	Particulars
			<p>Accord Estates Private Limited: Company's policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 - Employee Benefits. However, Statutory Auditor's opinion is not qualified in respect of this matter.</p> <p>Management comment: Actuarial valuation has been carried for all the reported period and appropriate adjustment has been made in Restated Consolidated Financial Statement. Refer note 55(d)(i).</p>

There can be no assurance that any similar matters of emphasis or remarks will not form part of our financial statements for the future fiscal periods, or that such remarks will not affect our financial results in future fiscal periods. Investors should consider the remarks and observations in evaluating our financial condition, results of operations and cash flows. Any such remarks or matters of emphasis in the auditors' report, other observations and/ or CARO report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

**54. *Our Company's ability to pay dividends in the future will depend on our Company's earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our Company's financing arrangements.***

In the past, we have not made dividend payments to the Shareholders of our Company. For further information, see "Dividend Policy" on page 231. Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, results of operations, financial condition, cash requirements, business prospects and any other financing arrangements, applicable legal restrictions and overall financial position of our Company. The declaration and payment of dividends will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared. We may retain all future earnings, if any, for use in the operations and expansion of the business. We cannot assure you that we will be able to pay dividends in the future.

**55. *Our Registered and Corporate Office are on leave and license basis. Failure to comply with the conditions of the use of such property could result in an adverse impact on our business and operations. Further there can be no assurances that these leave and license agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.***

Our Registered and Corporate Office situated at 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India is on leave and license basis. We may not be able to successfully extend or renew such leave and license agreement upon expiration of the current term on commercially reasonable terms or at all, and may therefore be forced to relocate our affected operations. This could disrupt our operations and result in relocation expenses, which could adversely affect our business, financial condition, results of operations and cash flows. In addition, we may not be able to locate desirable alternative sites for our operations as our business continues to grow or our leases near their end, and failure in relocating our affected operations could adversely affect our business and operations.

Further there are risks associated with the disputes of the property that may also lead to business disruptions. Even where we can extend or renew our leases, our rental payments may increase because of the high demand for the leased properties. Further, in certain case where we must commit to lock-in periods our ability to exit the property may be limited. Further, any unanticipated or steep increase in the regulatory costs on account of stamp duty, municipal taxes or any other local duties, taxes, levies may adversely impact our ability to sustain or expand retail stores marketplace or warehouses in an affordable manner.

**56. *Our Company was incorporated in 1986 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. We cannot assure you that such forms or***

*records will be available at all or any time in the future.*

The secretarial records for certain past allotments of Equity Shares made by our Company and share transfer forms could not be traced as the relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC, despite conducting internal searches and engaging an independent practicing company secretary to conduct online search at the MCA Portal maintained by the Ministry of Corporate Affairs and physical search of RoC. These allotments include allotment of (i) 104,980 equity shares of ₹ 10 each on November 18, 1986; and (ii) 95,000 equity shares of ₹ 10 each on March 31, 1994 for which the relevant forms were not traceable.

While certain information in relation to the allotments and Share transfers have been disclosed in the section “*Capital Structure*” beginning on page 83, in this Draft Red Herring Prospectus, based on annual reports of our Company, annual returns, board resolutions and other corporate records of our Company, as available and based upon the allotment details provided in the search report prepared by M/s. M. K. Sarswat and Associates, independent practicing company secretary, and certified by their certificate dated January 11, 2022, we may not be able to furnish any further information, other than what is already disclosed in “*Capital Structure*” beginning on page 83, or assure that the other records will be available in the future. While no legal proceedings or regulatory action has been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future.

The paid-up share capital of our Company reached ₹ 20 million on December 4, 1997 pursuant to which our Company was required to comply with Section 383(A) of the Companies Act, 1956 in as much as appointing a whole-time company secretary. Our Company did not comply with Section 383(A) of the Companies Act, 1956 regarding the appointment of whole-time company secretary. Such non-compliances may result into penalties or other action on our Company by the statutory authorities.

**57. *We will continue to be controlled by our Promoter and certain members of our Promoter Group after the completion of the Issue.***

As of the date of this Draft Red Herring Prospectus, our Promoter and certain members of our Promoter Group hold the entire issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Issue, our Promoter and certain members of the Promoter Group together will hold more than [●]% of our equity share capital, which will allow them to continue to control the outcome of matters submitted to our Board or Shareholders for approval. After this Issue, our Promoter will continue to exercise significant control or exert significant influence over our business and major policy decisions, including but not limited to control the composition of our Board, delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us.

The interests of our Promoter and certain members of the Promoter Group may conflict with your interests and the interests of our other shareholders, and our Promoter and certain members of the Promoter Group could make decisions that may adversely affect our business operations, and hence the value of your investment in the Equity Shares.

**58. *Our Promoter, certain members of the Promoter Group and Directors and related entities have interests in number of ventures, which are in businesses similar to ours and this may result in potential conflicts of interest with us.***

A conflict of interest may occur between our business and the business of ventures in which our Promoter, certain members of the Promoter Group, our Directors and related entities are involved with, which could have an adverse effect on our operations. Conflicts of interest may also arise out of common business objectives shared by us, our Promoter, certain members of our Promoter Group Directors and related entities. Our Promoter, members of the Promoter Group, our Directors and related entities may compete with us and have no obligation to direct any opportunities to us. For example, certain of our Group Companies and Subsidiaries are engaged in businesses similar to ours. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

**59. *Our development projects may require additional FSI (TDRs) which may not be available or may not be available at the expected price.***

Our development projects like housing society redevelopment or acquired land parcels have inherent FSI as per the DCP Regulations. Municipal planning and land use regulations limit the maximum square footage of completed buildings we may construct on plots to specified amounts, calculated based on a ratio of the combined gross floor area of all floors, except areas specifically exempted, to the total area of each plot of land (the floor space index, or “FSI”). TDRs granted by the relevant statutory authority provide a mechanism by which a person, who is unable to use the available FSI of his/ her plot for various reasons, is permitted to use the unused FSI on other properties in accordance with applicable regulations or transfer the unused FSI to a third party. This TDRs is available with third parties for a price determined by demand and supply factors. We may be required to acquire TDRs to develop project as per our development plans. If we are unable to acquire TDRs due to non-availability or if the market price of the available TDRs is high or unviable, then this may impact our ability to increase the size of certain projects due to us having insufficient FSI or because of a significant increase in the cost of acquisition of TDRs. Our inability to acquire TDRs may affect our ability to increase the size and scope of our projects which may lead to lower revenues from such projects and our financial condition and results of operations in general.

## **External Risk Factors**

### *Risks relating to investment in India*

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

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the BSE and the NSE, subject to the receipt of the final listing and trading approvals from the respective Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export and import assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India’s various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- decline in India’s foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India’s sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India’s tax, trade, fiscal or monetary policies;
- other significant regulatory or economic developments in or affecting India or its infrastructure and real estate sector; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers’ revenues, savings and could in turn negatively affect their demand for our products. Demonetization of ₹ 500 and ₹ 1,000 currency notes was announced in November 2016. The immediate impact of the announcement led to people depositing their cash in banks and the Indian economy was drained out of liquid cash for a brief period. As majority of the Value Luxury home buyers make their

purchases with home loans, they went into a wait and watch mode owing to uncertainties. Developers also refrained from launching new projects during this period as there were no buyers.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**61. *All our revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect our business.***

We derive all our revenue from our operations in India and so the performance and the growth of our business are dependent on the performance of the Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, may have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

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

The Restated Consolidated Financial Statements for the seven months ended October 31, 2021, and for Fiscal 2021, 2020 and 2019 included in this Draft Red Herring Prospectus have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013. For further details, see the section "*Restated Consolidated Financial Statements*" on page 232.

Except as otherwise provided in the "Financial Statements" with respect to Ind AS, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS.

Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. In addition, our Restated Consolidated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

**63. *If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws

(Amendment) Act, 2019, a new tax legislation issued by India's Ministry of Finance effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22%, subject to compliance with conditions prescribed, from the erstwhile 25% or 30%, depending upon the total turnover or gross receipt in the relevant period. While we had opted for the 25% concessional tax regime we may not be subject to other benefits and exemptions, any such future amendments may affect our other 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.

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

Further, a draft of the Personal Data Protection Bill, 2019 ("**Data Protection Bill**") was introduced in the Lok Sabha on December 11, 2019, which was subsequently referred to a joint parliamentary committee (JPC) set up by the Parliament. On December 16, 2021, the JPC submitted its report on India's draft Data Protection Bill (the "Bill"). The Data Protection Bill seeks to create a framework for implementing organizational and technical measures in processing personal data and to ensure the accountability of entities processing personal data. The Data Protection Bill also provides remedies for unauthorised and harmful processing and proposes to establish a Data Protection Authority of India for overseeing data processing activities. 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 businesses or restrict our ability to grow our businesses in the future.

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

For instance, the Finance Act, 2019 stipulates any sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2019 has also clarified that the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, the Government of India has announced the union budget for Fiscal 2022, pursuant to which the Finance Act, has introduced various amendments. As such, there is no certainty on the impact that the Finance Act, 2020 may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature

and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

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

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

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

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

**65. *Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and economy are influenced by economic and market conditions in other countries, including the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and 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.

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.

**66. *Investors may not be able to enforce a judgment of a foreign court against us or our management.***

We are incorporated under the laws of India and all of our Promoter, Directors, Key Management Personnel and senior management personnel reside in India. Majority of our assets, and the assets of certain of our Promoter, Directors, key management personnel and other senior management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a

judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Code of Civil Procedures, 1908 (the “**Civil Code**”). Further, the Civil Code only permits enforcement of 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 and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment.

As a result, you as an Investor may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

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

Our Articles and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a corporate entity 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 one of our Shareholders than as a shareholder of a corporate entity in another jurisdiction.

**68. *Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Any such acquisition of land or properties by the government for compensation which may not be adequate may adversely affect our business, financial condition and results of operations.***

The right to own property in India is subject to restrictions that may be imposed by the government. In particular, the Government under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and (the “**Land Acquisition Act**”) has the right to compulsorily acquire any land if such acquisition is for a “public purpose”, after providing compensation to such owner of the land. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act, due to limited jurisprudence on them in the event our interpretation differs from or contradicts with any judicial pronouncements or clarifications issued by the Government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as Covid-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. 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 the Covid-19 virus. Further outbreak of the Covid-19 pandemic or of similar contagious diseases in India could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

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

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

**Risks Relating to the Equity Shares**

**71. *The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our earnings and results of operation, as well as those of our competitors;
- failure of securities analysts to cover the Equity Shares after the Issue;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations or estimates as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- activities of our suppliers;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**72. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**73. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse***

***effect on the value of our Equity Shares, independent of our operating results.***

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

***74. You will not be able to sell, immediately on the Stock Exchanges, any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the 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 this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid 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 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.

***75. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert 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 authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restriction on Foreign Ownership of Indian Securities*" on page 380.

While the Government has permitted FDI of up to 100% without prior regulatory approval in the construction-development projects including development of townships, construction of residential or commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, and townships, it has imposed certain conditions, such as a three year lock-in on repatriation of investments by persons resident outside India prior to completion of the project.

In terms of Press Note 3 of 2020, dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, the foreign direct investment policy has been recently 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 owners of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government. 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the

foreign direct investment policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the Government may be obtained, if at all.

However, the FEMA Rules permit participation in the Issue by the following categories of non-residents, without application of the conditions imposed on FDI investments: (i) FPIs under Schedule II of the FEMA Rules, in accordance with applicable law, in the Issue subject to the limit of an FPI holding below 10% of the post-Issue paid-up capital of our Company, on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA Rules, in accordance with applicable law. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue. For more information on bids by FPIs and Eligible NRIs, see “*Issue Procedure*” on page 361.

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

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised 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

resident and the seller is entitled to avail benefits thereunder. 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.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

**78. *The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Issue Price*" on page 103, 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 Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

**79. *The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.***

Indian securities markets may be more volatile than and not comparable to, the securities markets in certain countries with more developed economies and capital markets of other countries. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

**80. *Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our Promoter or other major Shareholders may adversely affect the trading price of the Equity Shares.***

Our Company may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future issuances of Equity Shares or the disposal of Equity Shares by our Promoter or any of our Company's other principal Shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of Investor's investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If our Company elects not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the

investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

***82. 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.***

Pursuant to the SEBI 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. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

## SECTION III – INTRODUCTION

### THE ISSUE

The following table summarises the Issue details:

Issue of Equity Shares <sup>(1)</sup>	Up to [●] Equity Shares aggregating up to ₹ 5,000 million
<i>of which</i>	
A) QIB Portion <sup>(2) (3) (4)</sup>	Not less than [●] Equity Shares
<i>of which</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which</i>	
a. Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
b. Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion <sup>(3)</sup>	Not more than [●] Equity Shares
C) Retail Portion <sup>(3) (4)</sup>	Not more than [●] Equity Shares
<b>Pre and post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	33,250,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “ <i>Objects of the Issue</i> ” on page 93 for information about the use of the Net Proceeds.

- (1) *The Issue has been authorised by our Board of Directors dated January 19, 2022 and the Issue has been authorized by a special resolution of our Shareholders dated January 25, 2022.*
- (2) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation price in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Any unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, please see the section entitled “Issue Procedure” on page 361. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. For further details, please see the section entitled “Issue Procedure” on page 361.*
- (4) *Allocation to Bidders in all categories except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to*

*each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportional basis. Allocation to Anchor Investors shall be done on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see “Issue Procedure” beginning on page 361.*

For details of the terms of the Issue, see “*Terms of the Issue*”, beginning on page 351.

## **SUMMARY FINANCIAL INFORMATION**

The summary financial information presented below are derived from our Restated Consolidated Financial Statements as of and for the seven months period ended October 31, 2021 and the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019 and should be read in conjunction with “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 232 and 293, respectively.

*(The remainder of this page is intentionally left blank)*



## Restated Consolidated Statement of Assets and Liabilities

(Amount in ₹ million, except share and per share data, unless otherwise stated)

Particulars	As at October 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>				
<b>A Non-current assets</b>				
a) Property, plant and equipment	42.67	49.44	46.01	5.93
b) Intangible assets	134.91	142.12	143.09	12.10
c) Right-of-use-asset	15.06	20.06	28.63	37.20
d) Financial assets				
i) Investments	1.08	11.11	1.11	1.09
ii) Other financial assets	42.48	28.01	41.31	69.33
e) Deferred tax assets (Net)	8.47	7.51	6.96	6.95
<b>Total Non-Current Assets (A)</b>	<b>244.67</b>	<b>258.25</b>	<b>267.11</b>	<b>132.60</b>
<b>B Current assets</b>				
a) Inventories	6,313.65	5,652.80	5,439.69	4,518.77
b) Financial assets				
i) Trade receivables	746.86	806.65	422.50	293.55
ii) Cash and cash equivalents	84.17	122.45	24.47	40.07
iii) Bank balances other than (ii) above	55.04	86.08	35.10	30.96
iv) Loans	225.93	236.34	60.43	131.08
v) Other financial assets	20.05	72.93	82.46	82.48
c) Other current assets	661.86	682.17	757.94	733.28
d) Current income tax assets (Net)	0.79	2.34	7.83	7.33
<b>Total Current Assets (B)</b>	<b>8,108.35</b>	<b>7,661.76</b>	<b>6,830.42</b>	<b>5,837.52</b>
<b>TOTAL ASSET (A + B)</b>	<b>8,353.02</b>	<b>7,920.01</b>	<b>7,097.53</b>	<b>5,970.12</b>
<b>EQUITY AND LIABILITIES</b>				
<b>A Equity</b>				
a) Equity share capital	158.75	63.50	63.50	63.50
b) Other equity				
- Other reserves	247.52	229.24	167.70	154.47
- Capital reserve related to business combination	(161.47)	(1.27)	(1.07)	(0.99)
<b>Equity attributable to Equity Holders of the Company</b>	<b>244.80</b>	<b>291.47</b>	<b>230.13</b>	<b>216.98</b>
Non Controlling Interest	2.29	2.18	2.17	2.14
<b>Total Equity (A)</b>	<b>247.09</b>	<b>293.65</b>	<b>232.30</b>	<b>219.12</b>
<b>Liabilities</b>				
<b>B Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	4,387.65	4,640.45	4,068.34	3,016.81
ii) Lease liabilities	8.47	15.16	23.84	30.50
iii) Other financial liabilities	38.83	30.38	20.58	13.35
b) Provisions	9.55	8.97	7.92	5.76
<b>Total Non-Current liabilities (B)</b>	<b>4,444.50</b>	<b>4,694.96</b>	<b>4,120.68</b>	<b>3,066.42</b>
<b>C Current liabilities</b>				
a) Financial liabilities				
i) Short term borrowings	2,102.99	1,364.33	905.30	694.49
ii) Trade payables				
- Amount due to Micro and small enterprises	5.41	3.78	4.59	2.45
- Amount due to other than Micro and small enterprises	116.17	137.84	121.26	182.95
iii) Other financial liabilities	363.65	324.87	105.12	196.69
iv) Lease liabilities	9.77	8.02	6.66	6.02
b) Other current liabilities	1,012.69	1,079.82	1,598.46	1,601.14
c) Provisions	2.42	1.05	1.85	0.69
d) Current tax liabilities (Net)	48.33	11.69	1.31	0.15
<b>Total Current liabilities (C)</b>	<b>3,661.43</b>	<b>2,931.40</b>	<b>2,744.55</b>	<b>2,684.58</b>
<b>TOTAL LIABILITIES (A+B+C)</b>	<b>8,353.02</b>	<b>7,920.01</b>	<b>7,097.53</b>	<b>5,970.12</b>

## Restated Consolidated Statement of Profit and Loss

(Amount in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the seven months period ended October 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A Income</b>				
Revenue from operations	1,096.24	2,399.87	869.28	345.84
Other income	8.05	40.11	20.16	12.25
<b>Total income (A)</b>	<b>1,104.29</b>	<b>2,439.98</b>	<b>889.44</b>	<b>358.09</b>
<b>B Expenses</b>				
Operating and project expenses	983.94	1,641.95	962.61	945.14
Changes in inventories of construction work in progress	(660.85)	(223.11)	(850.01)	(1246.71)
Employee benefit expenses	56.27	76.12	64.24	50.64
Finance costs	509.95	792.07	644.61	528.17
Depreciation and amortisation	19.96	23.87	17.84	5.89
Other expenses	31.32	38.62	26.88	53.27
<b>Total expenses (B)</b>	<b>940.59</b>	<b>2,349.52</b>	<b>866.17</b>	<b>336.40</b>
<b>C Profit before tax (A - B) (C)</b>	<b>163.70</b>	<b>90.46</b>	<b>23.27</b>	<b>21.69</b>
<b>D Tax expense:</b>				
- Current tax	45.99	28.20	7.47	4.01
- Deferred tax charge/ (credit)	(1.24)	(0.51)	0.64	1.45
<b>Total tax expense (D)</b>	<b>44.75</b>	<b>27.69</b>	<b>8.11</b>	<b>5.46</b>
<b>E Profit after tax (C - D)(E)</b>	<b>118.95</b>	<b>62.77</b>	<b>15.16</b>	<b>16.23</b>
<b>F Other comprehensive income / (loss)</b>				
a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss				
- Remeasurement of defined benefit plans - gain/(loss)	1.06	(0.13)	(2.28)	0.38
(ii) Income tax relating to items that will be classified to profit or loss - (Charge)/ credit	(0.29)	0.04	0.63	(0.11)
b) (i) Items that will be reclassified subsequently to statement of Profit and Loss	-	-	-	-
(ii) Income tax relating to items that will be classified to profit or loss	-	-	-	-
<b>Other comprehensive income/ (loss) for the year (F)</b>	<b>0.77</b>	<b>(0.09)</b>	<b>(1.65)</b>	<b>0.27</b>
<b>H Total comprehensive income for the year (E + F)</b>	<b>119.72</b>	<b>62.68</b>	<b>13.51</b>	<b>16.50</b>
<b>Profit for the year attributable to:</b>				
(i) Owners of the Company	117.27	61.63	14.48	15.71
(ii) Non Controlling Interest	1.68	1.14	0.68	0.52
	<b>118.95</b>	<b>62.77</b>	<b>15.16</b>	<b>16.23</b>
Other Comprehensive Income / (Loss) for the year attributable to:				
(i) Owners of the Company	0.76	(0.09)	(1.65)	0.27
(ii) Non Controlling Interest	0.01	-	-	-
	<b>0.77</b>	<b>(0.09)</b>	<b>(1.65)</b>	<b>0.27</b>
Total Comprehensive Income / (Loss) for the year attributable to:				
(i) Owners of the Company	118.03	61.54	12.83	15.98
(ii) Non Controlling Interest	1.69	1.14	0.68	0.52
	<b>119.72</b>	<b>62.68</b>	<b>13.51</b>	<b>16.50</b>
<b>Basic and diluted earnings per share</b>	<b>3.75</b>	<b>1.98</b>	<b>0.48</b>	<b>0.51</b>

## Restated Consolidated Cash Flow Statement

(Amount in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the seven months period ended October 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before taxes</b>	163.70	90.46	23.27	21.69
<b>Adjustments for:</b>				
Interest expenses	499.79	781.46	638.92	514.38
Interest income	(1.74)	(4.27)	(2.96)	(5.20)
Depreciation, amortization and impairment	19.96	23.87	17.84	5.89
Loss on sale/ discard of fixed asset	-	0.04	0.02	-
Provision for expected credit loss - Provision/(Reversal)	(5.19)	1.95	(2.08)	(3.69)
Dividend income	(0.01)	-	(0.01)	(0.01)
<b>Operating profit / (loss) before working capital changes</b>	<b>676.51</b>	<b>893.51</b>	<b>675.00</b>	<b>533.06</b>
Movements in working capital : [Including Current and Non-current]				
(Increase) / decrease in loans, trade receivable and other assets	146.03	(468.60)	(93.88)	7.46
(Increase) / decrease in inventories	(650.85)	(223.10)	(850.01)	(1246.70)
Increase / (decrease) in trade payable, other liabilities and provisions	(37.78)	(339.20)	(41.73)	176.89
	<b>133.91</b>	<b>(137.39)</b>	<b>(310.62)</b>	<b>(529.29)</b>
Adjustment for:				
Direct taxes (paid)/ refund received (including tax deducted at source) - (Net)	(7.65)	(11.92)	(6.48)	(2.51)
<b>Net cash generated/ (used in) from operating activities...(A)</b>	<b>126.26</b>	<b>(149.31)</b>	<b>(317.10)</b>	<b>(531.80)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(4.73)	(24.23)	(54.19)	(5.50)
Sale of property, plant and equipment	-	0.72	0.10	-
Investment made in subsidiaries/ associate	(164.70)	(0.20)	(129.48)	-
Proceeds from sale of investment	0.03	-	(0.01)	-
Proceeds from sale/ redemption of investment	-	-	-	-
Interest income	1.74	4.27	2.96	3.38
Dividend income	0.01	-	0.01	0.01
(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	16.24	(48.54)	34.27	(39.71)
	<b>(151.41)</b>	<b>(67.98)</b>	<b>(146.34)</b>	<b>(41.82)</b>
Adjustment for:				
Direct taxes (paid)/ refund received (including tax deducted at source) - (Net)	(0.17)	(0.43)	(0.30)	(0.34)
<b>Net cash (used in) / from investing activities... (B)</b>	<b>(151.58)</b>	<b>(68.41)</b>	<b>(146.64)</b>	<b>(42.16)</b>
<b>C. CASH FLOW FROM FINANCING</b>				

<b>ACTIVITIES</b>				
Proceeds from long term borrowings (net)	756.56	2,065.67	2,163.29	2,259.69
Repayment of long term borrowings	(497.16)	(1,145.93)	(885.04)	(1,422.01)
Proceeds from / (repayment) of short term borrowings	226.46	111.41	(87.13)	103.09
Interest paid	(466.43)	(761.58)	(743)	(348.00)
<b>Net cash (used in) / from financing activities... (C)</b>	<b>19.43</b>	<b>269.57</b>	<b>448.12</b>	<b>592.77</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+ B+C)</b>	<b>(5.89)</b>	<b>51.85</b>	<b>(15.62)</b>	<b>18.81</b>
Cash and cash equivalents at beginning of the period/ year	75.47	23.62	39.02	20.21
Add: Acquired on acquisition of subsidiary	-	-	0.22	-
	75.47	23.62	39.24	20.21
Cash and cash equivalents at end of the period/ year	69.58	75.47	23.62	39.02
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(5.89)</b>	<b>51.85</b>	<b>(15.62)</b>	<b>18.81</b>

## GENERAL INFORMATION

Our Company was originally incorporated as ‘Suraj Estate Developers Private Limited’, a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra, pursuant to a certificate of incorporation dated September 10, 1986 issued by the Registrar of Companies, Maharashtra at Mumbai (“**RoC**”). Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the shareholders of our Company dated October 30, 2021 and the name of our Company was changed to ‘Suraj Estate Developers Limited’ and a fresh certificate of incorporation dated December 9, 2021 was issued by the RoC.

For further details regarding the change in the name and the registered office of our Company, see “*History and Certain Corporate Matters*” beginning on page 193.

### Registered and Corporate Office of our Company

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

#### Registered and Corporate Office:

##### Suraj Estate Developers Limited

301, 3rd Floor, Aman Chambers,  
Veer Savarkar Marg, Opp. Bengal Chemicals,  
Prabhadevi, Mumbai 400025, Maharashtra, India

**Website:** www.surajestate.com

**Telephone No.:** +91 22 2437 7877

### Company registration number and corporate identity number

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

**Company registration number:** 040873

**Corporate identity number:** U99999MH1986PLC040873

### Address of the Registrar of Companies

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

100, Everest,  
Marine Drive,  
Mumbai- 400 002,  
Maharashtra, India.

### Board of Directors

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

Name and designation on the Board	Designation	DIN	Address
Rajan Meenathakonil Thomas	Chairperson and Managing Director	00634576	901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India
Rahul Rajan Jesu Thomas	Whole-time Director	00318419	901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India
Sujatha R. Thomas	Non-Executive Director	02492141	901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India
Mrutyunjay Mahapatra	Independent Director	03168761	Gulmarg H Bunglow, SBI Residential Colony, Nerul East Sector 13, Navi

Name and designation on the Board	Designation	DIN	Address
			Mumbai Nerul Node 3- 400706, Maharashtra, India
Sunil Pant	Independent Director	07068748	H.N. A-1402, Angel Mercy Society, Ahinsha Khand 2, Police Station – Indrapuram, Gaziabad – 201014, Uttar Pradesh, India
Dr. Satyendra Shridhar Nayak	Independent Director	08194706	Villa No. 24, Aqua Village Project, Aqua Bay, Near MES College, Zuarinagar- 403726, Goa, India

For further details of our Board of Directors, see “*Our Management – Board of Directors*” on page 205.

### Company Secretary and Compliance Officer

Shivil Kapoor is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

#### Shivil Kapoor

#### Company Secretary and Compliance Officer

301, 3rd Floor, Aman Chambers,  
Veer Savarkar Marg, Opp. Bengal Chemicals,  
Prabhadevi, Mumbai 400025, Maharashtra, India

**Tel:** +91 22 2437 7877

**E-mail:** [shivil@surajestate.com](mailto:shivil@surajestate.com)

### Filing

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI’s online portal and at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in), in accordance with the instructions issued by the SEBI on dated March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD” and has also been uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office.

### Book Running Lead Managers

#### Centrum Capital Limited

Centrum House C.S.T. Road, Vidyanagari Marg  
Kalina, Santacruz (East) Mumbai 400 098  
Maharashtra, India

**Tel:** +91 22 4215 9000

**E-mail:** [suraj.ipo@centrum.co.in](mailto:suraj.ipo@centrum.co.in)

**Website:** [www.centrum.co.in](http://www.centrum.co.in)

**Investor Grievance e-mail:** [igmbd@centrum.co.in](mailto:igmbd@centrum.co.in)

**Contact Person:** Pooja Sanghvi/Sooraj Bhatia

**SEBI Registration Number:** INM000010445

#### Anand Rathi Advisors Limited

10th Floor, Trade Tower – D,  
Kamala Mills Compound, Senapati Bapat Marg,  
Lower Parel, Mumbai 400013  
Maharashtra, India

**Tel:** +91 22 6626 6666

**E-mail:** [sedl.ipo@rathi.com](mailto:sedl.ipo@rathi.com)

**Website:** [www.rathi.com](http://www.rathi.com)

**Investor Grievance e-mail:** grievance.ecm@rathi.com  
**Contact Person:** Sumeet Lath/ Pari Vaya  
**SEBI Registration Number:** INM000010478

**Statement of inter-se allocation of responsibilities**

Sr. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, positioning strategy with the relative components and formalities such as composition of debt and equity, type of instruments and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	Centrum, ARAL	Centrum
2.	Drafting and approval of all statutory advertisements	Centrum, ARAL	Centrum
3.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Issue, Monitoring Agency and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Centrum, ARAL	Centrum
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure and filing of media compliance report.	Centrum, ARAL	ARAL
5.	International Institutional marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule</li> <li>• Preparation of Road Show Presentation</li> </ul>	Centrum, ARAL	Centrum
6.	Domestic Institutional marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Formulating marketing strategies;</li> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>• Finalizing domestic road show and investor meeting schedule</li> <li>• Preparation of Frequently Asked Questions</li> </ul>	Centrum, ARAL	ARAL
7.	Retail marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Formulating marketing strategies, preparation of publicity budget;</li> <li>• Finalizing media, marketing and public relations strategy and publicity strategy;</li> <li>• Finalizing centres for holding conferences for brokers, etc.;</li> <li>• Finalizing collection centres;</li> <li>• Arranging for selection of underwriters and underwriting agreement; and</li> <li>• Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material</li> </ul>	Centrum, ARAL	ARAL
8.	Non-Institutional marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Finalizing media, marketing and public relations strategy, publicity strategy; and</li> <li>• Finalizing centres for holding conferences for brokers, etc.</li> </ul>	Centrum, ARAL	Centrum

9.	Managing the book and finalization of pricing in consultation with the Company	Centrum, ARAL	Centrum
10.	Coordination with Stock Exchanges for Book Building Process, filing of letters including software, bidding terminals, mock trading, payment of 1% security deposit to the Designated Stock Exchange and Anchor Investor intimation	Centrum, ARAL	ARAL
11.	Post- Issue activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc., and which shall involve essential follow-up with bankers to the Issue and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, demat credit and refunds and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Issue reports including the initial and final post Issue report to SEBI	Centrum, ARAL	Centrum

#### **Legal Counsel to the Company**

##### **M/s. Crawford Bayley and Co.**

State Bank Building, 4th Floor  
N.G.N. Vaidya Marg, Fort  
Mumbai – 400 023  
Maharashtra, India  
**Tel:** +91 22 2266 3353

#### **Legal Counsel to the BRLMs**

##### **M/s. Desai & Diwanji**

Lentin Chambers, Dalal Street,  
Fort, Mumbai, Maharashtra 400 001  
**Tel:** +91 2265 1682

#### **Registrar to the Issue**

##### **Link Intime India Private Limited**

C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg  
Vikhroli (West), Mumbai 400 083  
Maharashtra, India  
Telephone: +91 22 49186200  
**Email:** surajestate.ipo@linkintime.co.in  
**Investor grievance e-mail:** surajestate.ipo@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI registration number:** INR000004058

#### **Statutory Auditor of our Company**

##### **M/s. Bhuwania & Agrawal Associates**

A/403, Express Zone,  
Off Western Express Highway,  
Malad (East), Mumbai 400 097,  
Maharashtra, India.  
**E-mail:** nk@bhuwaniaagrwal.com  
**Telephone:** +91 022 28766001/28766002



**Firm registration number:** 101483W  
**Peer review no.:**011613

**Banker(s) to the Issue**

**Escrow Collection Bank(s)**

[•]

**Refund Bank(s)**

[•]

**Public Issue Bank(s)**

[•]

**Sponsor Bank**

[•]

**Bankers to our Company**

**Saraswat Co Operative Bank Limited**

**Address:** Unit No. B1, G 01 Ground Floor,  
Marathon Innova, Marathon Nextgen Complex,  
Ganpatrao Kadam Marg, Lower Parel,  
Mumbai 400013, Maharashtra, India

**Tel:** 022 69068800

**Contact Person:** Gauri Nabar

**Email ID:** [Gauri.nabar@saraswatbank.com](mailto:Gauri.nabar@saraswatbank.com)

**Website:** [www.saraswatbank.com](http://www.saraswatbank.com)

**Syndicate Members**

[•]

**IPO Grading**

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

**Monitoring Agency**

Our Company will appoint a monitoring agency for monitoring the 100% utilisation of the Net Proceeds prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 93.

**Appraising Entity**

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

**Credit Rating**

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

**Debenture Trustee**

As this is an offer of Equity Shares, the appointment of a debenture trustee is not required.

**Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Changes in auditors**

There have been no changes to our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

### **Designated Intermediaries**

#### ***Self-Certified Syndicate Banks***

The banks registered with SEBI, which offer the facility of ASBA services 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?doRecognised=yes> and updated from time to time and at such other websites 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 RII using the UPI Mechanism), not Bidding through Syndicate / Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIIs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at [www.sebi.gov.in](http://www.sebi.gov.in).

#### **Self-Certified Syndicate Banks eligible as Issuer Banks for UPI Mechanism**

The list of SCSBs through which Bids can be submitted by RIIs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the SEBI at <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>, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Applications through UPI in the Issue 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 appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at [www.sebi.gov.in](http://www.sebi.gov.in).

#### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investor) submitted under ASBA process 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 (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) as updated 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 (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) or any such other website as may be prescribed by SEBI from time to time.

#### **Registered Brokers**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, 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, is provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

## **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and on the website of NSE at [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

## **Experts**

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

Our Company has received written consent dated March 4, 2022 from M/s. Bhuwania & Agarwal Associates, Chartered Accountants to include their name as required under Section 26 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 the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated January 19, 2022 on our Restated Consolidated Financial Statements; and (ii) the statement of special tax benefits available to the Company, Material Subsidiary and its shareholders dated March 4, 2022, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has received written consent dated February 22, 2022 from the independent architect, namely, Priyanka Rajaram Rahate (registration number: CA/16/76549), to include her name as an “expert” as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in her capacity as an architect, in relation to her certificate dated March 2, 2022, regarding Completed Projects, Ongoing Projects, Upcoming Projects and Land Reserves. The consent of the independent architect has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has received written consent dated February 22, 2022 from Little & Co., Advocates & Solicitors, to include his name as an “expert” as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and their capacity as a lawyer in relation to a master title certificate dated March 2, 2022 issued by them regarding the land vested with our Company and Subsidiaries. The consent of Little & Co., Advocates & Solicitors has not been withdrawn as on the date of this Draft Red Herring Prospectus

The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

## **Book Building Process**

The book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Managers, and shall be advertised in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office/ Corporate Office is located, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company in consultation with the Managers after the Bid/ Issue Closing Date. For details, see “*Issue Procedure*” beginning on page 361.

The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category 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 them at or above the price at which allocation is made to Anchor Investors. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIIs 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 Issue 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 Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIIs (subject to the Bid Amount being up to ₹ 200,000). Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while Allocation to the Anchor Investors will be on a discretionary basis.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLMs to manage this Issue and procure Bids for this Issue.

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

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

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

### **Illustration of Book Building and Price Discovery Process**

For further details on the method and procedure for Bidding and book building process and the price discovery process, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 357 and 361, respectively.

### **Underwriting Agreement**

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company shall enter into an Underwriting Agreement with the Underwriters for the Equity Shares offered in the Issue. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. The Underwriting Agreement will be dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)*

*(₹ in million)*

Name, address, telephone and e-mail of Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are merchant bankers registered with our Board or stock brokers registered with the Stock Exchanges. Our Board/ 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 proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

## CAPITAL STRUCTURE

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

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price*
<i>(In ₹ except share data)</i>			
<b>A. AUTHORIZED SHARE CAPITAL</b>			
	60,000,000 Equity Shares of face value of ₹ 5 each	300,000,000	-
<b>B. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>			
	33,250,000 Equity Shares of face value of ₹ 5 each	166,250,000	-
<b>C. PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>			
	Issue of up to [●] Equity Shares aggregating up to ₹ 5,000 million <sup>(1)</sup>	[●]	[●]
<b>D. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE*</b>			
	[●] Equity Shares of face value of ₹ 5 each	[●]	[●]
<b>E. SECURITIES PREMIUM RESERVE</b>			
	Before the Issue		Nil
	After the Issue		[●]

\* To be updated upon finalization of the Issue Price.

(1) The Issue has been authorised by a resolution of our Board dated January 19, 2022 and Issue has been authorised by a special resolution of our Shareholders, dated January 25, 2022.

### 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 our Memorandum of Association” on page 193.

### Notes to the Capital Structure

#### 1. Equity Share capital history of our Company

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
September 10, 1986	20	10	10	Initial subscription to the MOA <sup>(1)</sup>	Cash	20	200
November 18, 1986 <sup>#*</sup>	104,980	10	10	Further issue <sup>(2)</sup>	Cash	105,000	1,050,000
March 31, 1994 <sup>**</sup>	95,000	10	10	Further issue <sup>(3)</sup>	Cash	200,000	2,000,000
December 31, 1994 <sup>#</sup>	300,000	10	10	Further issue <sup>(4)</sup>	Cash	500,000	5,000,000
January 1,	500,000	10	10	Further issue <sup>(5)</sup>	Cash	1,000,000	10,000,000

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
1996 <sup>#</sup>							
April 28, 1997 <sup>#</sup>	500,000	10	10	Further issue <sup>(6)</sup>	Cash	1,500,000	15,000,000
December 4, 1997 <sup>#</sup>	700,000	10	10	Further issue <sup>(7)</sup>	Cash	2,200,000	22,000,000
February 20, 1998 <sup>#</sup>	350,000	10	10	Further issue <sup>(8)</sup>	Cash	2,550,000	25,500,000
August 3, 1998 <sup>#</sup>	900,000	10	10	Further issue <sup>(9)</sup>	Cash	3,450,000	34,500,000
March 22, 1999	200,000	10	10	Further issue <sup>(10)</sup>	Cash	3,650,000	36,500,000
February 28, 2018	3,000,000	10	10	Further issue <sup>(11)</sup>	Cash	6,650,000	66,500,000
October 21, 2021	9,975,000	10	-	Bonus issue in the ratio of 1.5 Equity Shares for every 1 Equity Share held in our Company <sup>(12)</sup>	-	16,625,000	166,250,000
October 30, 2021	Our Company sub-divided each equity share of a face value of ₹ 10 each to an equity share of a face value of ₹ 5 each.					33,250,000	166,250,000

\*Form 2 for the allotments are not available.

#We have placed reliance on the disclosures made in the financial statements and statutory registers, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since resolutions are neither available in the records of our Company, nor are they available in the records of the RoC, as certified by M/s. M. K. Sarswat and Associates, Practicing Company Secretary, in the search report dated January 11, 2022. For further information, please refer to risk factor "Our Company was incorporated in the year 1986 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." under section titled 'Risk Factors' on page 27.

- (1) Allotment of 10 equity shares each to Rajan Meenathakonil Thomas and Sujatha R. Thomas as initial subscribers to the MoA.
- (2) Allotment of 10,490 equity shares to Sujatha R. Thomas and 94,490 equity shares to Rajan Meenathakonil Thomas;
- (3) Allotment of 67,500 equity shares to Rajan Meenathakonil Thomas, 5,000 equity shares to Rahul Rajan Jesu Thomas, 17,500 equity shares to Elizabeth Lavanya Rajan Thomas and 5,000 equity shares to Margarette Shwetha Thomas.
- (4) Allotment of 160,000 equity shares to Rajan Meenathakonil Thomas, 45,000 equity shares to Sujatha R. Thomas, 50,000 equity shares to Meenathakonil Thomas and 45,000 equity shares to Elizabeth Thomas.
- (5) Allotment of 330,000 equity shares to Rajan Meenathakonil Thomas, 140,000 equity shares to Sujatha R. Thomas, 20,000 equity shares to Rahul Rajan Jesu Thomas, 5,000 equity shares to Elizabeth Lavanya Rajan Thomas and 5,000 equity shares to Margarette Shwetha Thomas;
- (6) Allotment of 350,000 equity shares to Rajan Meenathakonil Thomas and 150,000 equity shares to Sujatha R. Thomas;
- (7) Allotment of 392,400 equity shares to Rajan Meenathakonil Thomas, 300,000 equity shares to Accord Estates

Private Limited, 2,400 equity shares to Rahul Rajan Jesu Thomas, 4,300 equity shares to Elizabeth Lavanya Rajan Thomas and 900 equity shares to Margaratte Shwetha Thomas .

- (8) Allotment of 250,000 equity shares to Rajan Meenathakonil Thomas and 100,000 equity shares to Sujatha R. Thomas;
- (9) Allotment of 570,000 equity shares to Rajan Meenathakonil Thomas and 330,000 equity shares to Sujatha R. Thomas;
- (10) Allotment of 200,000 equity shares to Rajan Meenathakonil Thomas;
- (11) Allotment of 3,000,000 equity shares to Rajan Meenathakonil Thomas;
- (12) Allotment of 8,184,600 equity shares to Rajan Meenathakonil Thomas, 1,163,250 equity shares to Sujatha R. Thomas, 117,600 equity shares to Rahul Rajan Jesu Thomas, 22,950 equity shares to Elizabeth Lavanya Rajan Thomas, 36,600 equity shares to Margarette Shwetha Thomas and 450,000 to Accord Estates Private Limited.

## 2. Issue of Equity Shares for consideration other than cash or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash.

Date of allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
October 21, 2021	Bonus issue in the ratio of 1.5 Equity Shares for every 1 Equity Share held in our Company <sup>(1)</sup>	9,975,000	10	-	-

(1) Allotment of 8,184,600 equity shares to Rajan Meenathakonil Thomas, 1,163,250 equity shares to Sujatha R. Thomas, 117,600 equity shares to Rahul Rajan Jesu Thomas, 22,950 equity shares to Elizabeth Lavanya Rajan Thomas, 36,600 equity shares to Margarette Shwetha Thomas and 450,000 to Accord Estates Private Limited.

3. Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.
4. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.
5. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
6. Except as stated below, our Company has not issued any Equity Shares during the period of one year preceding the date of this Draft Red Herring Prospectus:

Date of allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)
October 21, 2021	Bonus issue in the ratio of 1.5 Equity Shares for every 1 Equity Share held in our Company <sup>(1)</sup>	9,975,000	10	-



## 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 Equity Shares held = (IV)+(V) + (VI) (VII)	Shareholding as a % of total number of Equity 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 convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Equity Shares locked in (XII)		Number of Equity Shares pledged or encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Class (Equity Shares)	Class (Others)	Total			Number (a)	Equity Shares held (b)	Number (a)	Equity Shares held (b)		
(A)	Promoter and Promoter Group	6	33,249,800	-	-	33,249,800	100	33,249,800	-	33,249,800	100	-	33,249,800	-	-	-	-	33,249,800
(B)	Public	1	200	-	-	200	0	200	-	200	0	-	200	-	-	-	-	200
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>7</b>	<b>33,250,000</b>	<b>-</b>	<b>-</b>	<b>33,250,000</b>	<b>100</b>	<b>33,250,000</b>	<b>-</b>	<b>33,250,000</b>	<b>100</b>	<b>-</b>	<b>33,250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,250,000</b>

## 8. Other details of Shareholding of our Company

- (a) As on the date of the filing of this Draft Red Herring Prospectus, our Company has seven (7) holders of Equity Shares.
- (b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Rajan Meenathakonil Thomas	27,282,000	82.05
2.	Sujatha R. Thomas	3,877,500	11.66
3.	Rahul Rajan Jesu Thomas	392,000	1.18
4.	Accord Estates Private Limited	1,500,000	4.51
	<b>Total</b>	<b>33,051,500</b>	<b>99.40</b>

- (c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Rajan Meenathakonil Thomas	27,282,000	82.05
2.	Sujatha R. Thomas	3,877,500	11.66
3.	Rahul Rajan Jesu Thomas	392,000	1.18
4.	Accord Estates Private Limited	1,500,000	4.51
	<b>Total</b>	<b>33,051,500</b>	<b>99.40</b>

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Issue Equity Share Capital (%)
1.	Rajan Meenathakonil Thomas	5,456,400	82.05
2.	Sujatha R. Thomas	775,500	11.66
3.	Rahul Rajan Jesu Thomas	78,400	1.18
4.	Accord Estates Private Limited	300,000	4.51
	<b>Total</b>	<b>6,610,300</b>	<b>99.40</b>

- (e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Rajan Meenathakonil Thomas	5,456,400	82.05
2.	Sujatha R. Thomas	775,500	11.66
3.	Rahul Rajan Jesu Thomas	78,400	1.18
4.	Accord Estates Private Limited	300,000	4.51
	<b>Total</b>	<b>6,610,300</b>	<b>99.40</b>

9. Except for Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

10. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

#### 11. Details of acquisition of specified securities in the last three years

Except as disclosed below, none of the specified security were acquired in the last 3 years, by our Promoter and members of our Promoter Group:

Sr. No.	Name of the acquirer	Date of acquisition of Equity Shares	No. of Shares	Equity	Acquisition price per Equity Shares
1.	Rajan Meenathakonil Thomas	October 21, 2021		8,184,600	Nil*
2.	Sujatha R. Thomas	October 21, 2021		1,163,250	Nil*
3.	Rahul Rajan Jesu Thomas	October 21, 2021		117,600	Nil*
4.	Elizabeth Lavanya Rajan Thomas	October 21, 2021		22,950	Nil*
5.	Margarette Shwetha Thomas	October 21, 2021		36,600	Nil*

\*The acquisition price is NIL as the Equity Shares were allotted pursuant to bonus issue in the ratio of 1.5 Equity Shares for every 1 Equity Share held in our Company.

#### 12. Details of shareholding of our Promoter and members of our Promoter Group

- a. As on the date of this Draft Red Herring Prospectus, our Promoter, in aggregate, holds 27,282,000 Equity Shares, equivalent to 82.05% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of Promoter	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares	Percentage of total Equity Share capital (%)	No. of Equity Shares*	% of total Equity Share Capital*
	A. Rajan Meenathakonil Thomas	27,282,000	82.05	[●]	[●]

\* Subject to finalisation of Basis of Allotment.

- b. Build-up of our Promoter's shareholding in our Company#

The build-up of the equity shareholding of our Promoter since incorporation of our Company, is set forth in the table below.

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)^
<b>Rajan Meenathakonil Thomas</b>						
Initial subscription to the MOA	September 10, 1986	10	10	10	0.00	[●]
Further issue**	November 18, 1986	94,490	10	10	0.28	[●]
Further issue**	March 31, 1994	67,500	10	10	0.20	[●]
Further issue	December 31, 1994	160,000	10	10	0.48	[●]
Further issue	January 1, 1996	330,000	10	10	0.99	[●]
Further issue	April 28, 1997	350,000	10	10	1.05	[●]
Further issue	December 4, 1997	392,400	10	10	1.18	[●]
Further issue	February 20, 1998	250,000	10	10	0.75	[●]
Further issue	August 3, 1998	570,000	10	10	1.71	[●]

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%) <sup>^</sup>
Further issue	March 22, 1999	200,000	10	10	0.60	[●]
Transfer of Equity Shares to Gobind J. Samtani <sup>#</sup>	March 31, 1999	(10)	10	10	0.00	[●]
Transfer of Equity Shares to Margarette Shwetha Thomas <sup>#</sup>	March 31, 2003	(2,000)	10	10	(0.01)	[●]
Transfer of Equity Shares to Rahul Rajan Jesu Thomas <sup>#</sup>	March 31, 2003	(1,000)	10	10	(0.01)	[●]
Transfer of Equity Shares from Gobind J. Samtani <sup>#</sup>	March 31, 2007	10	10	10	0.00	[●]
Transfer of Equity Shares from Elizabeth Lavanya Rajan Thomas	January 10, 2018	45,000	10	47.11	0.14	[●]
Further issue	February 28, 2018	3,000,000	10	10	9.02	[●]
Bonus issue in the ratio of 1.5 Equity Shares for every 1 Equity Share held in our Company	October 21, 2021	8,184,600	10	-	24.62	[●]
Our Company sub-divided each Equity Share of a face value of ₹ 10 each to one Equity Share of a face value of ₹ 5 each	October 30, 2021	27,282,000	5	-	82.05	[●]
<b>Total</b>		<b>27,282,000</b>			<b>82.05</b>	<b>[●]</b>

<sup>^</sup>Subject to finalisation of Basis of Allotment.

\*Form 2 for the allotments are not available.

<sup>#</sup>We have placed reliance on the disclosures made in the financial statements and statutory registers, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since the resolutions for the relevant allotments and share transfer forms are neither available in the records of our Company, nor available with respective holder of equity shares, nor are they available in the records of the RoC, as certified by M/s. M. K. Sarswat and Associates, Practicing Company Secretary, in the search report dated January 11, 2022. For further information, please refer to risk factor "Our Company was incorporated in the year 1986 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." under section titled 'Risk Factors' on page 27.

- c. All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
- d. None of the Equity Shares held by our Promoter are pledged or otherwise encumbered.
- e. Other than as disclosed below, no member of our Promoter Group (other than our Promoter) hold Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

S. No	Name of the Shareholder	Pre-Issue		Post-Issue <sup>^</sup>	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
1.	Sujatha R. Thomas	3,877,500	11.66	[●]	[●]
2.	Rahul Rajan Jesu Thomas	392,000	1.18	[●]	[●]
3.	Elizabeth Lavanya Rajan Thomas	76,500	0.23	[●]	[●]
4.	Margarette Shwetha Thomas	121,800	0.37	[●]	[●]
	<b>Total</b>	<b>4,467,800</b>	<b>13.44</b>	<b>[●]</b>	<b>[●]</b>

<sup>^</sup>Subject to finalisation of Basis of Allotment.

- f. All Equity Shares held by our Promoter and our Promoter Group are in dematerialized form as on the date of filing of the Draft Red Herring Prospectus.
- g. Except as set forth in “Capital Structure - Build-up of our Promoter’s shareholding in our Company” and as mentioned below, none of our Promoter, the members of our Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)
Transfer of Equity Shares from Margarette Shwetha Thomas to Lovell Zahir Attari	October 11, 2021	100	10	Nil

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

### 13. Details of Promoter’s contribution and lock-in for eighteen months

- a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter shall be locked in for a period of eighteen months as minimum promoter’s contribution from the date of Allotment (“**Promoter’s Contribution**”), and the Promoter’s shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked-in for a period of six months from the date of Allotment.
- b) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Promoter’s Contribution are set forth in the table below.

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares**	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in*	Percentage of the post-Issue up capital (%)	Date up to which the Equity Shares
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**are  
subject  
to lock-  
in**

[●] [●] [●] [●] [●] [●] [●] [●] [●]

\* *Subject to finalisation of Basis of Allotment.*

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

- c) Our Promoter has given his consent to include such number of Equity Shares held by him as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoter's Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- d) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:
  - i. The Equity Shares offered for Promoter's Contribution do not comprise Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;
  - ii. The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
  - iii. Our Company has not been formed by the conversion of a partnership firm 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 or a limited liability partnership firm; and
  - iv. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

#### **14. Details of Equity Shares locked-in for six months**

In addition to the Promoter's Contribution which will be locked in for 18 (eighteen) months, as specified above, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of 6 (six) months from the date of Allotment, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

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

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

#### **16. 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.

#### **17. Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, 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 deposit accepting housing finance company, subject to the following:

- (a) 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.
- (b) With respect to the Equity Shares locked-in as Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.

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 to 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 and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoter prior to the Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

- 18. Our Company, our Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 19. There are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- 20. Except as disclosed in "*Our Management*" on page 205, none of our Directors or KMPs hold any Equity Shares in our Company.
- 21. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 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 the Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.
- 23. None of our Promoter or the members of our Promoter Group will participate in the Issue.
- 24. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- 25. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 26. As on the date of this Draft Red Herring Prospectus, there is no Employee Stock Option Plan ("**ESOP**") in our Company. The Company may design a suitable ESOP Policy which will be approved by the Board of Directors and Shareholders of the Company.

## OBJECTS OF THE ISSUE

The net proceeds of the Issue, i.e. gross proceeds of the Issue less the issue expenses apportioned to our Company (“**Net Proceeds**”) are proposed to be utilised for the following objects:

1. Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited;
2. Acquisition of land or land development rights; and
3. General corporate purposes.

(collectively, referred to herein as the “**Objects**”)

In addition, we expect to achieve the benefits of listing of our Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company (i) to undertake our existing business activities; and (ii) to undertake activities for which borrowings were availed and which are proposed to be repaid, prepaid or redeemed (earlier or scheduled) from the Net Proceeds.

### Net Proceeds

The details of the net proceeds of the Issue are summarized in the table below:

Particulars	Amount (in ₹ million)
Gross proceeds from the Issue	5,000.00*
Less: Issue Expenses (only those apportioned to our Company)**	[●]
<b>Net Proceeds***</b>	<b>[●]</b>

\*Subject to full subscription of the Issue component

\*\*See “Objects of the Issue - Issue Related Expenses” on page 99.

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

### Utilization of Net Proceeds

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

Particulars	Amount (₹ in million)
Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited;	3,150.00
Acquisition of land or land development rights	450.00
General corporate purposes <sup>(1)</sup>	[●]
<b>Total Net Proceeds</b>	<b>[●]</b>

(1) To be finalised upon determination of the Issue 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 Gross Proceeds from the Issue.

### Proposed schedule of Implementation and Utilisation 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	Amount to be funded from Net Proceeds	Amount to be deployed from the Net Proceeds in Fiscal 2023	Amount to be deployed from the Net Proceeds in Fiscal 2024



1.	Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiary, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited	3,150	3,150	-
2.	Acquisition of land or land development rights	450	225	225
3.	General corporate purposes*	[●]	[●]	[●]
<b>Total Net Proceeds</b>		<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

*\*To be finalised upon determination of the Issue 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 Gross Proceeds from the Issue.*

Our fund requirements and proposed deployment of the Net Proceeds are based on our internal management estimates as per our business plan based on current circumstances of our business prevailing market conditions, and valid quotations received from third-party vendors, which are subject to change. Further, such fund requirements and proposed deployment of funds have not been appraised by any bank or financial institution or any other independent agency. We may need to revise our estimates from time to time in light of various factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, the economic conditions, changing regulatory policies, prevailing competitive environment, interest or exchange rate fluctuations, which may not be in our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from our planned allocation at the discretion of our management, subject to compliance with applicable laws. In the event that the estimated utilization out of the Net Proceeds in a Fiscal is not met (in part or full), such unutilised amount shall be utilised in the succeeding Fiscal(s), as determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

In case we require additional capital towards meeting the objects of the Issue, our Company may explore arrange of options including utilising internal accruals and availing additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding future growth opportunities, and/or towards funding any of the other existing objects (if required), and/or general corporate purposes within the permissible limit in accordance with applicable law.

### **Means of finance**

The fund requirements for all objects are proposed to be entirely out of the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and through existing identifiable internal accruals as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

### **Details of the Objects**

#### **1. Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited**

Our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited have in the ordinary course of business entered into various financing arrangements with banks and financial institutions, which include term loans and working capital facilities, including fund based and non-fund-based borrowings. As of December 31, 2021, the total outstanding consolidated borrowing of our Company is ₹ 6,684.90 million. For further details, see “*Financial Indebtedness*” on page 290. Our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited propose to utilise an amount of ₹3,150.00 million from the Net Proceeds towards part or full repayment and/or pre-payment (earlier or scheduled) of certain borrowings availed by our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited may, in accordance with the relevant repayment schedule, levy of any prepayment penalties and the quantum thereof, repay or refinance some of their existing borrowings or avail of additional credit facilities. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. The selection of borrowings proposed to be prepaid, repaid (earlier or scheduled) out of the borrowings provided above, shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited will not exceed ₹ 3,150.00 million.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness on a consolidated basis, reduce debt servicing costs, improve our debt to equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides the details of certain outstanding borrowings availed of by our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited, which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

Details of Secured Borrowings									
Sr. No.	Name of the Borrower	Lender's / Debenture Holder's Name	Description of facility/Nature of borrowing	Purpose of Loan	Amount sanctioned (₹ In million)	Principal Amount Outstanding as of 31 December 2021 (₹ In million)	Rate of Interest	Tenure	Prepayment Penalty (if any)
1	Suraj Estate Developers Limited	Piramal Capital & Housing Finance Limited	Term Loan	Part Financing for Development of Project and Refinancing of Loan	1,030.00	866.04	16.50%	6 Years 3 Months*	2% of Loan Amount Prepaid
			Term Loan	Refinancing of Loan	620.00	538.08	19.05%	6 Years 3 Months*	
			Term Loan - Loan Against Property	Refinancing of Loan	350.00	50.00	16.25%	3 Years	
			Term Loan - ECLGS Facility	Part Financing for Development of Project	200.00	141.00	13.17%	4 Years	NIL
2	Suraj Estate Developers Limited	Tata Capital Housing Finance Limited	Term Loan	Part Financing for Development of Project and Refinancing of Loan	900.00	580.24	14.50%	5 Years	3% of Loan Amount Prepaid
3	Suraj Estate Developers Limited	Saraswat Co-Operative Bank Limited	Term Loan	Part Financing for Development of Project	400.00	212.61	13.50%	3 Years and 3 Months	4% of Loan Amount Prepaid
4	Suraj Estate Developers Limited		Term Loan	Part Financing for Development of Project	250.00	-	13.50%	2 Years	4% of Loan Amount Prepaid
5	Suraj Estate Developers Limited	India Real Estate Investment Fund C/o ICICI Ventures Funds Management Company Limited	Secured Non Convertible Debentures	Part Financing for Development of Project and Refinancing of Loan	400.00	300.00	17.25%	3 Years and 1 Month	No Charges subject to Minimum Return of 1.4x on Rs 400 Million.
6	Suraj Estate Developers Limited	IIFL Home Finance Limited	Term Loan	Refinancing of Loan	650.00	442.97	15.50%	5 Years	5% of Loan Amount Prepaid
7	Accord Estates Private Limited	ICICI Bank Limited	Term Loan	Part Financing for Development of Project	450.00	70.56	13.30%	4 Years 11 Months**	1% of Loan Amount Prepaid
			OD Limit (Sub Limit of Term Loan)	To fund Working Capital requirements of Project	200.00 <sup>#</sup>	59.49	13.80%	4 Years 11 Months**	
8	Accord Estates Private Limited	IIFL Home Finance Limited	Term Loan	Refinancing of Loan	750.00	769.64	17.00%	5 Years	5% of Loan Amount Prepaid
9	Iconic	India Housing	Secured Zero Coupon Non	Part Financing for			20.50%	5 Years	0.50% of the Non

	Property Developers Private Limited	Fund C/o IIFL Asset Management Limited	Convertible Debentures	Development of Projects	1,950.00	1,649.28			Convertible Debentures Amount Prepaid
10	Skyline Realty Private Limited	Nippon India Yield Plus AIF Scheme II C/o. Nippon Life India AIF Management Limited	Secured Non Convertible Debentures	Part Financing for Development of Project	300.00	125.00	18.25%	3 Years & 10 Months	2% of Non Convertible Debentures Amount Prepaid
				<b>Total</b>	<b>8,250.00</b>	<b>5,804.91</b>			
<p>(*Tenure extended by 1 Year on account of DCCO Extension from Piramal Capital &amp; Housing Finance Limited as per policy of RBI)  (**Tenure extended by 11 Months on account of DCCO Extension from ICICI Bank Limited as per policy of RBI)  (#Sub-limit of Term loan facility of ₹ 450.00 million from ICICI Bank Limited)</p>									

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Company has obtained a certificate dated March 4, 2022 from the Statutory Auditors certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed by us.  
# Also, the amount outstanding as of December 31, 2021 has been certified by the Statutory Auditors, by way of their certificate dated March 4, 2022.

In light of the COVID 19, our Company and/ or our Subsidiaries have availed moratorium offered by the banks to defer repayments For further details, see “Risk Factors – The COVID-19 pandemic adversely affects our business, financial condition, results of operations, cash flows, liquidity and performance, and it may reduce the demand for our projects in future” on page 27.

In case we are unable to raise the Issue Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment may be utilised for payment of future instalments of the above-mentioned loan or other loan for an amount not more than the amount mentioned above.

To the extent our Company deploys the Net Proceeds in our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited, for the purpose of prepayment or repayment of all or a portion of the abovementioned borrowings, it shall be in the form of equity or debt or in any other manner as may be mutually decided. The actual mode of such deployment shall be finalized and updated before filing of the Red Herring Prospectus.

Our Company confirms that except for the moratorium availed by as disclosed in “*Risk Factors - The COVID-19 pandemic adversely affects our business, financial condition, results of operations, cash flows, liquidity and performance, and it may reduce the demand for our projects in future*” on page 27, there have been no instances of delays, defaults and rescheduling / restructuring of our borrowings or loans.

## **2. Acquisition of land or land development rights**

Our core business is residential real estate developments with a focus on value luxury and luxury segment. Currently, we have residential projects in South Central Mumbai and adjoining areas. For details, see “*Our Business*” on page 159.”

The Indian real estate industry has gone through substantial changes in the last few years. With the advent of RERA and subsequently the COVID-19 pandemic, participants in the industry have generally reviewed their existing business models and been flexible to newer models. As part of our strategy, we intend to continue to acquire strategically located parcels of land at competitive prices while ensuring a disciplined capital structure with the goal of maximizing returns and developing a robust pipeline of projects which we finalise after thorough evaluation.

We propose to acquire land or land development rights primarily in MMR. Costs of acquiring land or land development rights will vary depending on various factors, such as, location of land in prime areas or otherwise, profile of the population in the surrounding areas, type of project that can be developed, general economic conditions and the extent of negotiations between us and the parties from whom we propose to acquire land. Further, besides the purchase price payable for the acquisition of land, the cost of acquisition would include various other components, such as brokerage, cost of title searches, stamp duty, taxes, legal fees, cost of conversion of the status of land and the cost of obtaining approvals. We use different ways to acquire land. Land can be acquired through auctions in the market by bidding for the auction or directly through negotiations with the seller. It can also be acquired through acquisition, joint ventures or joint development right arrangements with companies that hold the land parcels. All these elements, would be a part of the cost of acquisition of land or land development rights. Further, as referred to above, given our construction and marketing abilities together with our strong brand recall, we may also consider acquiring companies or groups undergoing stress, which are unable to complete the projects in a timely manner and/or have large contiguous land parcels where construction can begin quickly. In the event that any acquisition of land is undertaken through subsidiaries or other forms of investments, the detailed terms and conditions of such investments would be decided, from time to time, on a project-wise basis.

We intend to utilise the entire amount earmarked for the acquisition of land or land development rights from Fiscal 2023 to Fiscal 2024, i.e. within a period of 24 months commencing from the date of receipt of the Net Proceeds by the Company. As currently we have not identified the land which we propose to acquire, the proposed deployment of funds from 2023 to Fiscal 2024 may vary from year to year. However, we anticipate that the entire amount would be utilised for the acquisition of land or land development rights by Fiscal 2024. The process of acquisition of land or land development rights is a time consuming process which requires exhaustive set of diligence procedures to assess the title and is influenced by other factors.

Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges as and when acquired, the cost of acquisition and other details such as nature of title or interest acquired in the land.

We undertake that post acquisition, the land will be free of all encumbrances and have clear title or the encumbrances, if any, will be removed by undertaking negotiations and financial settlements (with parties holding pledge and in certain cases those who may have encroached on the land).

The details of the property acquired by our Company in the last three years are as follows:

Company Name	FP no/ Project	Date of Purchase	Consideration (in Million)
Iconic Property Developers Private Limited	FP No 426B	March 16, 2021	670.00
Suraj Estate Developers Limited	FP No 606	December 10, 2021	66.00

We undertake that the land or land development rights proposed to be acquired from the proceeds of the Issue shall not be acquired from the Promoter, Promoter Group entities, Group Companies, affiliates or any other related parties.

### 3. General Corporate Purposes

The Net Proceeds will first be utilised for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards our general corporate purposes, as approved by our management, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

- pre-payment or repayment of loans towards acquisition of land;
- meeting any expense of the Company, including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties;
- meeting expenses incurred in the ordinary course of business and towards any exigencies; and
- any other purpose, as considered expedient.

The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Issue, Escrow Collection Bank(s) and Sponsor Bank to the Issue, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising, marketing expenses and various certification/consulting fees to various legal consultants and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The estimated Issue expenses are as follows:

Activity	Estimated expenses*	As a% of the total estimated Issue expenses	As a% of the total Issue size
Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission, as applicable)	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the other advisors to the Issue	[●]	[●]	[●]

Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Issue. Brokerage and selling commission and bidding charges or Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Others	[●]	[●]	[●]
a) Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses			
b) Printing and stationery	[●]	[●]	[●]
c) Advertising and marketing expenses	[●]	[●]	[●]
d) Fees payable to legal counsels; and.	[●]	[●]	[●]
e) Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\* Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

**Selling commission payable to the SCSBs on the portion of Retail Individual Bidders, and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:**

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

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

No additional uploading / processing charge shall be payable to the SCSBs on the applications directly procured by them.

The Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

**Processing fees payable to the SCSBs of ₹ [●] per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders and Non - Institutional Bidders procured from the Syndicate / Sub - Syndicate Members / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. SCSBs will be entitled to a processing fee of ₹ [●] (plus applicable taxes), per valid ASBA Form.**

**For Syndicate (including their Sub - syndicate members), RTAs and CDPs**

Brokerages, selling commission and processing / uploading charges on the portion for Retail Individual Investors (using the UPI mechanism) and Non - Institutional Bidders which are procured by members of Syndicate (including their Sub - Syndicate Members), RTAs and CDPs or for using 3 - in1 type accounts - linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub - Syndicate Members) would be as follows:

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

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

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 payment of Selling Commission payable to the sub - brokers / agents of Sub - Syndicate Members are to be handled directly by the respective Sub - Syndicate Member.

The Selling Commission payable to 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.

**Uploading Charges / Processing Charges of ₹ [●]/** - valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:

- for applications made by Retail Individual Investors using the UPI Mechanism

**Uploading Charges/ Processing Charges of ₹ [●]/** - valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs.

- for applications made by Retail Individual Bidders using 3-in-1 type accounts
- for Non-Institutional Bidders using Syndicate ASBA mechanism/using 3-in-1 type accounts

The Bidding / uploading charges payable to the Syndicate / Sub - Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE

#### **For Registered Brokers**

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders & Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

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

\* For each valid application

#### **For Sponsor Bank**

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be

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.
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\* For each valid application

#### **Interim Use of Funds**

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule to the Reserve Bank of India Act, 1934. 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.

#### **Bridge Loan**

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 required to be repaid from the Net Proceeds.



## **Monitoring of Utilisation of Funds**

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Net Proceeds prior to filing of the Red Herring Prospectus with the RoC. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Net Proceeds, including interim use, under a separate head in our balance sheet for such financial years as required under applicable law, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable financial years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any. 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.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. 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 only 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 the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement indicating (a) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (b) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects. 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. Further, our Company will also submit to the stock exchange(s) any comments or report received from the monitoring agency within forty-five days from the end of each quarter and the monitoring report of such agency shall be placed before the audit committee on an annual basis.

## **Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution passed in a general meeting of its Shareholders or through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed in Regulation 59 and Schedule XX of the SEBI ICDR Regulations and other applicable law.

## **Appraising Entity**

None of the above objects of the Issue have been appraised by any bank or financial institution.

## **Other Confirmations**

No part of the Net Proceeds will be paid to our Promoter, members of the Promoter Group, Directors, or our Key Managerial Personnel, except in the ordinary course of business and in compliance with applicable law.

There are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoter, Promoter Group, Directors and/or Key Managerial Personnel. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors and our Key Management Personnel in relation to the utilisation of the Net Proceeds of the Issue

## BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Issue Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Statements. Investors should also see the sections entitled “*Our Business*”, “*Risk Factors*” and “*Financial Information*” on pages 159, 27, and 232, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- Established brand having a long standing presence in Value Luxury Segment and Luxury Segment in the residential real estate market of South Central Mumbai region;
- Strong expertise in tenant settlement in the redevelopment projects;
- Diversified portfolio encompassing product offerings across various price points;
- Strong project pipeline providing near term cash flow visibility;
- Innovative marketing and sales strategies at low cost
- Proven track record of efficient execution, project management skills, ability to deliver projects at competitive cost and within reasonable timelines; and
- Experienced promoters and strong management team;

For details, please see the section entitled “*Our Business – Competitive Strengths*” on page 162.

### Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Consolidated Financial Statements. For further information, please see the section entitled “*Financial Information*” on page 232.

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

#### 1. Basic and Diluted Earnings per Share

Fiscal / period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021	1.98	1.98	3
March 31, 2020	0.48	0.48	2
March 31, 2019	0.51	0.51	1
<b>Weighted Average</b>	1.24	1.24	-
Seven months period ended October 31, 2021*	3.75	3.75	-

\* Not Annualized Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.

Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period

Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period

Notes:

1. Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 ‘Earnings per Share’, notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
2. Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Statements as appearing in the Restated Consolidated Financial Statements.

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

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS of ₹ 1.98 as per the Restated Consolidated Financial Statements for the year ended March 31, 2021	[●]	[●]
Based on diluted EPS of ₹ 1.98 as per the Restated Consolidated Financial Statements for the year ended March 31, 2021	[●]	[●]

## 3. Industry Peer Group P/E ratio

Our Company is in the construction and development industry.

Particulars	Industry P/E (number of times)
Highest	1,093.00
Lowest	(375.21)
Average	138.42

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. For further details, see “Comparison with listed industry peers” on page 105. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2021, as available on website of stock exchanges.

## 4. Return on Net Worth (“RoNW”)

Fiscal/period ended	RoNW (%)	Weight
March 31, 2021	21.54	3
March 31, 2020	6.59	2
March 31, 2019	7.48	1
<b>Weighted Average</b>	14.21	-
Seven months period ended October 31, 2021*	48.59	

\* Not annualized

Note:

Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated for the end of the year/ period divided by Net worth as at the end of the year/ period

“Net Worth” under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 and seven months period ended October 31, 2021, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. The Weighted Average Return on Net Worth is a product of Return on Net Worth and respective assigned weight, dividing the resultant by total aggregate weight

## 5. Net Asset Value (“NAV”)

Net Asset Value per Equity Share	(₹)
As on October 31, 2021	7.71
As on March 31, 2021	45.90
After the Issue	
-At the Floor Price	[●]
-At the Cap Price	[●]
-At the Issue Price	[●]

Notes:

Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period

“Net Worth” under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 and seven months period ended October 31, 2021, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations

## 6. Comparison with listed industry peers

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on March 3, 2022 (₹)	Total Revenue (in ₹ million)	EPS (₹)		NAV <sup>(2)</sup> (₹ per share)	P/E <sup>(3)</sup>	RoNW <sup>(4)</sup> (%)
					Basic <sup>(1)</sup>	Diluted <sup>(1)</sup>			
Company#	Consolidated	5	N.A.	2,399.87	1.98	1.98	45.90	N.A.	21.54
<b>Peer Group</b>									
Oberoi Realty Limited	Consolidated	10	871.10	20,525.80	20.33	20.33	257.68	42.85	7.89
Godrej Properties Limited	Consolidated	5	1,539.85	7,649.20	(7.48)	(7.48)	299.32	(205.86)	(2.28)
Prestige Estate Projects Limited	Consolidated	10	437.70	72,644.00	36.32	36.32	166.52	12.05	21.81
Suntech Realty Limited	Consolidated	10	494.60	6,138.65	2.98	2.98	197.46	165.97	1.51
Sobha Limited	Consolidated	10	767.25	21,097.79	6.57	6.57	255.97	116.78	2.57
Brigade Enterprises Limited	Consolidated	10	480.75	19,499.70	(2.24)	(2.24)	111.32	(214.62)	(1.97)
Kolte Patil Limited	Consolidated	10	273.90	6,917.40	(0.73)	(0.73)	117.61	(375.21)	(0.62)
Macrotech Limited	Consolidated	10	1,082.85	54,485.75	1.01	1.01	116.17	1,072.13	0.87
Shriram Properties Limited	Consolidated	10	81.90	4,314.99	-4.60	(4.60)	56.43	(17.80)	(8.15)
Indiabulls Real Estate Limited	Consolidated	2	109.30	15,214.18	0.10	0.10	77.12	1,093.00	0.12
Mahindra Lifespace Developers Limited	Consolidated	10	295.05	1,662.49	(13.96)	(13.96)	317.44	(21.14)	-4.40
Omaxe Limited	Consolidated	10	92.25	4,757.00	(12.86)	-12.86	76.80	(7.17)	(16.74)

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited financial results of the listed peer for the financial year ended March 31, 2021.

(1) For listed peer - sourced from the annual audited financial results of the listed peer for the year ended March 31, 2021.

(2) For listed peer, Net Asset Value (NAV) is computed as equity attributable to owners (total equity) divided by the number of equity shares outstanding as at March 31, 2021.

(3) For listed peer, P/E Ratio has been computed based on the closing market price of equity shares on the website of BSE as of March 3, 2022 divided by the Basic EPS provided under Note 1 above.

(4) For listed peer, return on Net Worth for equity shareholders (%) (RONW) = Profit for the year for Fiscal

2021 divided by total equity as at March 31, 2021

#Source for our Company: Based on the Restated Consolidated Financial Statements for the financial year ended March 31, 2021.

The Issue Price will be [●] times of the face value of the Equity Shares.

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the market demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Bidders should read the abovementioned information along with the sections entitled “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Information*” on pages 27, 159, 293 and 232, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled “*Risk Factors*” page 27 or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
**Suraj Estate Developers Limited**  
301, 3rd Floor, Aman Chambers,  
Veer Savarkar Marg, Opp Bengal Chemicals,  
Prabhadevi, Mumbai – 400 025,  
Maharashtra, India

and

**Centrum Capital Limited**  
Centrum House, CST Road,  
Vidyanagari Marg, Kalina,  
Santacruz (East), Mumbai – 400 098,  
Maharashtra, India

**Anand Rathi Advisors Limited**  
10<sup>th</sup> Floor, Trade D Tower,  
Kamla City, Senapati Bapat Marg,  
Lower Parel, Mumbai – 400 013  
Maharashtra, India

(Centrum Capital Limited and Anand Rathi Advisors Limited are hereinafter individually referred to as the “**Book Running Lead Manager/ BRLM**” and collectively as the “**Book Running Lead Managers/ BRLMs**”)

**Re: Proposed initial public offering of equity shares of face value of Rs. 5 each (Equity Shares) by ‘Suraj Estate Developers Limited’ (the “Company”) comprising fresh issue of Equity Shares (the “Issue”).**

Dear Sirs,

We, M/s **Bhuwania & Agrawal Associates**, the statutory auditor the Company, hereby report that This report is issued in accordance with the terms of our engagement letter dated 01 December 2021.

We have been appointed to comment on the possible special tax benefits available to (i) the Company (ii) to the shareholders of the Company and (iii) material subsidiary (hereinafter referred to as “the statement”), under applicable tax laws presently in force in India including the Income Act, 1961(read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 (hereinafter referred to as the “Indian Income Tax Regulations”), the Integrated Goods and Services Tax Act, 2017 and the applicable states’ Goods and Services Tax Act.

### **Management’s Responsibility**

The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus (“DRHP), Red Herring Prospectus and Prospectus is the responsibility of the management of the Company. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### **Auditor’s Responsibility**

Our work has been carried out in accordance with Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (**the 'ICDR Regulations'**) and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits as of 4 March 2022 available to the Company, the shareholders and subsidiaries of the Company, in accordance with the Indian Income Tax Regulations and the Income Tax regulations as at the date of our report.

It is imperative to note that we have relied upon a representation from the Management of the Company with respect to the special tax benefits.

List of subsidiaries as identified by the Company in terms of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 on the date of signing of this report:

<b>Sr No</b>	<b>Name of the Subsidiary</b>	<b>Country</b>	<b>Location</b>
1	Accord Estates Private Limited (Material Subsidiary)	India	Mumbai
2	Iconic Property Developers Private Limited	India	Mumbai
3	Skyline Realty Private Limited	India	Mumbai
4	Uditi Premises Private Limited – Step Down Subsidiary (Subsidiary of Accord Estates Private Limited)	India	Mumbai

List of subsidiaries as identified by the Company as per INDAS 110:

<b>Sr No</b>	<b>Name of the Subsidiary</b>	<b>Country</b>	<b>Location</b>
1	M/s New Siddhartha Enterprises	India	Mumbai
2	M/s S R Enterprises	India	Mumbai
3	M/s Mulani & Bhagat Associates	India	Mumbai

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

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/ would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus (**DRHP**) to be filed with the Securities and Exchange Board of India (**SEBI**), the Bombay Stock Exchange of India Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**) and the Red Herring Prospectus (**RHP**) and the Prospectus (**Prospectus** and together with DRHP and RHP, the **Offer Documents**), to be filed with the Registrar of Companies, Mumbai at Maharashtra (**ROC**) and submitted to the SEBI, and the Stock Exchanges with respect to the Issue, and in any other material used in connection with the Issue and on the website of the Company in connection with the Issue.

We undertake to update you of any change in the above-mentioned disclosures until the Equity Shares commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as an updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Issue.

This certificate is for information and for inclusion, in part or in full, in the Issue Documents or any other Issue-related material, and may be relied upon by the Company, the Book Running Lead Managers and the legal advisors to the Issue. We hereby consent to the submission and disclosure of this certificate as may be necessary to the SEBI, the ROC, the Stock Exchanges and any other regulatory or judicial authorities and, or, for any other litigation purposes and, or, for the records to be maintained by the Book Running Lead Managers, in accordance with applicable law.

All capitalized terms not defined herein bear the meaning ascribed to them in the Issue Documents.

Yours sincerely,  
**For BHUWANIA & AGRAWAL ASSOCIATES**  
(Chartered Accountants)  
(Firm Registration no. 101483W)

**N. K. Agrawal**  
(Partner)  
Membership No. : 034659  
UDIN : 22034659AEDLHH3907  
Date : 04/03/2022  
Place : Mumbai



## STATEMENT OF DIRECT TAX BENEFITS

### STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS

#### UNDER THE APPLICABLE LAWS IN INDIA – INCOME-TAX ACT, 1961

Outlined below are the special tax benefits available to Suraj Estate Developers Limited (the “Company”) and its Shareholders under The Income Tax Act, 1961 (the “Act”) as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

#### **A. Special tax benefits available to the Company**

- a) Lower corporate tax rates on income of domestic companies - Section 115BAA of the Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of a company availing the concessional rate of 22% is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax (‘MAT’) under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

We understand that the company has opted for the lower corporate tax with effect from Assessment Year 2021-22.

#### **B. Special tax benefits available to the subsidiaries.**

All the subsidiaries as mentioned in Point 6 above has not opted the benefit available U/s. 115BAA i.e. the reduced tax liability @ 22% (exclusive of SC and Cess) as on the date of this certificate, however the subsidiaries may opt for the same in the future.

#### **C. Special tax benefits available to the Shareholders of the Company**

There are no special tax benefits available to the Shareholders of the Company for investing in the shares of the Company.

Notes:

1. This Annexure is as per the Income Tax Act, 1961 as amended by the Finance Act, 2021 read with relevant rules, circulars and notifications applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Issue.

4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

5. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

6. The 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 professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

## SECTION IV – ABOUT THE COMPANY

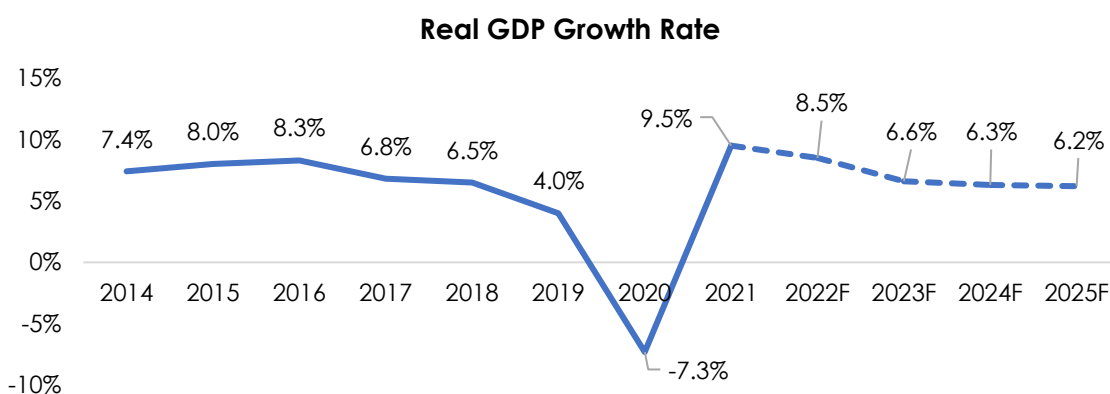
### INDUSTRY OVERVIEW

#### OVERVIEW OF INDIAN ECONOMY

##### GDP Growth

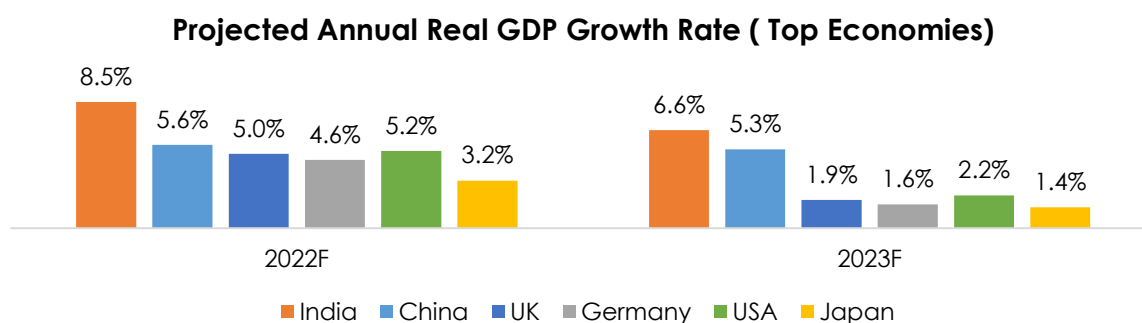
India has been one of the fastest growing economies in the world over the last few years. India's real gross domestic product ("GDP") grew by 8.3% in 2016, 6.8% in 2017, 6.5% in 2018 and 4% in 2019. In the first quarter of 2021, the International Monetary Fund ("IMF") estimated a dip of 10.3% in the real GDP growth rate of India in 2020. However, the real GDP contracted by -7.3% showing an improvement of 3% from the estimates of IMF. With continuous quarter-on-quarter growth in various sectors such as manufacturing, IT/ITeS, BFSI, etc. and COVID-19 related vaccination going in the country, the Indian economy in 2021 has shown a sharp rise in the real GDP growth in 2021 at 9.5%, as per the IMF. Further, India is estimated to achieve a real GDP growth of 8.5% in 2022.

The following graph sets forth real GDP growth rate of India from 2014 to 2025 (forecasted):



*Source: IMF*

The following graph sets forth projected annual real GDP growth rate of the top world economies in 2022 and 2023:



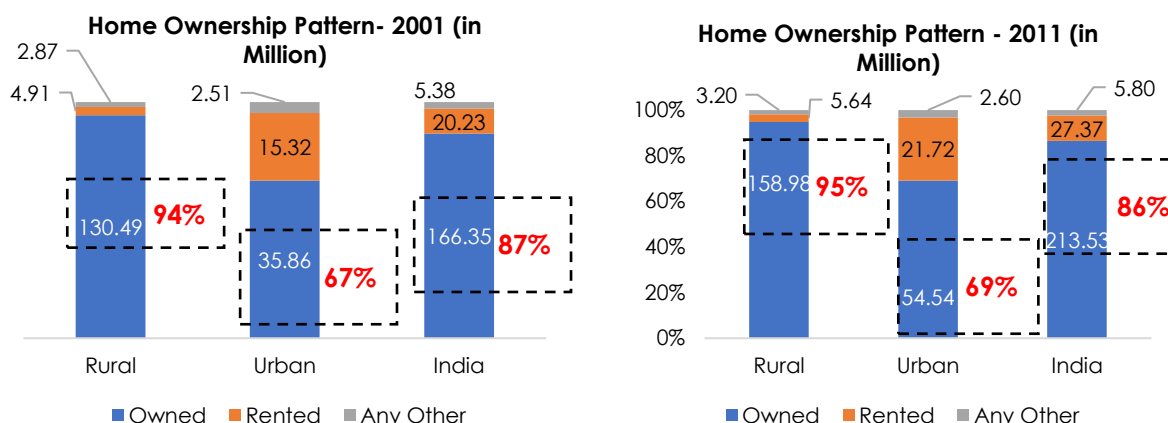
*Source: IMF*

##### Penetration of Housing and Home Ownership

As per the Census figures and Ministry of Housing and Urban Affairs, number of households have increased from 191.96 mn in 2001 to 246.69 mn in 2011 which shows a 28.51% increase in number of households. Out of these households, home ownership i.e., owned houses increased from 166.35 mn in 2001 to 213.53 mn in 2011 which shows an overall increase of 28.36%.

Overall share of households (i.e., no of houses including owned, rented or any other) in urban areas increased from 28% in 2001 to 32% in 2011 and in rural areas, reduced from 72% in 2001 to 68% in 2011 in India.

The following graph shows the penetration of Housing and Home ownership in years 2001 and 2011:



Source: Ministry of Housing and Urban Affairs

The above diagram signifies that owned houses in rural areas have slightly increased from 94% in 2001 to 95% in 2011 and in urban areas, the same have improved from 67% in 2001 to 69% in 2011. This shows a trend in migrating population shifting from rural areas to urban areas and increasing housing ownership among urban population.

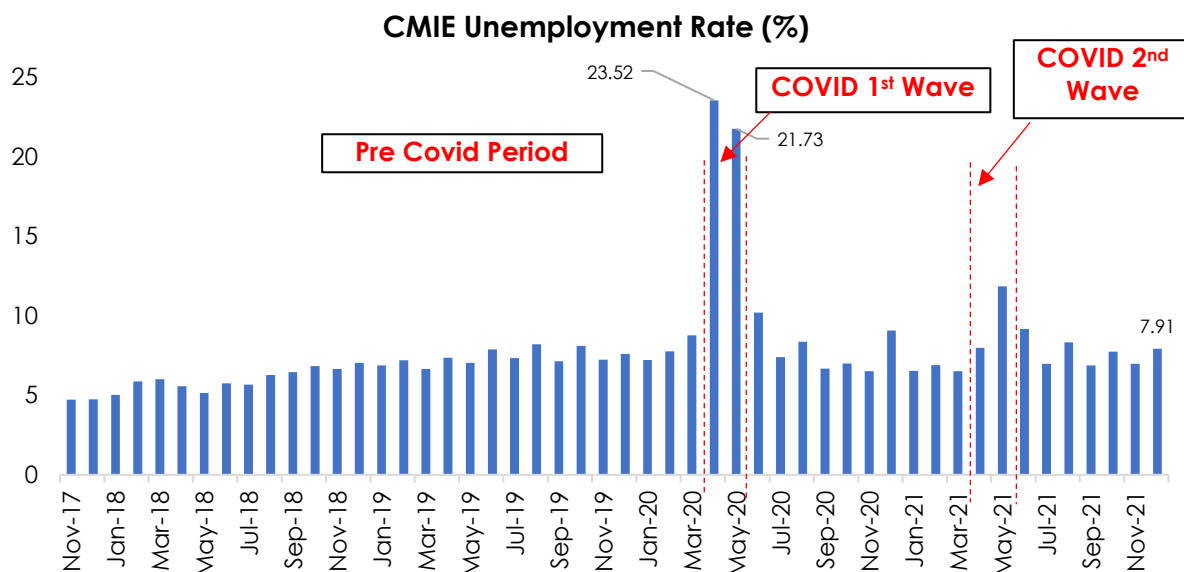
### Employment Rate Recovering to Pre-Covid Levels

The unemployment rate has reduced considerably as compared to the second quarter of 2020 when the 1<sup>st</sup> lockdown was announced due to COVID 19 pandemic. According to the CMIE data, employment rate has improved since June 2020 (Unlock 1) as businesses and offices started opening up.

Relative to pre-COVID levels, RBI has highlighted that several key economic indicators such as real GDP, employment rate, urbanization rate, affordability index, etc. are pointing to the easing up of contractions in various sectors of the economy and the emergence of signs of growth. RBI has announced measures towards reviving the economy to:

- (i) Enhance liquidity support for financial markets
- (ii) Regulatory support to improve the flow of credit to specific sectors
- (iii) Provide boost to exports; and
- (iv) Deepen financial inclusion

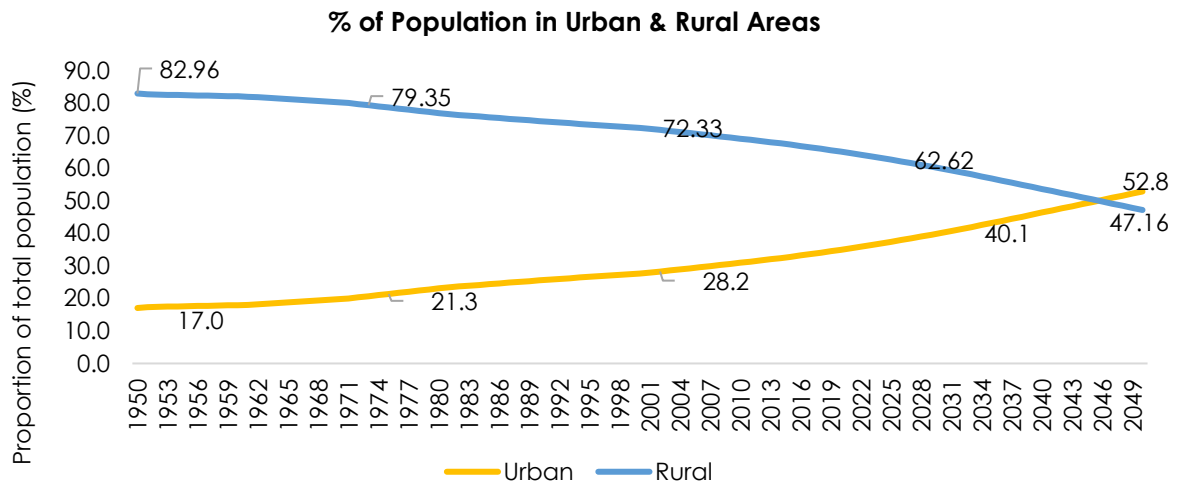
These measures are expected to bring economic recovery faster and further improve the employment rate.



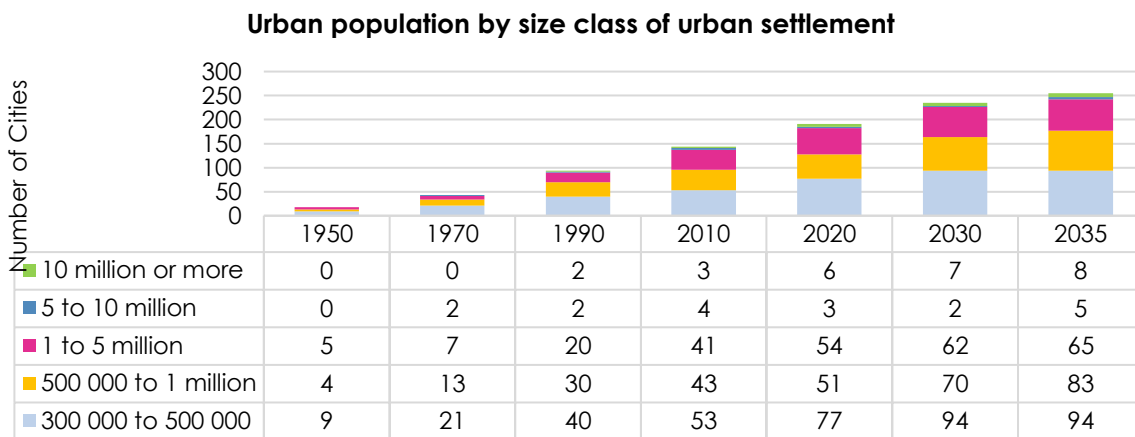
Source: CMIE Unemployment Data

### Urbanization and Urban Housing Shortage

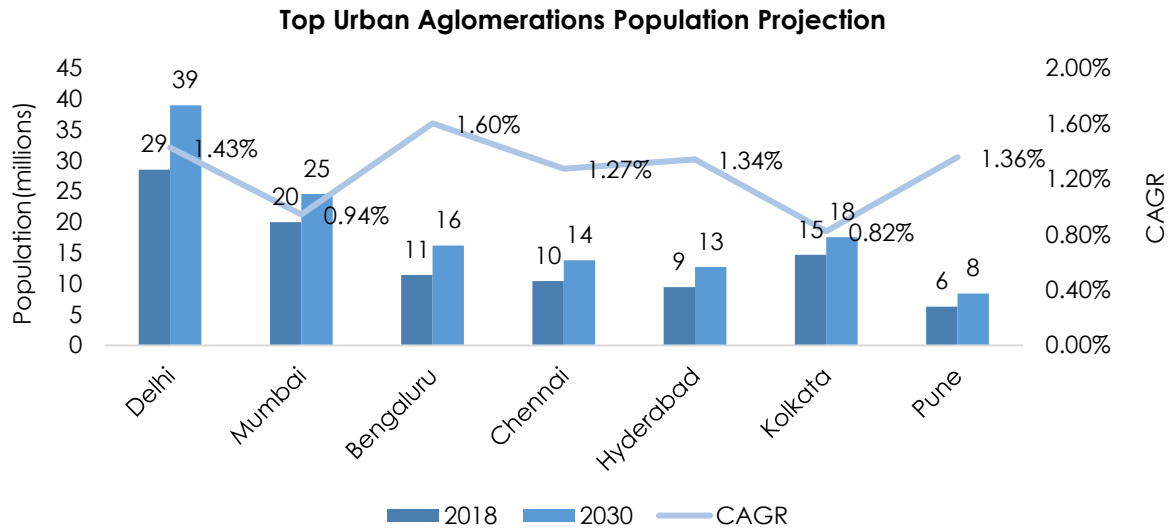
It is a globally established fact that demographic shifts fundamentally affect the demand for real estate. India's large population base of over 1.37 bn provides a huge domestic demand base which attracts businesses from across the world to setup their operations here. Along with rising population, India's urbanization rate is also increasing at a fast pace. As per UNDP projections, by 2046 approx. 50% of population in India will be urban. However, rapid urbanization is expected to drive the demand for housing, offices and other real estate asset classes in the medium – long term. UNDP has projected that there will be 8 cities with a population of 10 mn & above by the year 2035 in India, highlighting the unmet housing demand.



Source: UNDP World Urbanization Prospects 2018

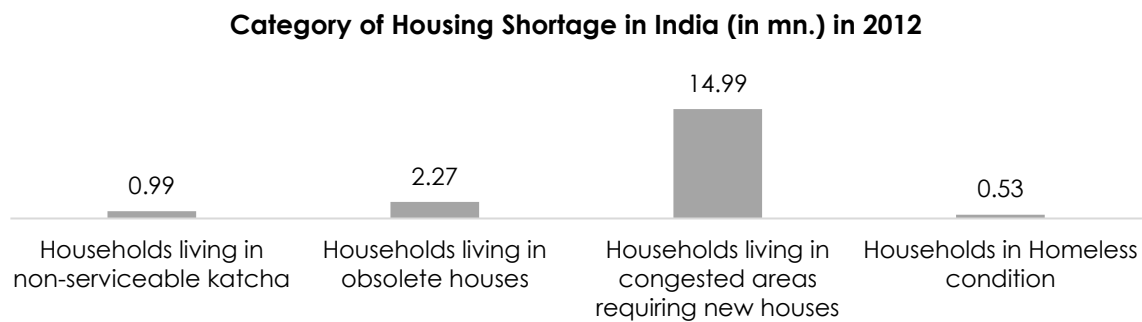


Source: UNDP World Urbanization Prospects 2018



**Source:** UNDP World Urbanization Prospects 2018

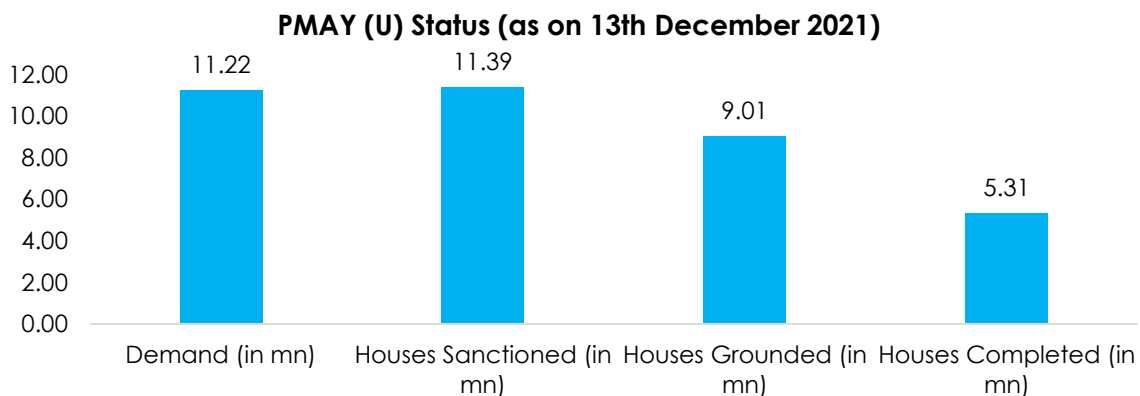
The Ministry of Housing & Urban Poverty Alleviation estimated a housing shortage of 18.78 mn houses during the 12<sup>th</sup> period plan with 99% in the economically weaker section (EWS) and lower income group (LIG). Following figure provides the details of Urban Housing shortage in India.



**Source:** Report of the technical group on Urban Housing Shortage (TG-12) (2012-17) by Ministry of Housing & Urban Poverty Alleviation

In order to address the housing shortage in the country, Government of India has launched Pradhan Mantri Awas Yojana (PMAY). The objective of the mission is to promote housing for all, being implemented during 2015-2022, which provides central assistance to Urban Local Bodies (ULBs) and other implementing agencies through States/UTs. The scheme provides bi-fold incentives to developers as well as buyers/owners.

Aggressive persuasion by the Governments have demonstrated favourable performance as can be seen from the chart below, which shows the status of scheme so far.

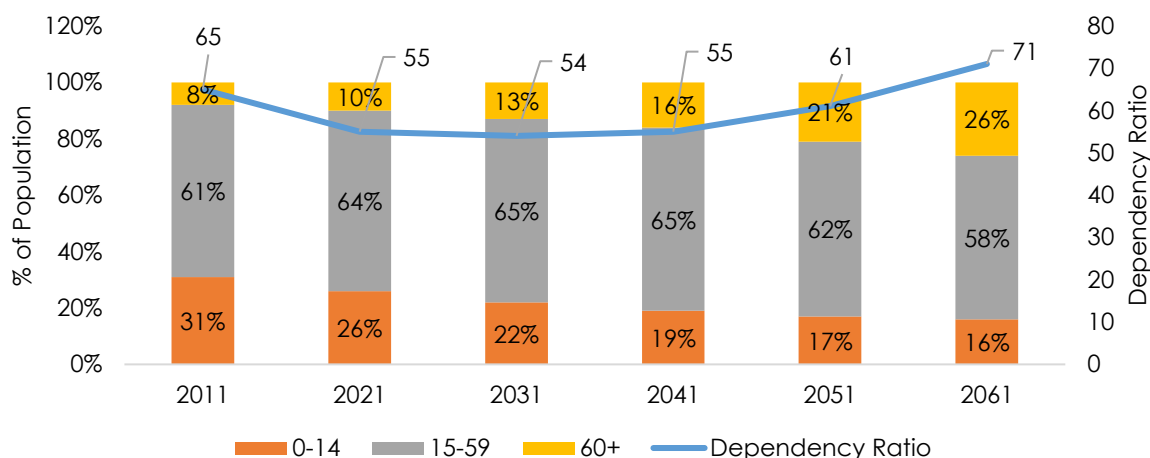


**Source:** Ministry of Housing and Urban Affairs, Government of India

## Demographic Dividend

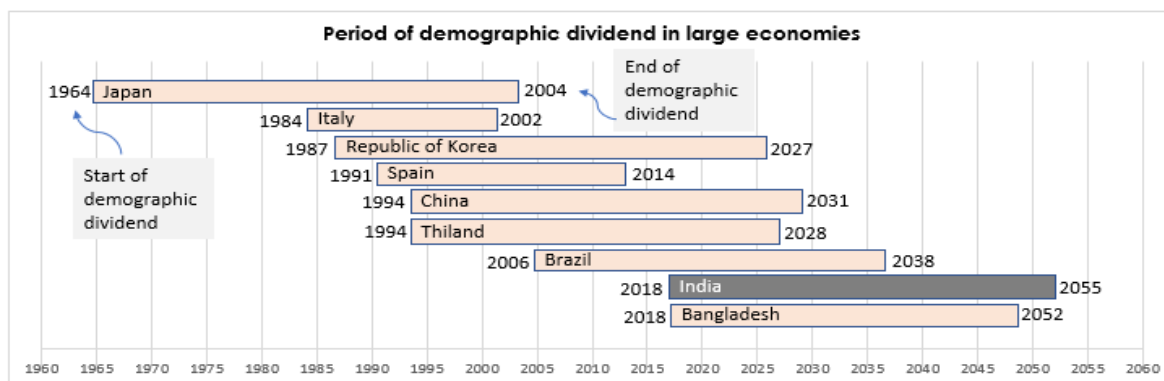
As per a report by UNFPA, in 2011 India had 61% of its population in the age group of 15-59 years which is increasing and will peak around 2036 when it will reach approximately 65%. With increase in young population, the dependency ratio has also been declining and India has entered in the period of demographic dividend. As per UNFPA definition, demographic dividend is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population, 15 to 64, is larger than the non-working-age share of the population, 14 and younger or 65 and older.

**Projected Percent of Population by Broad Group & Dependency Ratio, India, 2011-2061**



**Source:** 'An Assessment of Demographic Dividend in India and its Large States' by P. M. Kulkarni, 2017'. A study commissioned by UNFPA

Once a country enters demographic dividend phase, there opens a window of opportunity for economic development. Many Asian countries like Japan, China and South Korea were able to use this demographic dividend as the growth potential for their respective economies.



**Source:** 'An Assessment of Demographic Dividend in India and its Large States' by P. M. Kulkarni, 2017'. A study commissioned by UNFPA

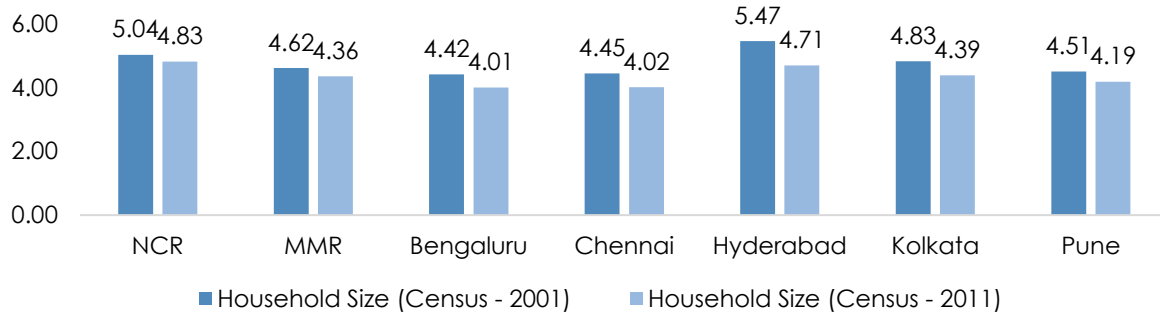
Share of urban population and age distribution profile are one of the key demand drivers for real estate in a country. India along with an increasing urban population is relatively a younger nation as compared to developed economies of the world and is likely to retain its position for future as well. This indicates that India with one of the largest workforces will be a huge market for both residential as well as other asset classes.

## Nuclearization of Families

India has been witnessing a reduction in overall household size in the past few decades. The trend is likely to continue further. This is primarily because of increase in the nuclearization of the families. With the change in

family dynamics towards a nuclear set-up more households are getting added and hence consumption is increasing, which in turn fuels the demand for housing.

The following graph sets forth the average household size for select Indian cities:



Source: Census 2001, 2011

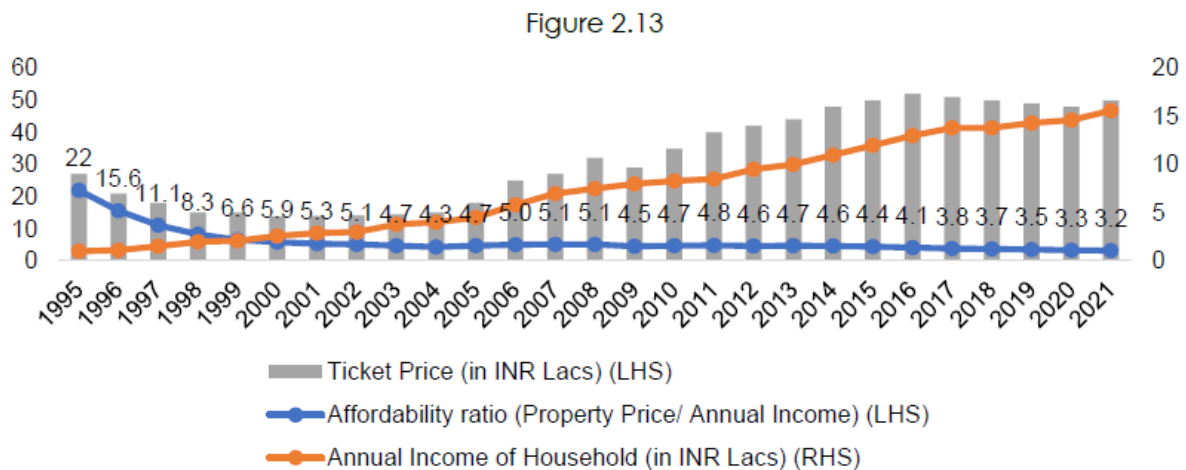
Note: For NCR, Delhi, Gurugram, and Gautam Buddha Nagar have been considered; For the MMR, Mumbai and Thane District have been considered.

The figure above shows the trends in the average household size of Tier 1 cities in India. It can be observed that there is reduction in the average household sizes in almost all the cities. Bangalore has the least average household size followed by Chennai. The average household size in many of the Tier I cities is now close to 4. Reduction in average household size further leads to increase in demand for housing.

### Other Policy Level Initiatives and Observations in Housing Finance Sector

- **Changing Affordability Index**

As per a report by HDFC, dated 2nd August 2021, government’s support at policy level and increase in household income have improved the overall affordability levels to best in last two and a half decades. The increase in household income with almost steady levels of the ticket prices have resulted in increasing the affordability of housing units. The following graph sets forth housing affordability trend:



Source: HDFC Snapshot 2021

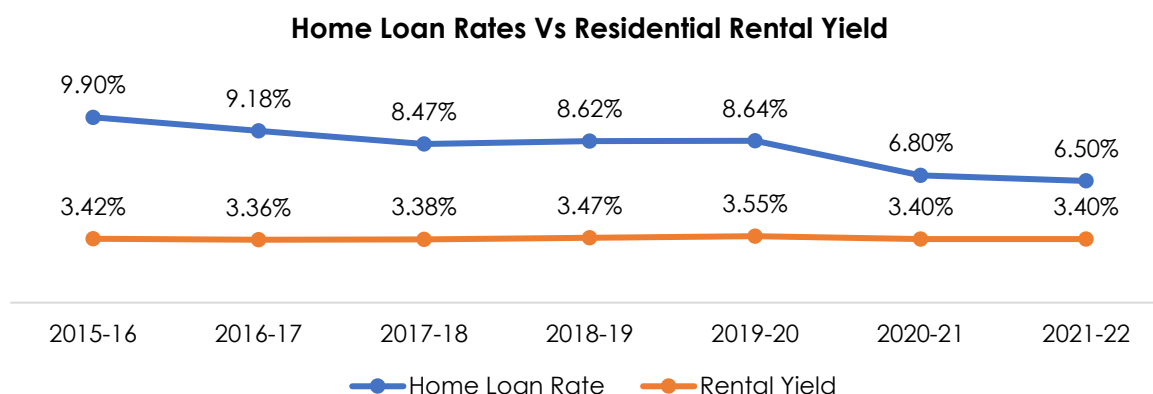
- **Home Loan Rates and growth in Home Loan Penetration**

In order to infuse liquidity into the market, the RBI reduced the repo rate by 140 basis points from February 2020 to October 2020, which resulted in reduction in the home loan interest rates. Increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.

While the home loan interest rate is falling, the rental yield from residential properties is increasing gradually, with an exception in 2020. Hence, the difference between home loan interest rate and rental yield is at decadal



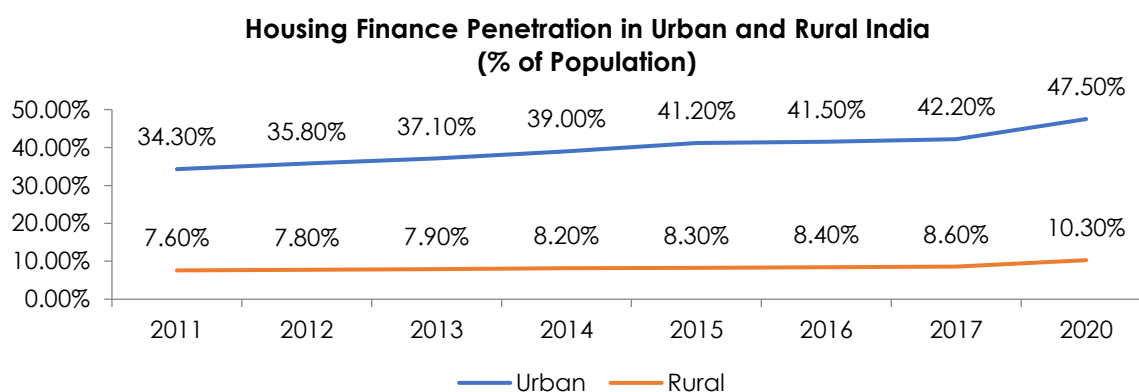
low making home buying more attractive than renting. The following graph sets forth home loan interest rates versus rental yield from residential properties:



*Source: Information published by various Nationalised Banks*

The net cost of home ownership over rental yield, adjusted for tax incentives on home loans, has reduced to less than 2% for some buyers, which is amongst the lowest in the last two decades. With reduction in home loan rates coupled with other policy level interventions by the Government, real estate has emerged as one of the favoured investment options in the country.

The following graph shows the housing finance penetration in India from 2011 – 2020:



*Source: RBI*

As per the above diagram, between 2014 to 2017, percentage of housing finance penetration has been slow in urban areas, however, the same has witnessed improvement in 2020. The trend above suggests that urban areas could have a relatively greater share of future growth in housing finance almost reaching 50% of the total population.

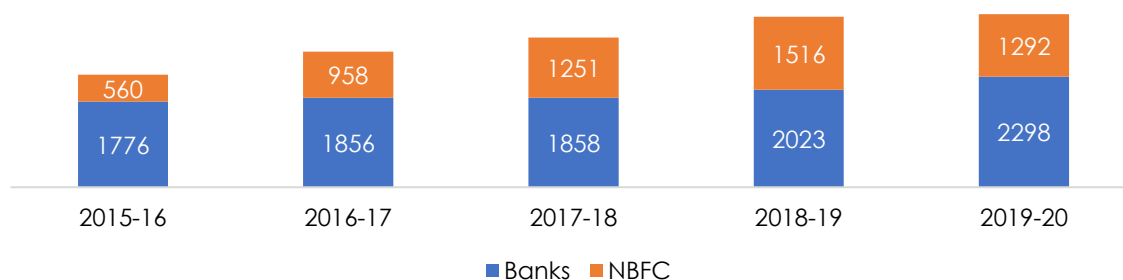
- **Wholesale Lending Market for Residential Sector**

Since 2012 NBFCs emerged as the largest lenders for real estate projects. Indiscriminate lending by these institutions to tier-2 unbranded developers with flawed business model meant a significant increase in under-construction supply. Given, the lack of experience of executing and completing the projects tier-2 developers delayed their projects significantly and thus eroding the trust of customers. Further, in order to compete with tier-1 branded developers with quality product, tier-2 developers often resorted price-cuts to move inventory. This further eroded their profitability as well as put pressure on pricing in general. However, they were able to continue with this business model due to ample liquidity present in the system prior to 2018. While project delays jeopardised the cashflow for these projects, NBFCs continued to refinance and provide incremental capital for project completions. NBFCs had golden run until 2018 Sept, when IL&FS crisis and the resultant reflux caused severe liquidity crunch. NBFCs significantly reduced real estate funding during the under-construction phase due to non-availability of funds with them. No construction activity has led to low sales and poor cash flow management at such developers' end specially the smaller developers which have limited access to bank loans.

Stressed Funds and PE Funds have started the merit-based last-mile funding at the high-interest rate leaving no value for such developers and even led to a haircut for lenders on such lending.

Tier-1 developers with good brand, have the ability to sell substantially during the launch period and throughout the construction period. This obviates the need for financing for completion of under-construction projects. Such developers with investment grade credit rating had lower dependency on higher cost loans from NBFCs in any case. Hence, large and branded players with investment grade credit rating were able to avert the crisis due to minimal reliance on NBFC funding. Most of the big developers having rental income had access to bank loans and were able to deliver the under-construction projects on time.

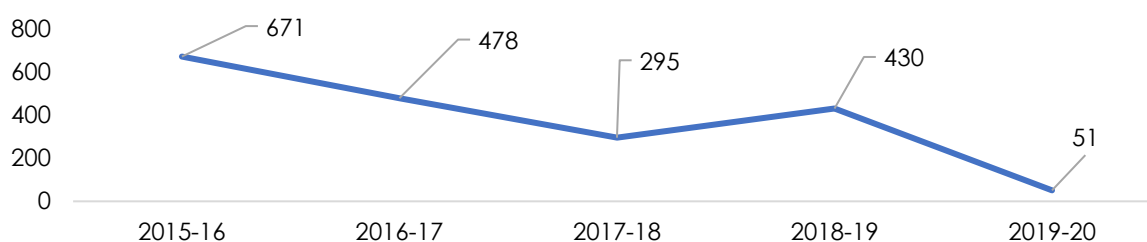
### Credit to developers by NBFC and Banks (in INR Billion)



Source: RBI

Credit given to developers by banks have increased from INR 2,298 Billion in FY 2019-20 to INR 2,360 Billion in FY 2020 – 21 noting an overall approximate increase of INR 62 Billion. NBFC's FY 2020-21 numbers are yet to be reported.

### Incremental Credit to developers by Banks & NBFCs (in INR Billion)



Source: RBI

- **Government & RBI Initiatives for Residential Real Estate**

The Central as well as State Governments along with RBI have been instrumental and supportive to ensure that the real estate sector emerges stronger post the COVID-19 pandemic.

Following are some of the key actions taken by the Government bodies:

#### Repo Rate Cut by 115 bps from 2020 to 2021

In order to infuse liquidity into the market, the RBI reduced the repo rate by 115 basis points from February 2020 to December 2021, which resulted in reduction in the home loan interest rates. Increase in household income coupled with steady ticket prices have resulted in an increase in affordability of residential units.

#### Banks permitted to restructure loans of real estate companies at the project level

In August 2020, RBI further allowed a one-time restructuring of corporate and personal loans (including home loans). This allowed real estate developers including suppliers of raw materials to rest their debt and provide a fresh lease of life to service their debt prudently.

#### Specific window provided to push back repayment

Developers were provided an additional year to repay lenders which is over and above one year already available, so this will help in the management of cash flows and reduce asset classification stress of Real Estate focused NBFCs. Further, a window of INR 50,000 crore under *Targeted Long Term Repo Operations (TLTRO)* was meant to provide incremental liquidity to NBFCs, MFIs which could be utilised for onward lending to the real estate sector.

### **INR 10,000 crore allotted to National Housing Bank**

In August 2020, the central bank decided to allot INR 10,000 crore to National Housing Bank, which was meant to be a big relief for the real estate sector reeling under a liquidity crisis. It was meant to provide capital to housing finance companies and eventually provide major relief to developers battling liquidity issues in COVID-19 times.

### **Additional outlay of INR 18,000 crore announced for Prime Minister Awas Yojana (PMAY Urban)**

This was meant to support the objective of Housing for All by 2022. The additional outlay was over and above the INR 8,000 crore already spent in 2020.

### **Investments of over INR 13,200 crore approved under SWAMIH Fund and money deployed in 36 projects**

The government's Special Window for Affordable and Mid-Income Housing (SWAMIH) fund was set up in November 2019 to provide last-mile funding for stalled real estate projects by the government.. The allotment under the SWAMIH fund came in as a relief to 87,000 homebuyers. In 2021, SWAMIH fund successfully delivered CCI Rivali Park Wintergreen project in Mumbai.

### **RERA timelines extended due to COVID-19**

In May 2020, Honorable Finance Minister Nirmala Sitharaman issued advisory asking real estate regulators in states and union territories to extend by at least six months the deadline for completion of projects on account of the coronavirus outbreak.

### **Loan moratorium**

Loan moratorium was permitted for a period of six months (March 2020 to August 2020) without affecting the credit profile of the borrower, which provided some relief to individual as well as corporate borrowers who were under constraint due to the economic crises on account of the COVID-19 pandemic.

- **Maharashtra Government Initiatives and Regulatory Changes with its impact on Residential Real Estate**

### **Reduction in stamp duty**

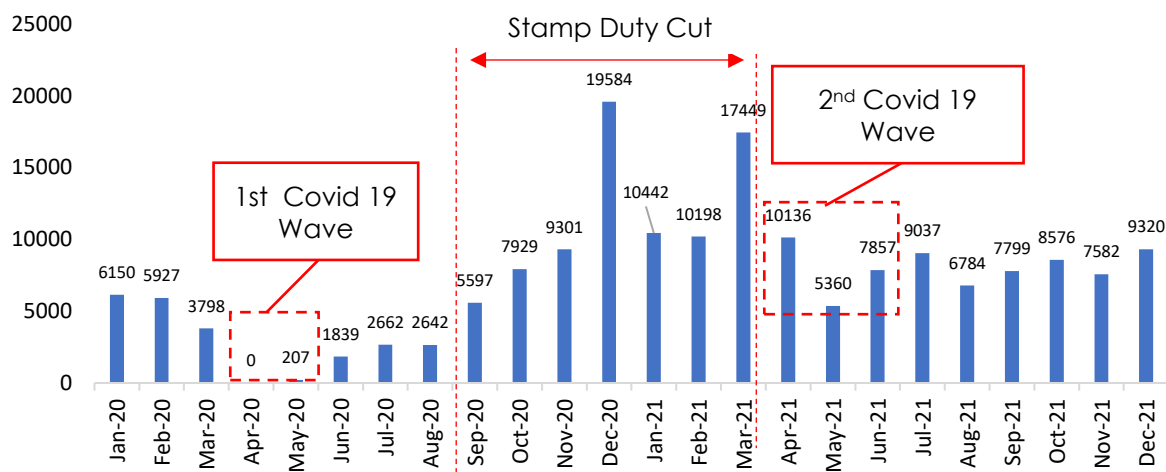
In order to revive demand in the real estate sector, the Government of Maharashtra reduced the stamp duty of properties from 5% to 2% from September 1, 2020 to December 31, 2020 and from 5% to 3% from January 1, 2021 to March 31, 2021. The stamp duty cut boosted sales in Mumbai with property registrations increasing threefold in December 2020 as compared to December 2019.

Though the stamp duty increased from 2% to 3% from January to March 2021, property registrations in Mumbai witnessed healthy sales during the period as well with March 2021 property registrations almost matching the registrations of December 2020.

With the increase in stamp duty to its original value of 5% from April 2021, the registrations witnessed a drop; however, the number of registrations were still healthy showing an overall recovery in the residential market of Mumbai.

Covid's 2<sup>nd</sup> wave impacted the registrations in April and May 2021. However, subsequent to increasing relaxations on mobility, sales started recovering from June 2021 onwards and witnessed a strong rebound in July-September 2021 despite being a seasonally weak quarter on account of monsoons. The onset of festive period led to a further increase in registrations in October 2021, November 2021 and December 2021.

The following graph sets forth sale registrations in Mumbai over periods indicated:



*Source: Registration office (IGR) and data from various published news articles*

### 50% discount in premiums for Builders by Maharashtra Government

The state government in January 2021 issued a Government Resolution (GR) by slashing real estate premiums paid by builders by 50%. According to the GR, builders need to pay premiums based on 2019 ready reckoner (RR) rates or the 2020 rates whichever is higher. All real estate premiums and charges are calculated on the basis of RR rates.

Developers who opted for the 50% reduction in premiums need to pay the entire stamp duty when they sell flats to buyers. Builders need to give an undertaking to the local bodies that they will pay the entire stamp duty from home buyers. The scheme was valid till December 2021. However, there is a possibility that the Maharashtra government may extend this till March 2022.

### Complete waiver of Property Tax for Mumbai homes measuring up to 500 sq. ft.

The state cabinet approved the proposal to waive off property tax for 1.61 million flats of up to 500 square feet in Mumbai and suburbs. It will be applicable for the flats in BMC jurisdiction. Chief Minister Uddhav Thackeray had on January 1, 2022 announced waiver of entire property tax for the smaller houses below the size of 45.45 sq. mt. or 500 sq. ft.

### Impact of Covid-19 on Housing and Workplace Demand

- **Signs of revival in the backdrop of economic recovery and demand**

The residential segment was quick to pick momentum in the last two quarters of 2020 in the backdrop of growing homeownership sentiment, which was accentuated by the exigencies of the COVID-19 pandemic. This pent-up demand was further accelerated by ongoing discounts and offers, low home loan interest rates, and limited period of stamp duty cuts in states such as Maharashtra. On account of rising sales, developers released new supply into the market leading to a 2% year-on-year jump in supply in Q4 2020 against the same period in 2019. Further, as compared to 2020, new supply in Top 7 cities has increased by 27% in 2021 (January – September) showing that there is an overall recovery in the Indian Real Estate market.

- **Preference towards large, branded players with a proven track record**

The COVID-19 pandemic has changed buyer preferences towards risk free investments. Developers with the ability to complete projects on time and with the least execution risk are preferred even if the property is relatively high priced. On account of the liquidity crunch being faced by smaller developers as well as a shift in buyers' preference towards large, branded developers, consolidation is likely to take place further in the real estate sector. Financially strong and organised players are expected to have a majority of the market share in the coming years.

- **Housing Demand Impact**

Apart from the structural longer term drivers, housing demand is likely at the cusp of a cyclical inflection point which could potentially see a sustained volume as well pricing growth in the near to medium term. This is on account of:

- Sentiment changes due to forced lockdown and continued WFH and online schooling, functional and flexible homes that can accommodate working spaces.
- Increase in affordability as the ratio of the home loan payment to income has been reducing over the years.
- Reduction in home loan rates which further increases the buying capacity of the end users,
- Narrowing of gap of rental yield to home loan rates will further increase the preference of purchasing home over renting it.
- Lack of safe fixed income savings avenues as Fixed Deposit rates have fallen significantly.

- **Office Real Estate Market Impact**

- During the initial months of the COVID-19 pandemic (i.e. April and May 2020), occupiers were adapting to the work-from-home culture. During the period from July to August 2020, select financial institutions and manufacturing occupiers reconsidered working from office for better employee output. While work-from-home has certain positives such as saving travel time, occupiers have experienced some negatives as well such as connectivity issues. Accordingly, Anarock expects work-from-home and work-from-office to co-exist.
- Grade-A developers have witnessed high rent recovery rates for Q3 2020 and H1 2021. Although the work-from-home culture tends to consolidate demand for office space, the COVID-19 pandemic has resulted in demand for larger office space per employee.
- Commercial buildings are required to comply with strict health and safety guidelines, which is expected to result in a shift towards more tech-enabled buildings to counter any safety and security issues in future. Grade-A developers are in a better position to comply with such strict health and safety guidelines.
- For a large metropolitan city such as Mumbai, decentralization of work-centres is inevitable. The COVID-19 pandemic has further accentuated this requirement. New townships in the suburban areas of large cities have seen eventual development of office spaces within such townships. Hiranandani Gardens in Mumbai, Lodha Palava in the MMR, Magarpatta City in Pune, Mahindra World City in Chennai and New Town in Kolkata are few such examples.
- Recently, office occupiers in the MMR have been exploring to set-up offices in proximity to the residential hotspots.

The occupiers are benefitting on three fronts:

- I. Rents in the suburban micro-markets are low as compared to central and secondary business districts
- II. Large developers have quality developments with modern amenities
- III. Employees can increase productivity by saving travel time.

## OVERVIEW OF INDIA RESIDENTIAL MARKET

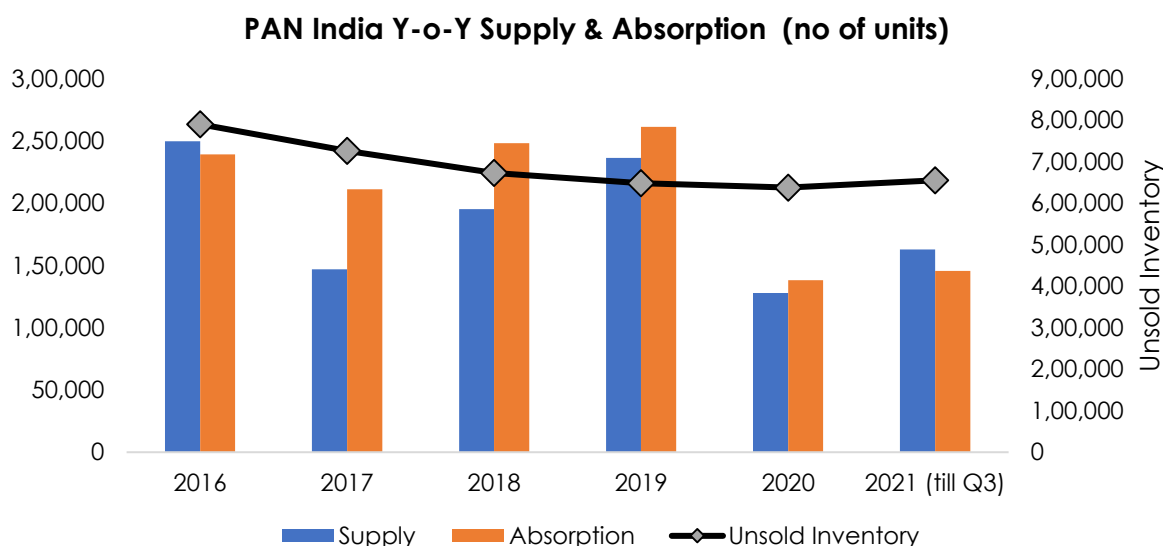
### India Residential Real Estate Trends 2016 to 2021 (Till Q3)

- In last three to four years, the real estate sector in India has witnessed several changes because of demonetization, the liquidity crisis and the implementation of RERA and GST.
- Despite the spiraling COVID-19 pressure across the country, the Indian residential sector made a significant comeback in Q3 2021 with absorption rebounding to 113% of the corresponding period in 2020. The Mumbai Metropolitan Region (“MMR”), Pune, Bengaluru, Hyderabad, the National Capital Region (“NCR”), Chennai and Kolkata (“**Top Seven Indian Markets**”) recorded absorption of approximately 0.15 million units in first three quarters of 2021 - rising by 67% against the corresponding period in 2020.
- New launches have jumped by 117% from 75,150 units in January to September period of 2020 to nearly 162,950 units in same period 2021.

- The unsold inventory across the top 7 cities in India has remained stable on a quarterly basis (655,299 units) but witnessed an increase of 3% on yearly basis because the new supply outpaced overall absorption numbers since last 5 quarters ending September 2021.
- Hyderabad witnessed the highest yearly increase in the available inventory by 113% whereas MMR & NCR witnessed yearly decline in the available inventory by 8% and 3% respectively.

The following graph sets forth supply, absorption and unsold inventory trends in the Top Seven Indian Markets from 2016 to 2021(till Q3) (in units):

Figure 3.1



Source: Anarock Research, 2021

Notes:

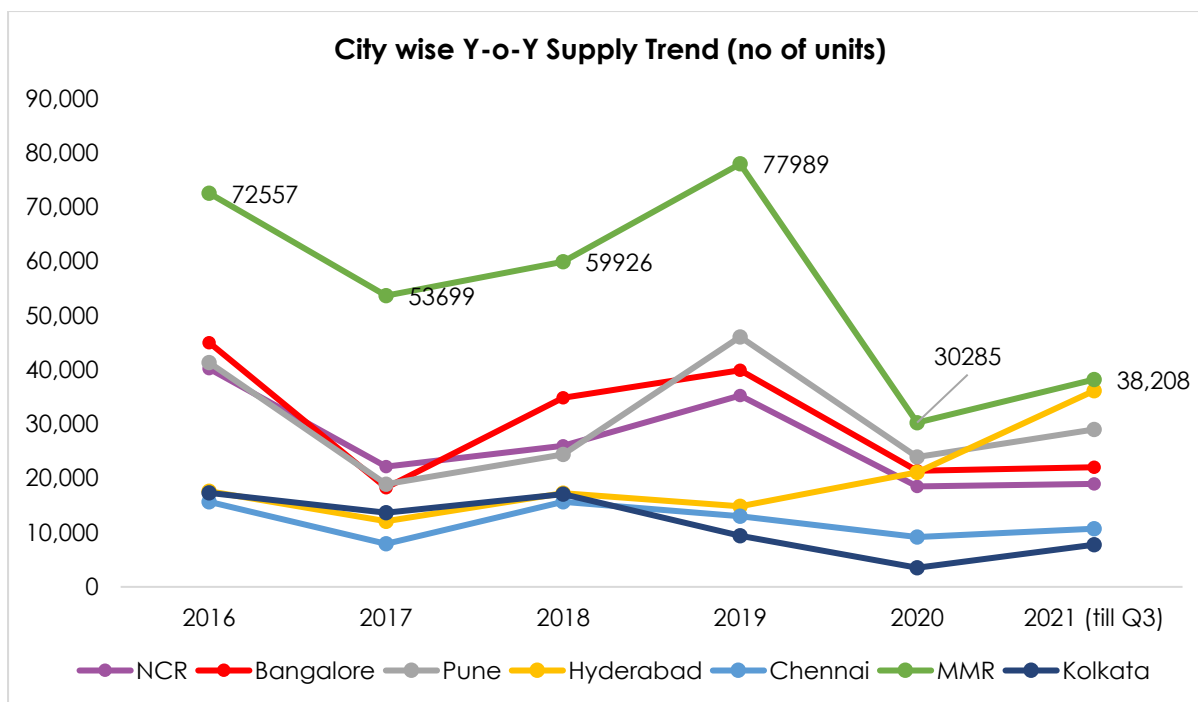
1. Unsold inventory is the net unsold inventory and does not include stalled projects.
2. Units absorbed includes primary transactions only i.e. excluding resale transactions.

### Top Seven Cities – Supply, Absorption and Unsold Inventory Trends – 2016 to 2021 (Till Q3)

#### City-wise Y-o-Y Supply Trend (no of units) – 2016 to 2021 (till Q3)

From 2016 to 2021(till Q3), MMR has the maximum share among all cities in the range of 23% - 41% across years with an average of 29% in terms of supply. This shows that there is an overall growth in the supply and that there is potential for further developments.

The following graph sets forth year-on-year supply trend in the Top Seven Indian Markets (in units): Figure 3.2



Source: Anarock Research, 2021

**Table: Share of launches among top 7 cities**

	MMR	NCR	Bangalore	Pune	Hyderabad	Chennai	Kolkata
2016	29%	16%	18%	17%	7%	6%	7%
2017	37%	15%	12%	13%	8%	5%	9%
2018	31%	13%	18%	13%	9%	8%	9%
2019	33%	15%	17%	19%	6%	5%	4%
2020	24%	14%	17%	19%	16%	7%	3%
2021(till Q3)	23%	12%	13%	18%	22%	7%	5%

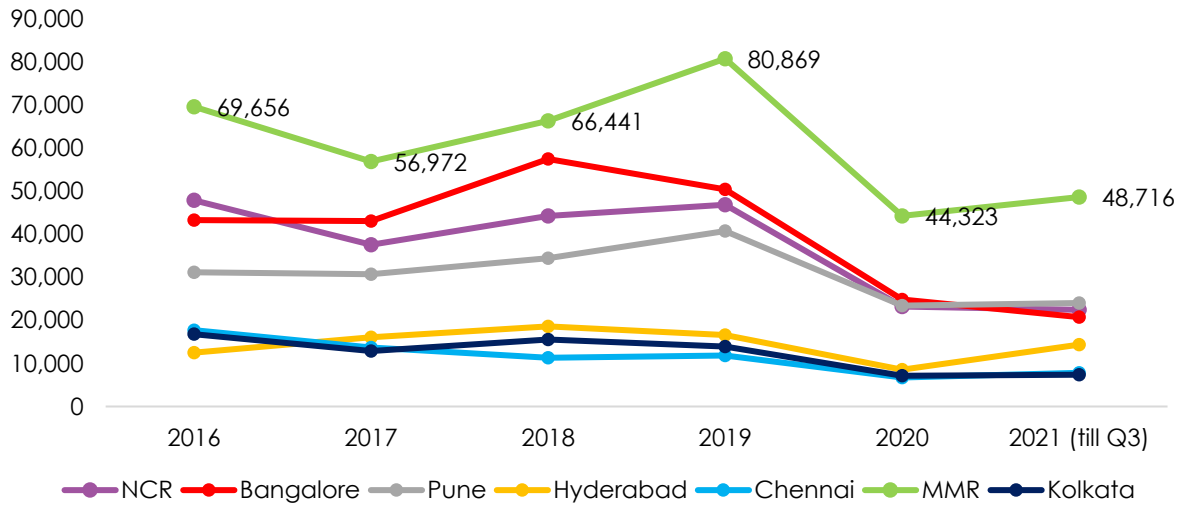
Source: Anarock Research, 2021

**City-wise Y-o-Y Absorption Trend (no of units) – 2016 to 2021 (till Q3)**

Since 2016, on an average MMR has been contributing approximately 30% of the total absorption, followed by Bangalore which is approximately 19% of the total absorption from 2016 to 2021 (till Q3). This shows that MMR market is witnessing an overall growth with potential for further development.

The following graph sets forth year-on-year absorption trend in the Top Seven Indian Markets (in units):

### City wise Y-o-Y Absorption no of units)



Source: Anarock Research, 2021

**Table: Share of Absorption among top 7 cities**

	MMR	NCR	Bangalore	Pune	Hyderabad	Chennai	Kolkata
<b>2016</b>	29%	20%	18%	13%	6%	6%	7%
<b>2017</b>	27%	18%	20%	15%	8%	6%	6%
<b>2018</b>	27%	18%	23%	14%	8%	5%	6%
<b>2019</b>	31%	18%	19%	16%	6%	5%	5%
<b>2020</b>	32%	17%	18%	17%	6%	5%	5%
<b>2021 (till Q3)</b>	34%	15%	14%	17%	10%	5%	5%

Source: Anarock Research, 2021

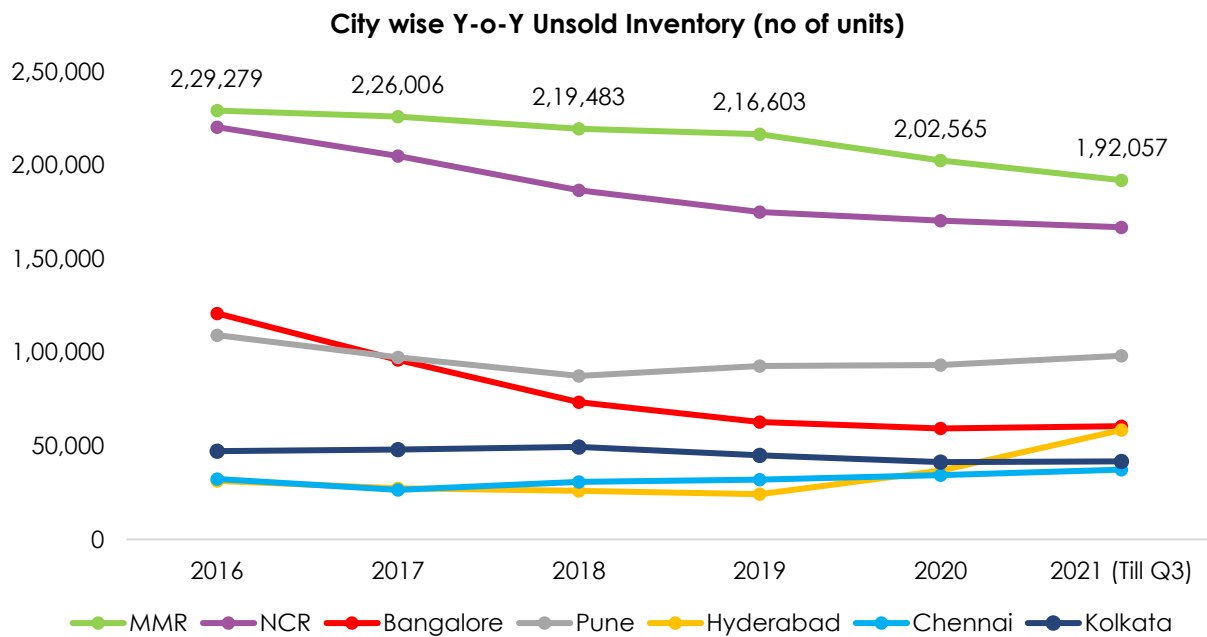
### City-wise Y-o-Y Unsold Inventory Trend (no of units) – 2016 to 2021 (till Q3)

All the cities have witnessed slight to gradual decrease in unsold inventory, except for Hyderabad, where count of unsold inventory has slightly increased in last one year primarily owing to increased supply during 2020 and



2021. MMR has witnessed healthy demand – supply dynamics from 2016 till Q3 2021, which has resulted into gradual decrease in the count of unsold inventory during this period.

The following graph sets forth year-on-year unsold inventory trend in the Top Seven Indian Markets (in units):

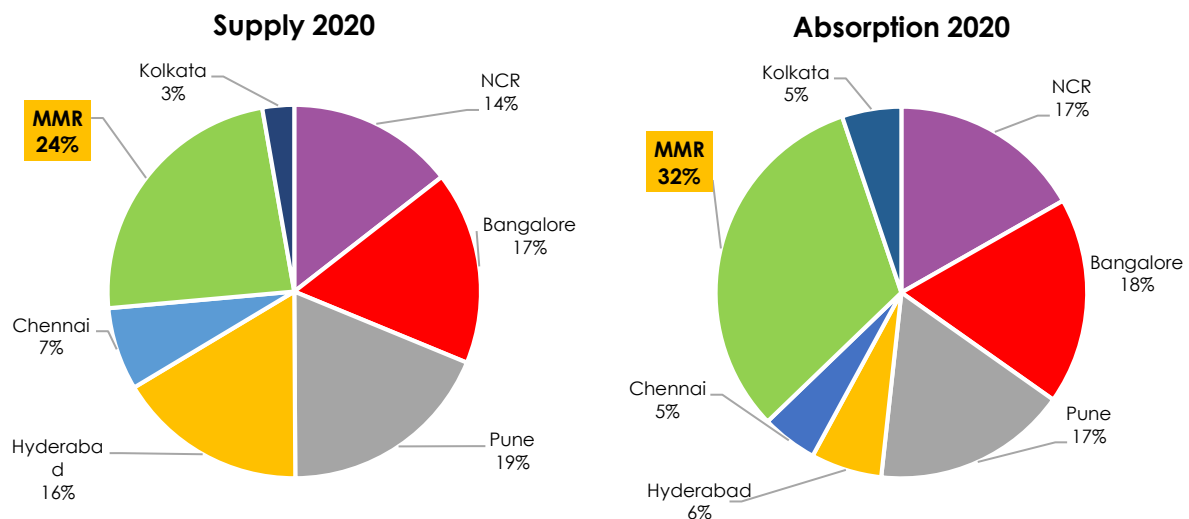


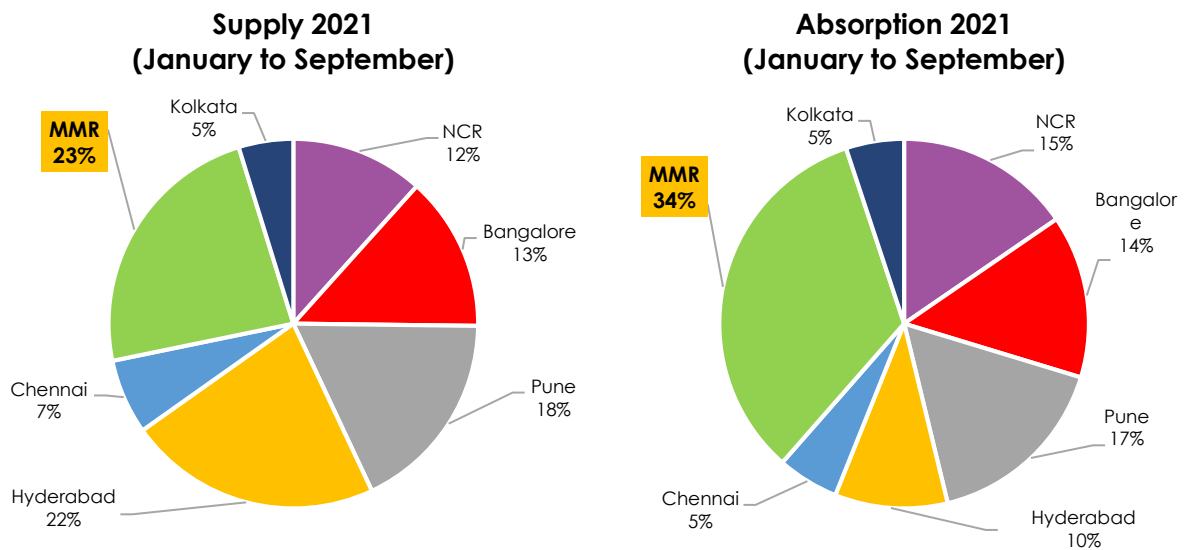
Source: Anarock Research, 2021

**Supply and Absorption in the Top Seven Indian Markets in 2020 And 2021 (January to September)**

- MMR has been the top performer in overall residential real estate activity in 2020 with a share of 24% of total supply (30,285 units) and 32% of total absorption (44,323 units) in the Top Seven Indian Markets,
- Further in 2021 (January to September), there has been a very slight decrease in the overall supply of MMR with a share of 23% of total supply (38,208 units). However, there is an improvement in the annual absorption levels with 34% share (48,716 units) in the Top Seven Indian Markets.
- As a result, MMR has evolved as the top performer in overall residential real estate activity in 2021 (January to September).

The following graph sets forth supply (by units) and absorption (by units) in the Top Seven Indian Markets in 2020 and 2021 (January to September):



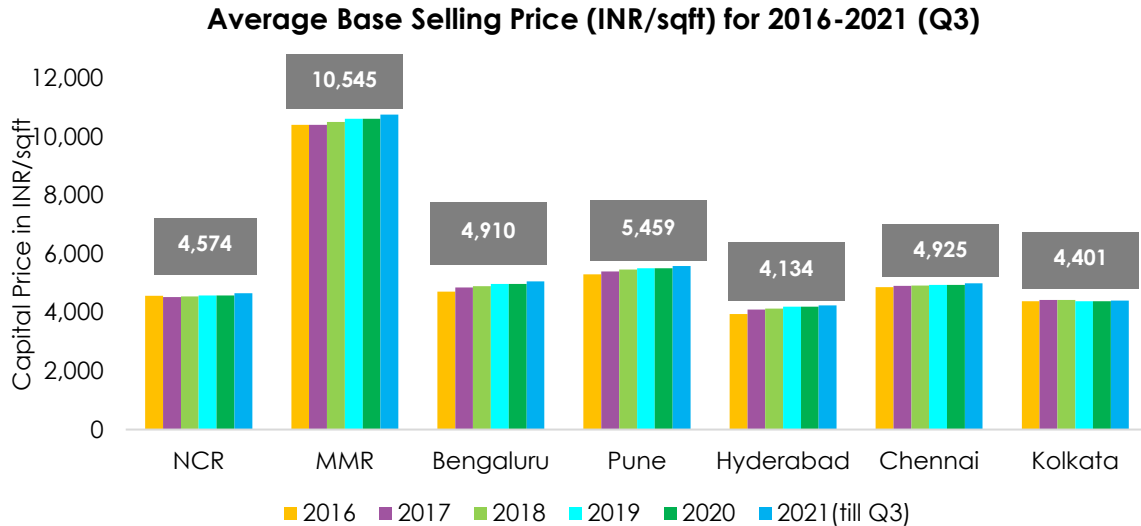


Source: Anarock Research, 2021

### Capital Pricing Trends In Top Seven Indian Markets – 2016 To 2021 (Till Q3)

The capital prices remained within the range in all the markets during Q3 2021. Developers launching new projects seemed to adhere to the prevailing prices.

The following graph sets forth average base selling price trend across the Top Seven Indian Markets (INR per square feet):



Source: Anarock Research, 2021

Note: The above-mentioned prices are with respect to built-up area.

### Key Reforms / Trends in the Indian Real Estate Sector

In order to address the challenges confronted by residential real estate and improve transparency in the sector, the government introduced slew of measures at regular intervals. Following some of the key measures/policy interventions done in the last few years, transparency and regulation in the sector has improved considerably. This has formalized the sectors and forced the tier-2 developers to either leave the space altogether or become equally transparent vis-à-vis. their tier-1 counterpart which is difficult for them to implement and thus forcing them to tie-up with the larger branded developers. Some of the key measures undertaken are outlined below:

### **A. Real Estate (Regulation and Development) Act, 2016**

Real Estate Regulation and Development Act came into effect from May 2016. The Act was aimed to usher transparency, financial discipline, and accountability in the real estate sector. This was done to increase the confidence level of the buyers and prevent the developers from willful misuse of funds that lead to a delay in project execution. The reform came with key tenets that struck a chord with buyers as well as other stakeholders of the real estate sector. Some of the key features of the act are as follows:

- Project to be registered only after receiving all clearances
- Projects with sizes less than 500 square meters and below 8 units are exempted from RERA
- Developers can advertise a project only post RERA registration
- An escrow account for a project to avoid diversion of funds: The act stipulates “70% of the amount realized for the real estate project from the allottees, from time to time, shall be deposited into an escrow account and will be maintained in a scheduled bank to cover the cost of construction and the land cost and shall be used only for that purpose”
- Timeline to be provided for project completion
- Consent of 2/3rd of the allottees to modify the layout

Although RERA came into force to favour the buyers, it was state governments’ responsibility to implement it in true spirit.

### **B. GST Implementation**

Goods & Services Tax is one of the biggest tax reforms of India that came into force from 1st July 2017 to remove multiple taxations which seek to transform India with its one nation, one market and one tax principle. In the real estate sector, ready-to-move-in properties and land are exempt from GST. Initially, for ongoing projects, GST charged at the rate of 8% for affordable housing (under 60 sq m in non-metropolitan cities/towns and 30 sq m in metropolitan cities) and 12% for projects other than affordable with the provision to receive ITC.

#### **Post the announcement on 1st April 2019, the GST rates on under-construction properties are lowered**

As per the new rates, under-construction properties attract 5% GST without a provision to receive an input tax credit (ITC). Homebuyers of affordable housing (Under construction properties priced up to INR 45 Lakhs qualified as affordable housing projects for the purpose of GST relief both in metro as well as non-metro cities), are levied with only 1% GST without an ITC benefit.

Alternatively, for ongoing projects, where construction and actual booking both have started before 1st April 2019 and which have not been completed by 31 March 2019, GST may be charged at the old rates with the provision to receive ITC. Cost of ownership came down due to recent reduction in GST rates which is likely to boost the absorption in the affordable segment.

### **C. Benami Transactions (Prohibition) Amended Act 2016**

The objective of the Benami Transactions (Prohibition) Amended Act 2016 (“**Benami Act**”) was to curb the use of unaccounted cash transactions associated with properties and bring transparency in the real estate sector. While the Benami Act is still in nascent stage of implementation to estimate the impact on the overall real estate sector, it is likely to improve transparency and increase institutional investments in future.

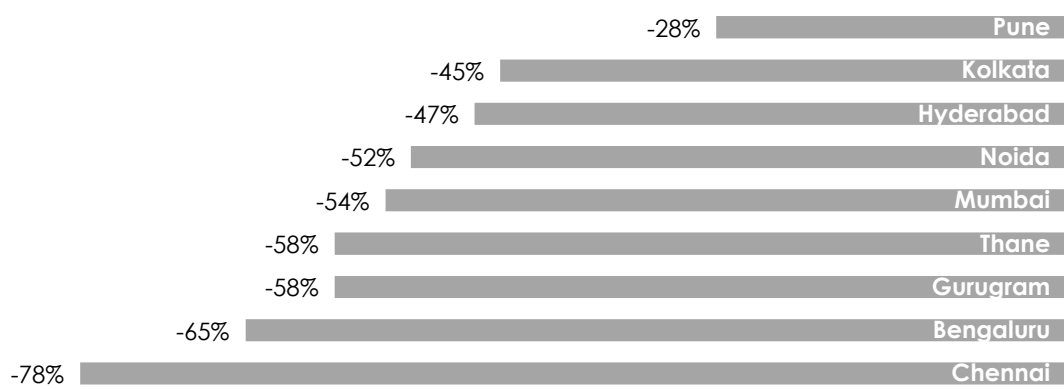
### **D. Demonetization**

The Government of India banned all INR 500 and INR 1,000 currency notes in November 2016, to curb black money and check the circulation of fake currency. In the long term, this reform along with RERA has helped in organizing the real estate sector, resulting in more institutional inflows in the sector.

### **E. Consolidation of Developers**

The Indian real estate sector has witnessed consolidation in the past few years. With the implementation of RERA, the financially weak developers were not able to adhere to compliance norms and were, therefore, either going out of business or consolidating with larger players. The liquidity crisis further worsened the situation for such developers, which resulted in an increase in share of new launches by branded developers. According to Anarock, the share of new launches by tier-1 developers increased from approximately 41% in 2015 to approximately 56% in 2018, which further increased in 2019 on account of the liquidity crisis.

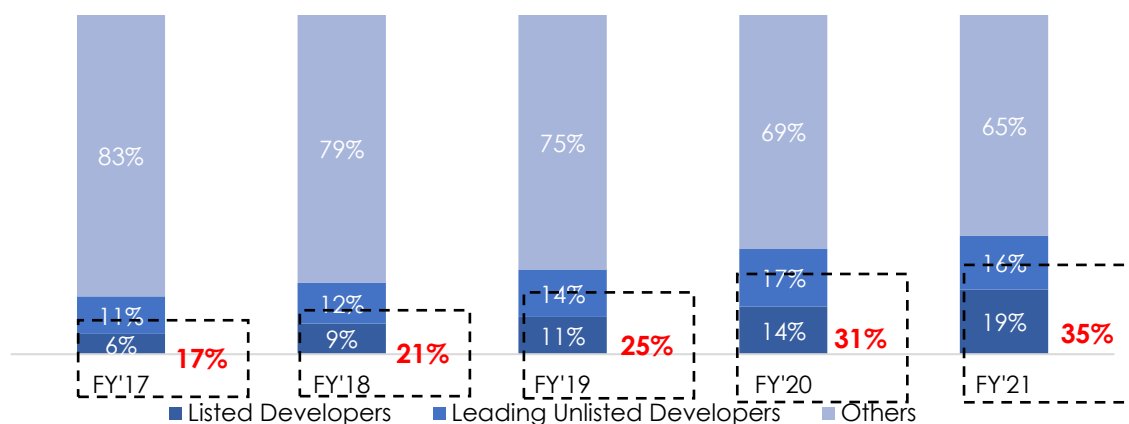
The following graph sets forth percentage decline in the number of developers in select Indian cities between 2012 and 2019:



Source: Anarock Research

According to Anarock, the consolidation of developers is likely to continue post the COVID-19 pandemic, with many weak players ceasing to exist as the country emerges from this pandemic.

### Sales Share Analysis



Source: Companies, ANAROCK Research

Note: Sales share based on no. of units sold

Branded tier-1 developers are witnessing strong double-digit growth. It is likely that in the near to medium term consolidation will further accelerate and listed players will see disproportionate growth vis-a-vis the industry.

## TRENDS IN MUMBAI RESIDENTIAL REAL ESTATE (MMR LEVEL)

### Mumbai Metropolitan Region (MMR) - Introduction

Mumbai is the commercial and financial capital of India and houses the two stock exchanges in the country, Mumbai accounts for over half of India's foreign trade, generates 6% of India's GDP and one-third of the country's tax revenues.

Mumbai is one of the biggest real estate markets in India. It has various micro-markets along with Mumbai City, suburbs, extended suburbs and neighboring areas such as Thane and Navi Mumbai. With the recent infrastructure projects completing such as Mono and Metro (Line 1), Mumbai witnessed significant physical infrastructure improvements. Upcoming infrastructure projects (coastal roads, metros, etc) in the medium term will improve the connectivity further.

### Demand Drivers for Housing in MMR

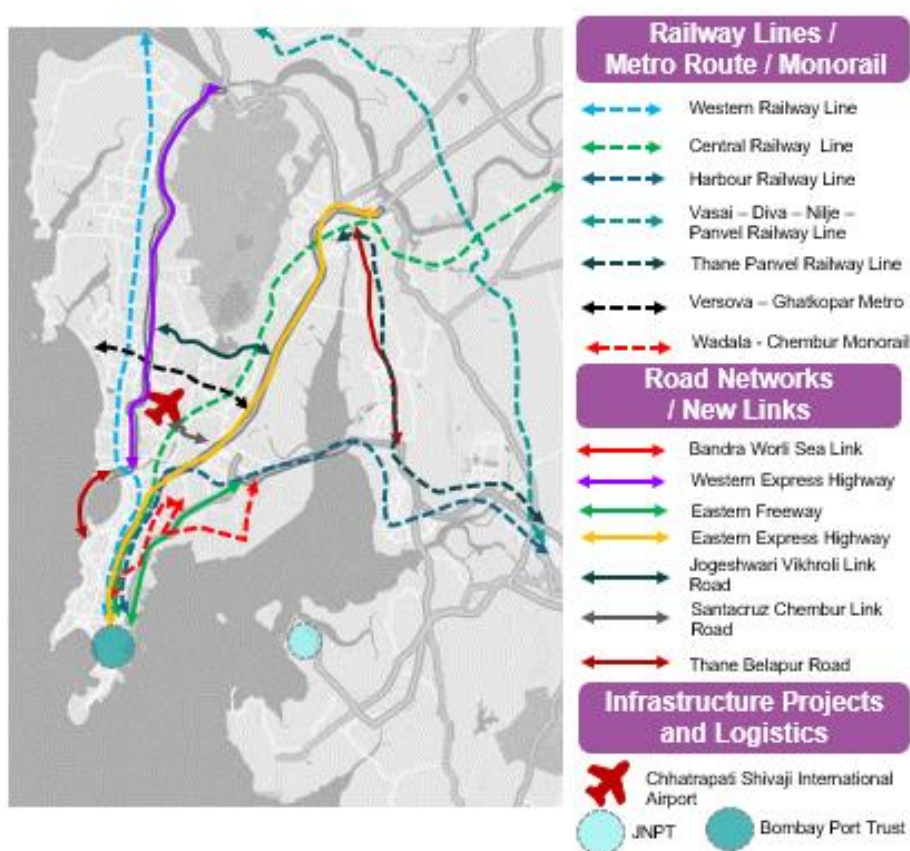
## Employment Generation

MMR is an employment engine for the country, both in the organized and unorganized industries. Employment from the existing 123 million sq. ft. of grade-A office space in Mumbai has a direct impact on demand for housing in MMR and it is largely contributed to the organized sector. Employment generated from unorganized sectors does have an impact on the housing demand, especially in the suburban areas.

## Existing, Proposed & Upcoming Key Infrastructure Projects in MMR

Mumbai being the financial hub of India is well connected with all the tier II & III cities in the country by air, road, and rail networks. Road communications with hinterlands comprise of four National Highways converging at Mumbai. These provide access to Pune (NH4), Goa (NH17), Gujarat (NH8), Nashik, Indore and Delhi (NH48).

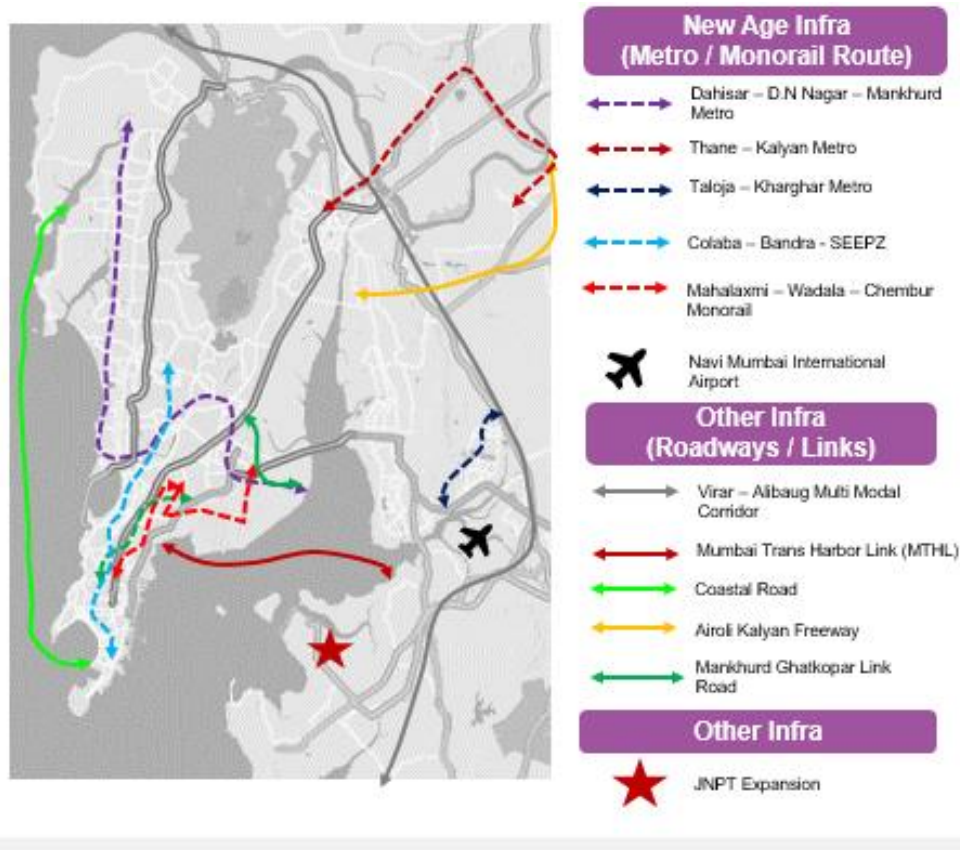
Figure: Existing Infrastructure



*Base Map: Google Maps*

Several infrastructure projects are underway in Greater Mumbai and MMR so as to achieve long-term sustainability and increase the carrying capacity of the city's transportation networks and thus improve traffic and transportation capacity in Mumbai Metropolitan Region both capacity wise and quality wise. Some of the major projects are listed below.

Figure : Proposed & Upcoming Key Infrastructure Projects in Mumbai



Base Map: Google Maps

**Mumbai Metro Network (Underground + Elevated):** To decongest Mumbai's roads, the Mumbai Metro Railway Corporation Limited (MMRCL) has already started the construction of Colaba-Bandra-SEEPZ corridor of Metro-3 project. This system of the metro will connect the major financial hubs in Mumbai such as Nariman Point, Fort, Worli, Lower Parel, BKC, Goregaon, etc. and also provide connectivity to the CSIA, SEEPZ, and MIDC. Many new real estate projects in Mumbai are now coming up in the vicinity of these localities where the metro line will provide connectivity. The Mumbai Metro is being built in three phases over a 15-year period, with overall completion expected in 2025. Upon completion of all metro lines, the core system will comprise 13 high-capacity metro railway lines stated below.

#### Details of Mumbai Metro Network

Metro Line	Name of Corridor	Length (km)	Stations	Status
1	Versova-Andheri-Ghatkopar	11.4	12	Opened
2	Dahisar-Mankhurd	42.1	39	Under Construction
2A	Dahisar-DN Nagar	18.5	7	Under Construction
2B	DN Nagar-Mankhurd	23.6	2	Under Construction
3	<b>Colaba - Bandra – SEEPZ (Nearest to the projects of Suraj Estate Developers Limited)</b>	<b>33.5</b>	<b>27</b>	<b>Under Construction</b>
4	Wadala-Ghatkopar-Mulund-Teen Hath Naka-Kasarwadavali	32.32	32	Under Construction
4A	Kasarwadavali-Gaimukh	2.7	2	Approved
5	Thane-Bhiwandi-Kalyan	24	17	Planned
6	Lokhandwala-Jogeshwari-Kanjurmarg	14.5	13	Under Construction

Metro Line	Name of Corridor	Length (km)	Stations	Status
7	Dahisar (East)-Andheri (East)	16.5	13	Under Construction
7A	Andheri-CSIA	3.17	2	Tendering
8	CSIA T2-NMIA	35	TBA	Approved
9	Dahisar (East)-Mira-Bhayander	10.41	11	Tendering
10	Gaimukh-Shivaji Chowk (Mira Road)	9	9	Approved
11	Wadala-CSMT	11.4	10	Approved
12	Kalyan-Dombivali-Taloja	25	17	Approved
13	Mira Bhayander-Virar	TBA	TBA	Planned

Source: [www.mmrcl.com](http://www.mmrcl.com).

As of January 2022, Mumbai metro consisted of 1 operational line (Line-1 - elevated metro from Versova to Ghatkopar), and 4 lines under various stages of construction.

**Mumbai Monorail Project:** Mumbai Monorail is a monorail system built as part of a major expansion of public transport in the city. The first phase of Line 1 that connects Chembur to Wadala Depot is already operational since February 2014 and consists of 7 stations in the neighborhood of the Harbour railway line locations. The second phase of Line 1 consists of 11 stations from Wadala Depot to Jacob Circle and the work for this phase was completed in February 2019 end.

**Mumbai Trans Harbour Link:** The project consists of the construction of an 8-lane bridge across the deep sea through the Mumbai Harbour and connects to local road networks through approaches/interchanges at both ends, i.e. at the Sewri end and the Nhava end. Mumbai Trans Harbour link, also called as the Sewri Nava-Sheva Trans Harbour Link is a 21.8 km freeway bridge which will connect Mumbai will Navi Mumbai. The eastern suburbs of Mumbai will connect with the mainland Mumbai through a 16.5 km sea bridge. The freeway will also be connected to the Mumbai Pune Expressway and Western Freeway. This has had a positive boost to the real estate in Mumbai. This trans Harbour Link will reduce the commuting time from Churchgate to Navi Mumbai from 40 minutes to 20 minutes. This also means that there will be super-fast connectivity to Navi Mumbai and Konkan region.

**Western Freeway Sea Link Project:** The proposed Western Freeway is a north-south sea link connecting the Mumbai Western Suburbs and the island city.

- **Bandra-Worli Sea Link:** The Phase-I of the project, known as the Bandra-Worli Sea Link, was completed in June 2009, and links Bandra in the north and Worli in the south.
- **Worli to Haji Ali Sea Link:** The Phase-II of the project is at the proposal stage designed to link Worli to Haji Ali and shall cover 6.5 Km.
- **Versova-Bandra Sea Link:** The Phase-III of the project consist of is a 17.17 km under-construction bridge which the suburb of Andheri to the Bandra-Worli Sea Link in Bandra, as part of the West Island Freeway.

**Navi Mumbai International Airport:** A new airport is also proposed to be developed in the Kopra – Panvel area through PPP mode. The proposed project has been continually delayed due to serious environmental issues related to mangroves and diversion of the river channel. The project has now received some key (particularly environmental clearance) permissions. This airport will make Mumbai the first city in India to house more than one airport. This airport still comes under the under construction projects in Mumbai with construction already in process for Phase I. After the completion of Phase I the airport is expected to handle 10 million passengers per annum.

**Coastal Road, Mumbai:** The Coastal Road is an under construction 8-lane, 29.2-km long freeway that would run along Mumbai's western coastline connecting Marine Lines in the south to Kandivali in the north which is divided into 2 phases. Phase I - 9.98 km section from Princess Street Flyover at Marine Lines to the Worli end of the Bandra-Worli Sea Link (BWSL) which is under construction. Phase II - 19.22 km road between the Bandra end of the BWSL and Kandivali, will be constructed by MSRDC which is proposed. The phase includes the 9.5 km Versova-Bandra Sea Link.



### **Excellent Social Infrastructure**

Locations in Mumbai and surrounding areas provide one of the best healthcare in the country, best education opportunity, retail, recreational infrastructure. These aspects increase the quality of life & contribute to Housing demand.

Some of the prominent social infrastructures in Mumbai:

Healthcare: Breach Candy Hospital (South Central Mumbai), Dr. L. H Hiranandani Hospital (Eastern Suburbs), Jaslok Hospital (South Central Mumbai), Asian Heart Institute (Western Suburbs), Kokilaben Dhirubhai Ambani Hospital (Western Suburbs), Nanavati Hospital (Western Suburbs), Jupiter Hospital (Thane), Apollo Hospital (Navi Mumbai), Reliance Hospital (Navi Mumbai) etc.

Education: IIT Bombay (Eastern Suburbs), J. J. College of Architecture (South Central Mumbai), Mumbai University (Western Suburbs), NITIE (Powai), Mithibai College (Western Suburbs), etc.

Grade-A Malls: High Street Phoenix (South Central Mumbai), R – City Ghatkopar (Eastern Suburbs), Inorbit Mall, Malad (Western Suburbs), Infiniti Mall, Malad (Western Suburbs), Phoenix Market City, Kurla (Eastern Suburbs), Oberoi Mall, Goregaon (Western Suburbs), Inorbit, Vashi (Navi Mumbai), Viviana Mall (Thane), Lodha Experia, Dombivali (Extended Eastern Suburbs), etc.

### **Improved Disposable Income**

Higher disposable income of the working professionals in MMR with steady residential prices has contributed to the residential demand in MMR.

### **Family Expansion**

Family expansion/nuclear family trends have generated the demand for housing in the same or neighbouring submarkets from the current place of residence.

### **Investment Activity**

Some demand from the investor community to invest into residential real estate has helped in improving the overall housing demand in MMR.

### **Reduced Rates on Home Loans & Various Schemes by the Developers**

During the year 2020 there was a reduction in interest rates for home loans. Following the last rate cut by the RBI in May 2020, all major banks in India reduced their home loan rates to sub-7% level i.e., lowest interest levels. Record low interest rates and several other measures taken by the RBI in the past, to support the real estate sector, will continue to boost demand in the residential housing segment.

Further, there are various schemes launched by Developers which include a range of freebies, cash discounts, stamp duty and GST waivers, 10:90 schemes, 5:95 schemes etc. which has further boosted the demand of housing in MMR.

## **Supply, Absorption, Unsold Inventory and Pricing Trends in MMR – 2016 to 2021 (Till Q3)**

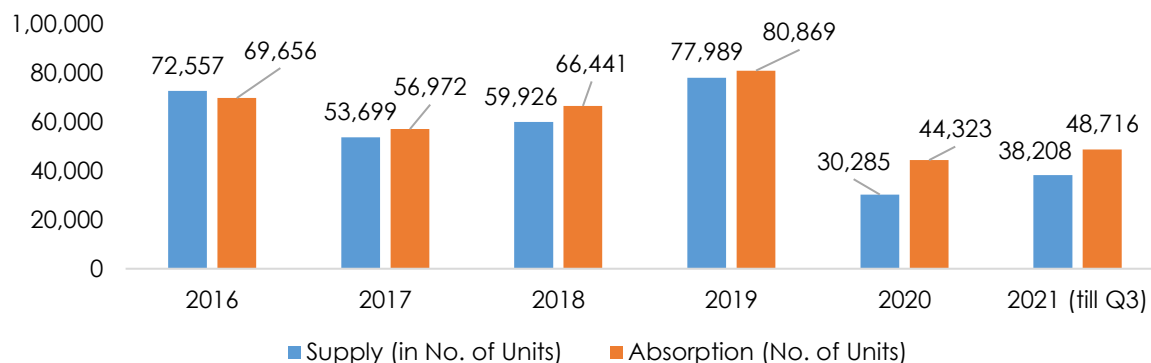
### **Supply & Absorption Trends**

- Supply and absorption declined in 2016 and 2017 in MMR, primarily on account of the impact of demonetization, RERA and GST. Post 2017, absorption of units grew steadily and outpaced supply of units. In 2020, the units launched were lower than the units sold.
- Until Q3 2020, only select developers were launching projects with high inventory size in MMR and the buyers who visited sites before the lockdown were going ahead with their buying decision.
- Q4 2020 was better than earlier quarters, on the back of the festive season, low interest rates and an improving employment scenario.



- Since the announcement of reduction in the stamp duty by the Government of Maharashtra with effect from September 1, 2020, housing sales have increased continuously month-on-month.
- There has been a steady increase in launches as well as absorption in 2021 (till Q3) as compared to 2020 which shows a further improvement in the residential market dynamics of MMR.

The following graph sets forth supply and absorption trends (in units) in MMR from 2016 to 2021(till Q3):

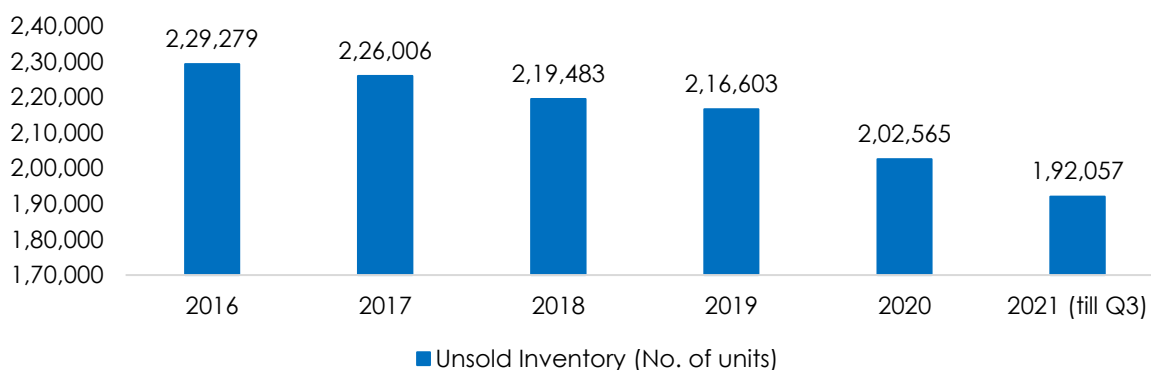


Source: Anarock Research, 2021

### Unsold Inventory Trends

The overall unsold inventory gradually decreased from 2017 and is at its lowest in the last six years, on account of strong absorption trends, which was higher than newly launched units and previously unsold inventory.

The following graph sets forth unsold inventory trends in MMR from 2016 to 2021 (till Q3):



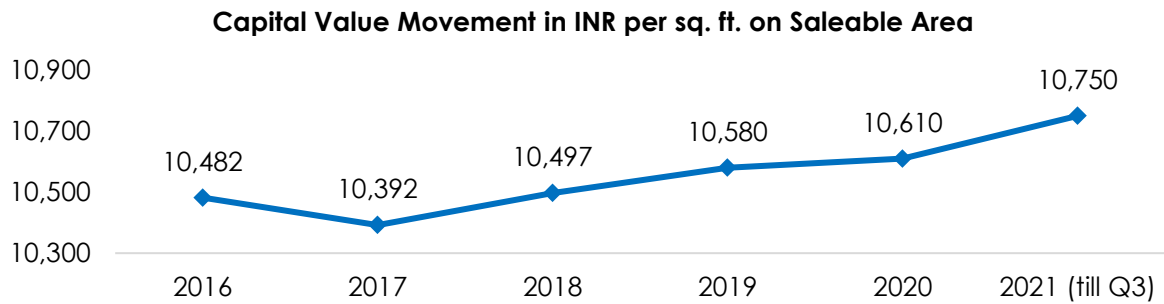
Source: Anarock Research, 2021

### Capital Value Trends

There has been a stagnancy in the capital values of overall market of MMR from 2016 to 2020, with a minimal appreciation from 2017 to 2020 at the rate of ~1% on a yearly basis.

In 2020, the overall base prices have remained stagnated in comparison with 2019, as developers did not increase the pricing because of 1<sup>st</sup> lockdown of COVID Pandemic. However, there has been slight appreciation in capital pricing in 2021 as compared to 2020 as residential real estate market in MMR witnessed an overall improvement.

The following graph sets forth capital value trends (on saleable area) in MMR from 2016 to 2021 (till Q3):



Source: Anarock Research, 2021

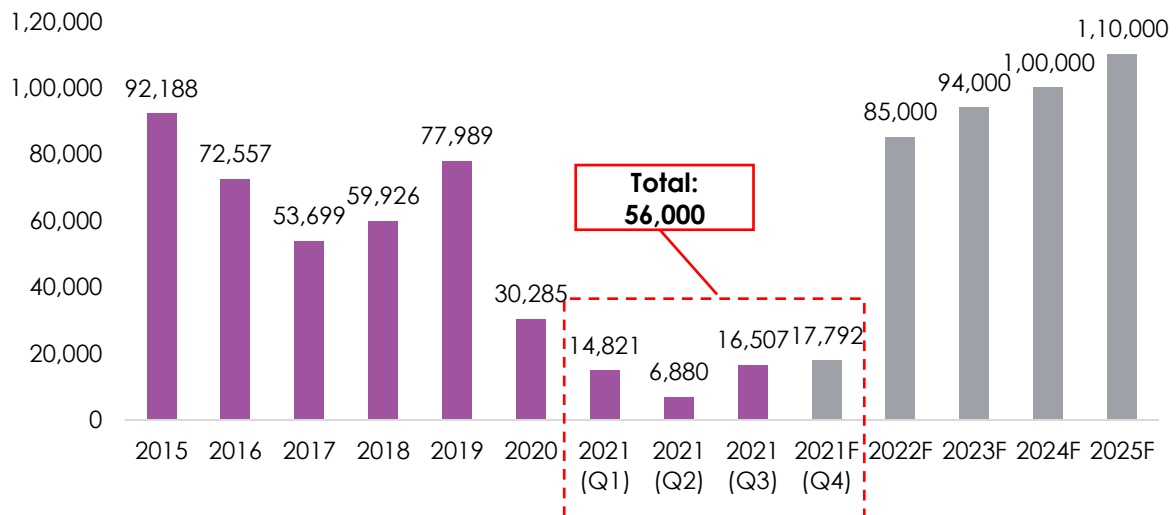
Capital values in MMR has been relatively on a higher side among the top seven cities of India. However, within MMR, significant variation in capital values have been observed across various micro markets.

### Supply, Absorption and Pricing Outlook for MMR – 2021(Q4) to 2025

#### Supply & Absorption Outlook

The annual absorption in MMR in 2021 is expected to be similar to that of 2019. Anarock expects that post 2021, there will be a gradual increase in absorption until 2025. New launches are likely to be lower than that of 2019 but are expected to gradually increase year-on-year. On account of disciplined supply, unsold units overhang is expected to reduce significantly and will likely fall to under two years of forecasted sales by 2023.

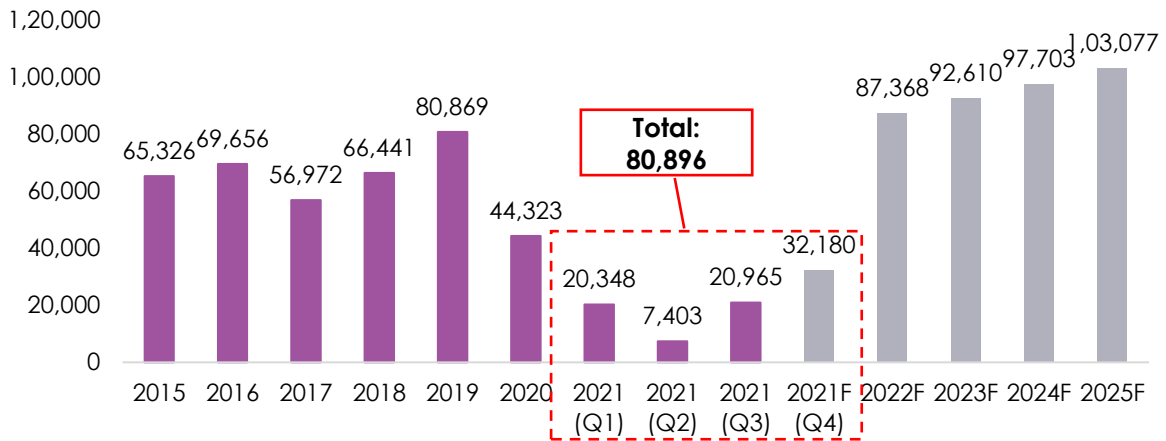
The following graph sets forth supply outlook for MMR from 2021(Q4) to 2025:



Source: Anarock Research, 2021

Note: Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

The following graph sets forth absorption outlook for MMR from 2021(Q4) to 2025:



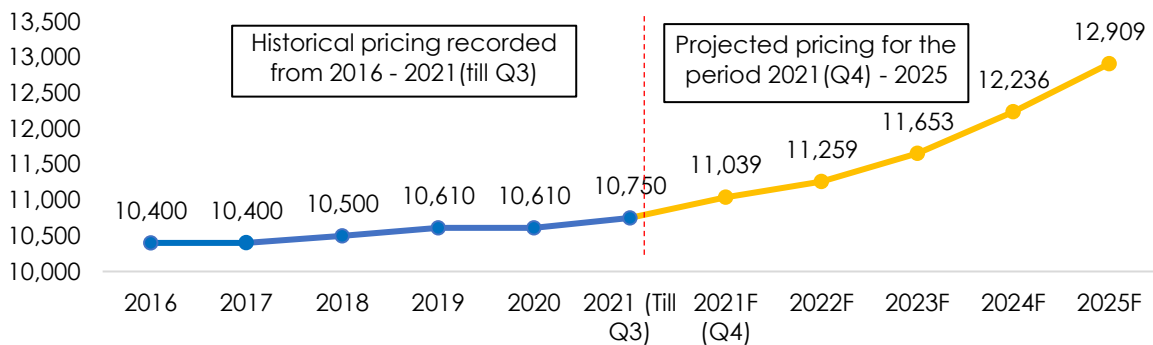
Source: Anarock Research, 2021

Note: Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

### Pricing Outlook

Anarock expects that there will be a minimal rise in pricing in the initial stage in MMR till 2022, which will gradually increase later in MMR from 2023 till 2025 which would showcase an improvement in the overall residential real estate scenario in the MMR.

The following graph sets forth pricing outlook for MMR from 2021(Q4) to 2025:

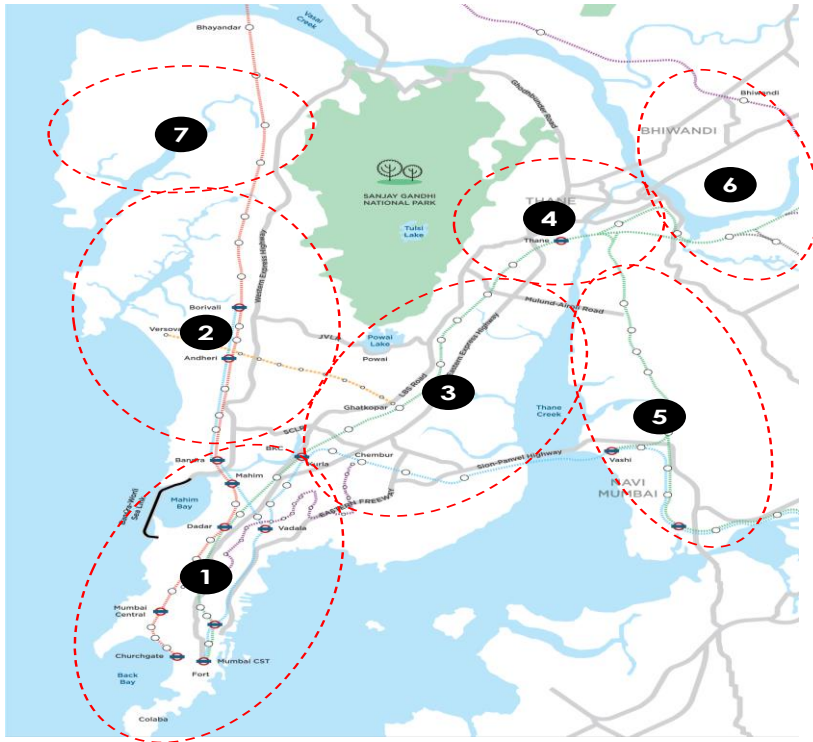


Source: Anarock Research, 2021

Note: Accuracy of forecast is subjected to unforeseen situations and circumstances, especially unpredictable nature of Covid-19 pandemic waves, which will have impact on market performance.

### TRENDS IN MUMBAI RESIDENTIAL REAL ESTATE (MICROMARKET LEVEL AND SUB-MARKET LEVEL)

From a residential real estate perspective, MMR can be broadly divided into seven different micro-markets based on geography, profile of population and type of real estate development, as illustrated in the map below:



S. No.	Residential micro-markets in the MMR	Key locations	Residential category served <sup>(1)</sup>
1.	South Central Mumbai	Cuffe Parade, Colaba, Lower Parel, <b>Prabhadevi, Dadar</b> , Worli, <b>Parel, Mahim, Matunga</b> , Mahalaxmi, Byculla, Sewri and Wadala	Luxury and ultra-luxury
2.	Western Suburbs	Bandra, Khar, Andheri, Jogeshwari, Vile Parle, Goregaon, Malad, Kandivali and Borivali	High-end, luxury and ultra-luxury
3.	Eastern Suburbs	Kurla, Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion and Bhandup	Mid-end, high-end and luxury
4.	Thane	Thane, Ghodbunder Road and Wagle Estate	Mid-end, high-end and luxury
5.	Navi Mumbai	Vashi, Airoli, Panvel, Belapur, Rabale, Mahape, Turbhe, Ghansoli, Sanpada and Kharghar	Mid-end, high-end and luxury
6.	Extended Eastern Suburbs	Shil Phata, Palava City, Dombivali, Kalyan, Asangaon, Badlapur, Titwala and Karjat	Affordable and mid-end
7.	Extended Western Suburbs	Vasai, Virar, Mira Road, Bhayander and Naigaon	Affordable and mid-end

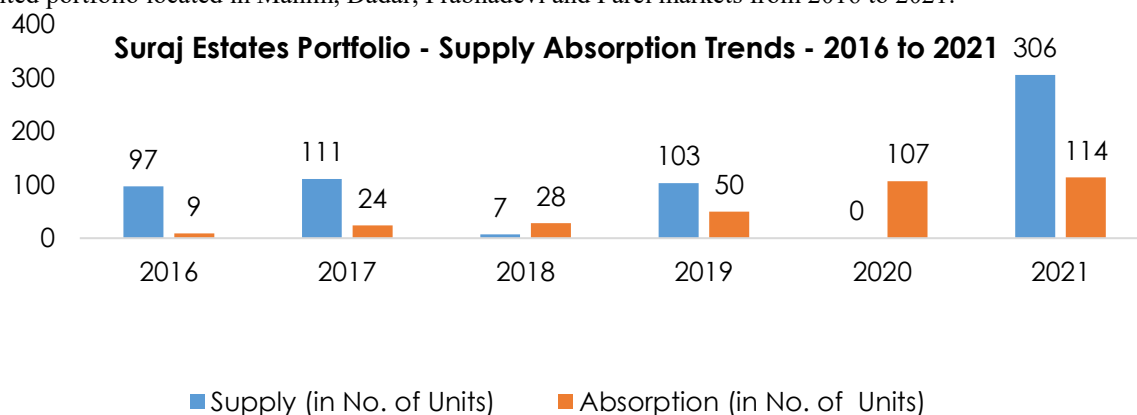
**Suraj Estate Developers Limited has its major residential portfolio located in the markets of Mahim, Dadar, Prabhadevi and Parel, which are sub markets of the South Central Mumbai micro market where it has established its presence and is one of the market leaders in these locations.**

In sales value terms, South Central Mumbai has contributed to approximately 17% of the total sales value recorded at MMR level, in consolidated manner from 2015 to 2021.

#### **Snapshot of Suraj Estate Developers Limited Portfolio**

### Year wise Supply and Absorption Trends of Suraj Estate Developers Limited from 2016 to 2021

The following graph sets forth supply and absorption trends (in units) year wise of Suraj Estate Developers Limited portfolio located in Mahim, Dadar, Prabhadevi and Parel markets from 2016 to 2021.



Source: As provided by the Client

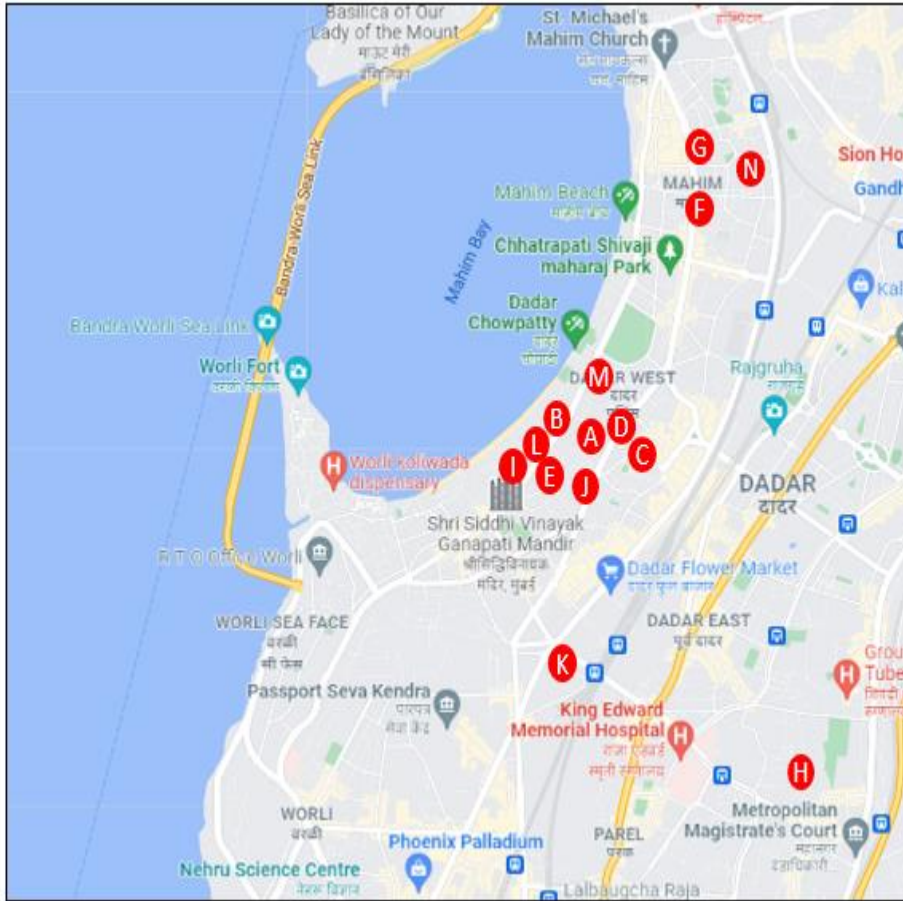
2021 witnessed higher launches as three of the projects of Suraj Estate Developers Limited namely, Emmanuel in Dadar and Vitalis and Eterna in Mahim were launches. In spite of COVID lockdown, Suraj Estate Developers Limited has witnessed healthy absorption levels in 2020 and 2021 as compared to 2016 to 2019.

The table below shows the sales value of units sold by Suraj Estate Developers Limited year wise from 2016 to 2021:

Calendar Year	Sales Value of Units Sold (IN INR Cr) – Agreement Value
2016	41.81
2017	78.39
2018	73.44
2019	110.76
2020	297.77
2021	307.62
<b>TOTAL</b>	<b>909.79</b>

Source: As provided by the Client

### Mapping of Residential Projects of Suraj Estate Developers Limited launched from 2016 to 2021



- A** Palette
- B** Ocean Star
- C** Ave Maria
- D** Louisandra
- E** Emmanuel
- F** Vitalis
- G** Suraj Eterna
- H** Nirvana
- I** Mangirish
- J** Lumiere
- K** Elizabeth Apartments
- L** Tranquil Bay
- M** Mon Desir
- N** St Anthony's Apartments

**Snapshot of Residential Projects of Suraj Estates launched from 2016 to 2021**

Sr. No.	Project Name	Location	Launch Year	Construction Status	Total Units Launched (nos.)	Total Sold Units (nos.)
1	Palette	S K Bole Road, Dadar(W)	2017	Under Construction	109	59
2	Ocean Star	Kirti College, Dadar (W)	2017	Under Construction	24	17
3	Ave Maria	S K Bole Road, Dadar(W)	2019	Under Construction	40	37
4	Louisandra	Gokhale Road, Dadar(W)	2019	Under Construction	60	59
5	Emmanuel	Cadell Road, Dadar (W)	2021	Under Construction	59	45
6	Vitalis	L J Road, Mahim (W)	2021	Under Construction	142	14
7	Suraj Eterna	L J 2nd Cross Road, Mahim (W)	2021	Under Construction	66	0
8	Nirvana	G.D Ambedkar Road, Parel ( E )	2016	Under Construction	69	47
9	Mangirish	Kirti College, Dadar (W)	2016	Completed	5	4
10	Lumiere	Gokhale Road, Dadar (W)	2016	Completed	19	19
11	Elizabeth Apartments	Gokhale Road, Dadar (W)	2016	Completed	5	5
12	Tranquil Bay	Kirti College, Dadar (W)	2016	Completed	8	8
13	Mon Desir	Shivaji Park, Dadar (W)	2016	Completed	2	2

14	St Anthony's Apartments	MMC Road, Mahim (W)	2016	Completed	16	16
				<b>TOTAL</b>	<b>624</b>	<b>332</b>

Source: As provided by the Client

#### Snapshot of land reserves with Suraj Estate Developers Limited, as of 31 December 2021

Location	Leased/ Owned/Development Rights	Plot Area (in acres)
C.T.S.No.918 Mount Mary, Hill Road, Bandra (W)	Leased	0.29
C.T.S.No.930 Mount Mary, Hill Road, Bandra (W)	Owned	0.09
C.T.S. No 917 Mount Mary, Hill Road, Bandra (W)	Development Rights	0.96
C.T.S. No 929 Mount Mary, Hill Road, Bandra (W)	Development Rights	0.43
C.T.S. No 931 Mount Mary, Hill Road, Bandra (W)	Development Rights	0.22
C.T.S. No 916 Mount Mary, Hill Road, Bandra (W)	Development Rights	0.39
CS No 3429, 3430 and 3262 - Kole Kalyan Property, Santacruz (E)	Development Rights	0.18
<b>Total</b>		<b>2.56</b>

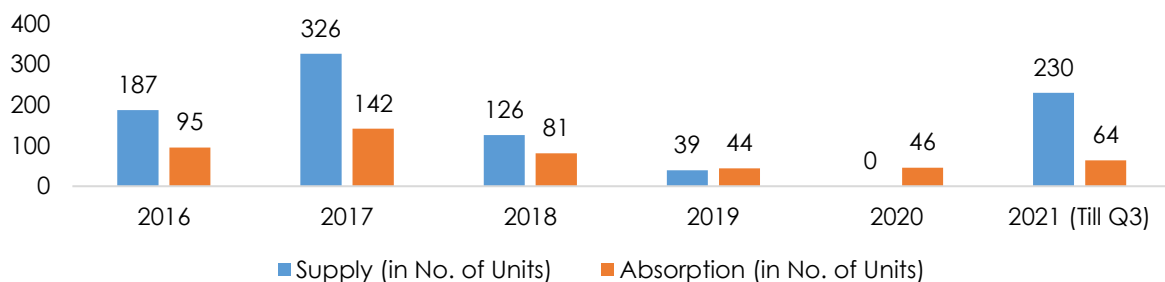
Source: As provided by the Client

#### Supply, Absorption, Unsold Inventory and Pricing Trends in Selected Submarkets of South Central Mumbai – 2016 to 2021 (Till Q3)

##### Mahim Sub-Market

The following graph sets forth supply and absorption trends (in units) in Mahim market from 2016 to 2021(till Q3). There have been limited launches in Mahim from 2016 to 2021 with majority of projects being redevelopment projects. The launches witnessed a reduction from 2017 to 2019 with no launches in 2020 with developers delaying their projects to counter the effects of COVID pandemic. Mahim market has witnessed reduction in absorption levels post 2017 until 2019 with slight increase in absorption levels in 2020 inspite of the COVID pandemic, primarily owing to reduction in stamp duty by Government of Maharashtra. Further, nine months of 2021 has seen good absorptions in Mahim thus showing an overall improvement in the real estate scenario in Mahim.

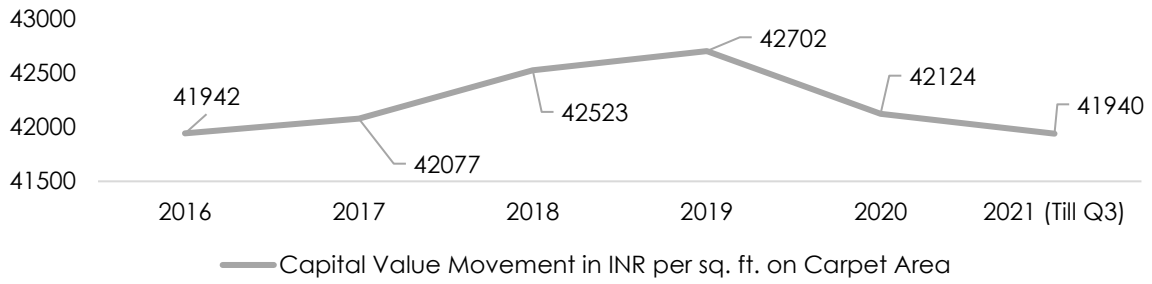
#### Mahim - Supply Absorption Trends - 2016 to 2021(till Q3)



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of Mahim market from 2016 to 2021. There has been an overall stagnancy in prices in the market from 2016 to 2021 with a reduction in pricing post 2019 which was mainly on account of developers lowering offered prices to counter the effect of COVID-19 pandemic to increase their sales velocity in the project. We have also witnessed new launches being made at a relative competitive price which contributed towards decline in market average price.

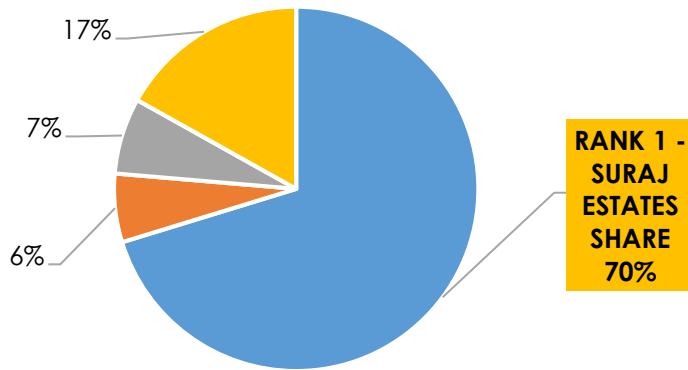
**Mahim - Capital Value Movement - 2016 to 2021(till Q3)**



Source: ANAROCK Research, 2021

**Suraj Estate Developers Limited has an established presence in the Mahim market with two of its projects Vitalis and Eterna launched in 2021 with 142 units and 66 units respectively which has helped it to be ranked 1<sup>st</sup> in the Mahim market in terms of supply and helped to strengthen its presence.** Further, Suraj Estate Developers Limited has future plans of developing residential projects in various locations of Mahim (West) area with an estimated RERA Carpet area of 0.4 million sq. ft., which will help Suraj Estate Developers Limited in further strengthening its position in Mahim market.

**Mahim - Supply Share - Last 12 Months (October 2020 - September 2021)**



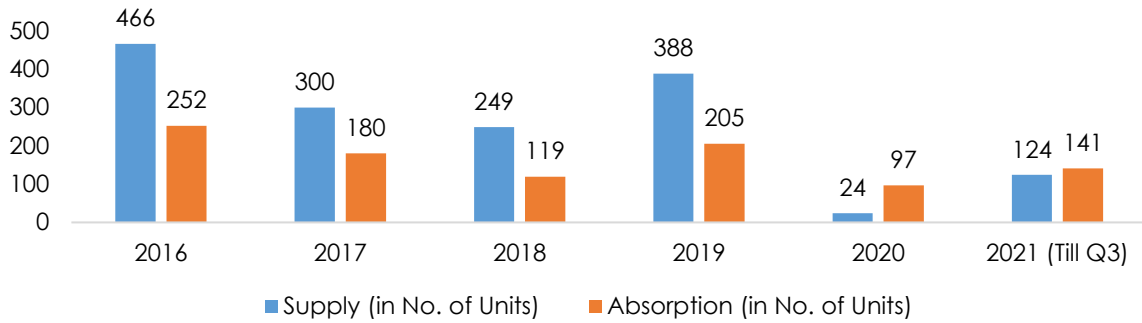
Source: ANAROCK Research, 2021

**Matunga Sub-Market**

The following graph sets forth supply and absorption trends (in units) in Matunga market from 2016 to 2021(till Q3). Matunga has witnessed high number of launches from 2016 to 2019 with a reduction in launches in 2020 as developers were seen delaying their launches due to COVID pandemic. 2021 further witnessed a slight increase in launches. Matunga market has witnessed healthy absorption levels from 2016 with an exception in the year 2020.



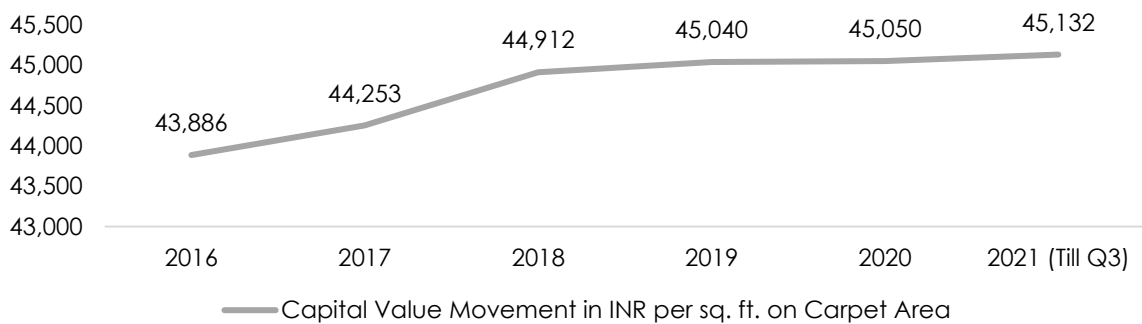
### Matunga - Supply Absorption Trends - 2016 to 2021(fill Q3)



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of Matunga market from 2016 to 2021. There has been a minimal appreciation in capital values from 2016 to 2021.

### Matunga - Capital Value Movement - 2016 to 2021(fill Q3)

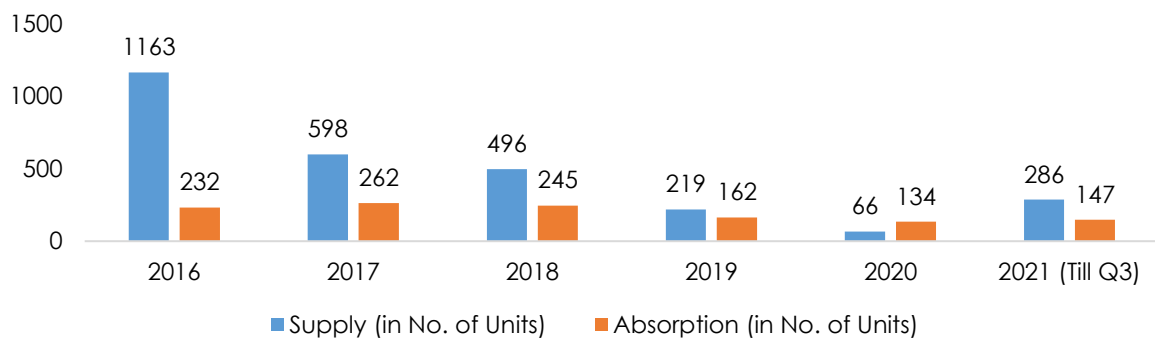


Source: ANAROCK Research, 2021

### Dadar Sub-Market

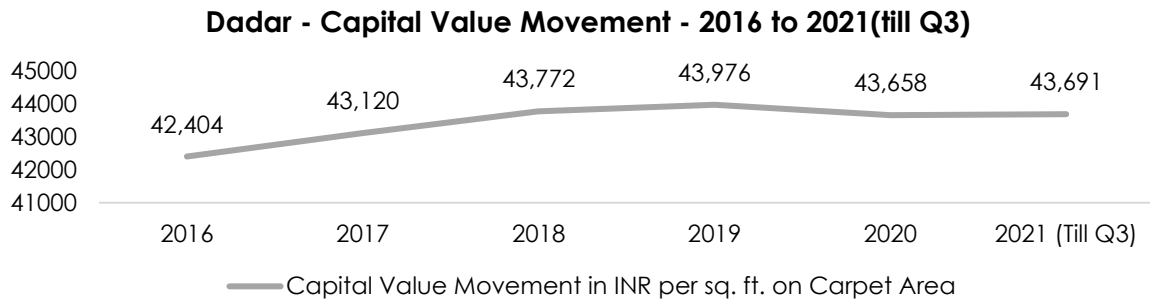
The following graph sets forth supply and absorption trends (in units) in Dadar market from 2016 to 2021(till Q3). New launches have witnessed an overall reduction from 2016 with minimal launches in 2020. However, the developers were seen delaying their projects to counter the effects of COVID pandemic. Hence, 2021 has witnessed many new launches. Dadar has witnessed healthy absorption levels in 2020 and 2021 inspite of COVID pandemic thus suggesting that there was a minimal impact on the Dadar market.

### Dadar - Supply Absorption Trends - 2016 to 2021(fill Q3)



Source: ANAROCK Research, 2021

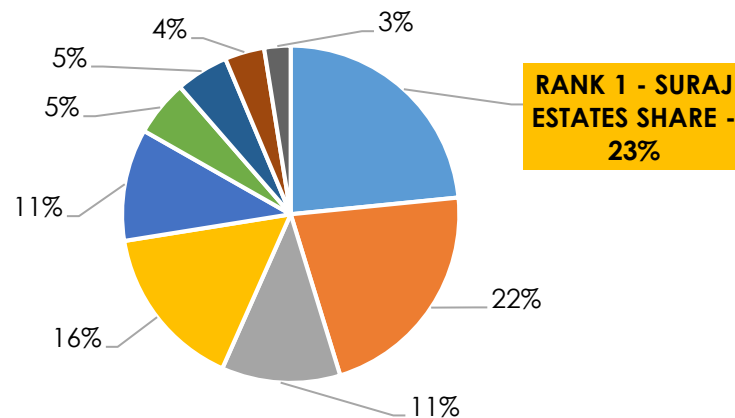
The following graph sets forth the pricing trends of Dadar market from 2016 to 2021. There has been an overall appreciation of 3-4% in the prices in Dadar from 2016 to 2019 with a nominal reduction in prices from 2019 to 2021.



Source: ANAROCK Research, 2021

**Suraj Estate Developers Limited** has an established presence in Dadar market with many projects launched and active in the market. In terms of Sales Value (in INR Cr.) in last 12 months (October 2020 - September 2021), Suraj Estate Developers Limited has been ranked 1<sup>st</sup> in Dadar market due to healthy sales done in its projects Emmanuel, Palette, Ave Maria and Louisandra. Further, Suraj Estate Developers Limited has plans of developing residential projects in Dadar (West) area with an estimated RERA Carpet area of 0.2 million sq ft, which will help Suraj Estate Developers Limited in further strengthening its position in Dadar market.

**Dadar - new launches - last 12 months (October 2020 - September 2021)**

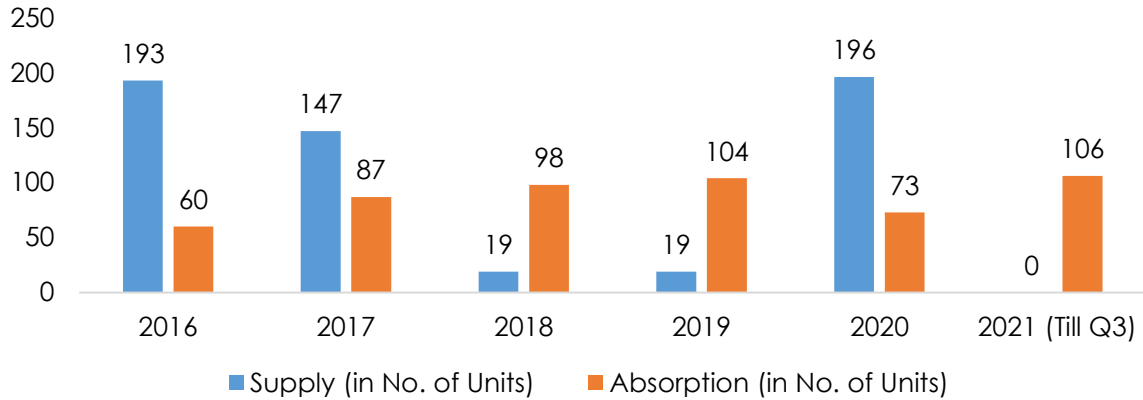


Source: ANAROCK Research, 2021

### Prabhadevi Sub-Market

The following graph sets forth supply and absorption trends (in units) in Prabhadevi market from 2016 to 2021 (till Q3). There have been limited launches in Prabhadevi from 2016 to 2021 with majority of projects being redevelopment projects. Prabhadevi market has witnessed average absorption levels of 80 – 100 units per year from 2016.

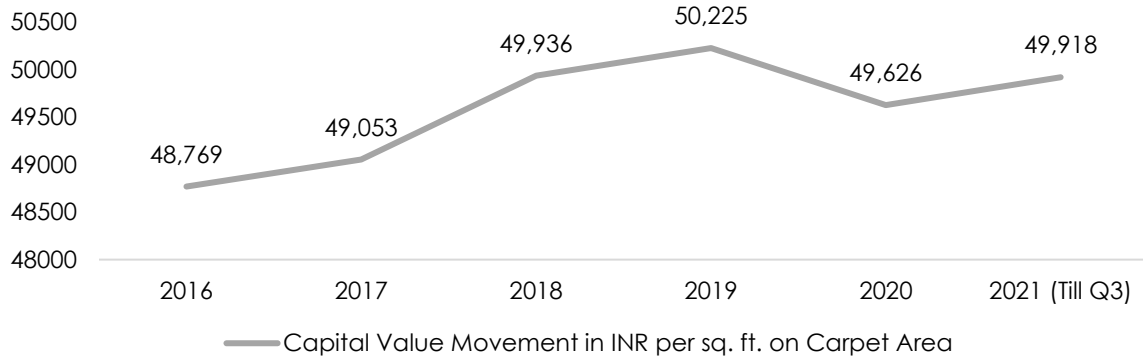
### Prabhadevi - Supply Absorption Trends - 2016 to 2021(till Q3)



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of Prabhadevi market from 2016 to 2021 showing that there has been a stagnancy in the prices in the market during the period.

### Prabhadevi - Capital Value Movement - 2016 to 2021(till Q3)



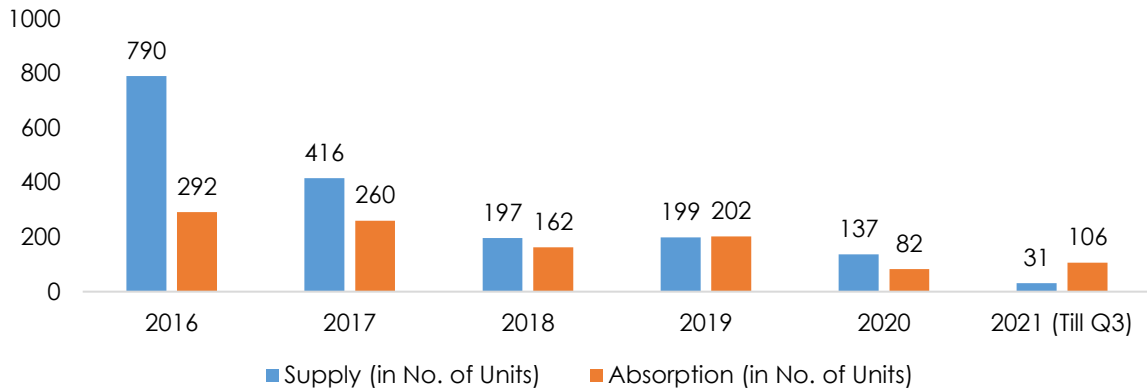
Source: ANAROCK Research, 2021

**Suraj Estate Developers Limited is an established name in Prabhadevi market and has quite a few projects located in Prabhadevi. Further, Suraj Estate Developers Limited has future plans of developing residential project in Prabhadevi with an estimated RERA Carpet area of 0.01 million sq. ft., which will help Suraj Estate Developers Limited in further strengthening its position in Prabhadevi market.**

#### Parel Sub-Market

The following graph sets forth supply and absorption trends (in units) in Parel market from 2016 to 2021(till Q3). New launches have witnessed a reduction from 2016 with minimal launches in Parel from 2018. Parel market has witnessed average absorption levels of 170 - 200 units per year from 2016 with an exception in 2020 majorly on account of COVID-19 pandemic induced lockdown.

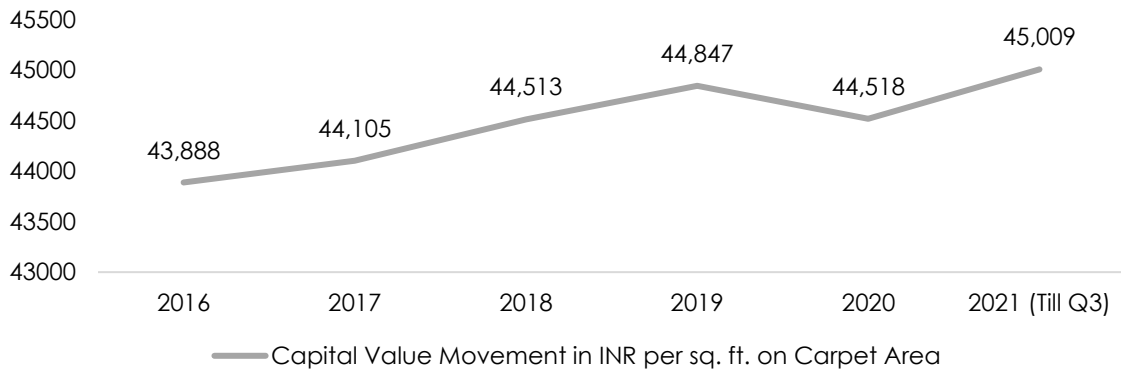
### Parel - Supply Absorption Trends - 2016 to 2021(till Q3)



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of Parel market from 2016 to 2021. There has been a minimal price appreciation with an overall increase in prices of 2-3% from 2016 till Q3-2021 in the market.

### Parel - Capital Value Movement - 2016 to 2021(till Q3)



Source: ANAROCK Research, 2021

**Suraj Estate Developers Limited aims to strengthen its presence in the Parel market with its Project Nirvana in Parel East.**

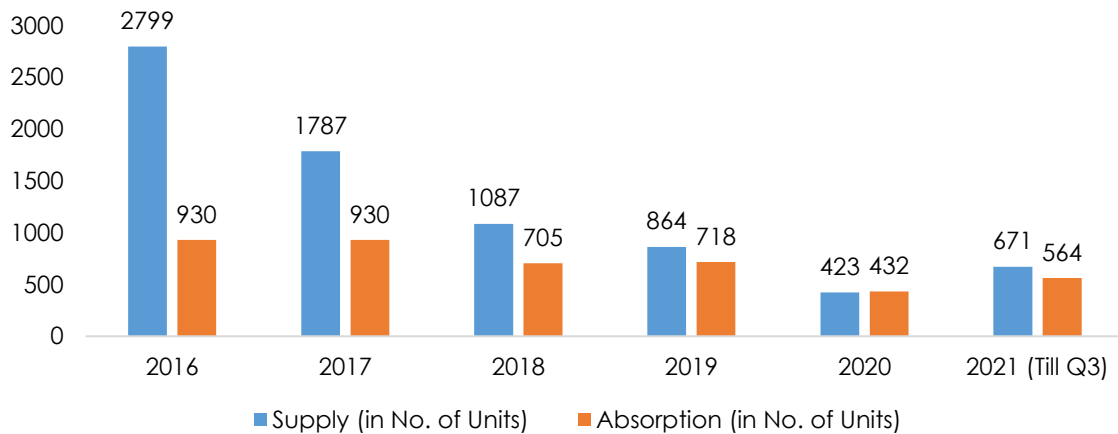
### Trends in combined markets of Mahim, Matunga, Dadar, Prabhadevi and Parel

Locations of Mahim, Matunga, Dadar, Prabhadevi and Parel are located within close proximity (within 10 kms driving distance from the major projects of Suraj Estate Developers Limited) of office markets and retail locations of Worli, Lower Parel and BKC. Further, surrounding areas provide good social infrastructures i.e., hospitals (Hinduja Hospital, Mahim), Education (Kirti College, Ruia College, Poddar College), and recreational areas (Shivaji Park, Dadar Chowpatty). These aspects increase the quality of life & contribute to Housing demand in these locations.

Suraj Estate Developers Limited has the maximum presence in the localities in Mahim, Matunga, Dadar, Prabhadevi and Parel markets. Hence, to have a comparison with the Suraj Estate Developers Limited projects, combined markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel (hereinafter referred to as **Combined Markets**) have been considered for the analysis purpose.

The following graph sets forth supply and absorption trends (in units) in combined markets from 2016 to 2021(till Q3). New launches have witnessed a reduction from 2016 to 2021. The market has witnessed healthy absorption levels from 2016 to 2019 with reduction in absorption levels post 2019.

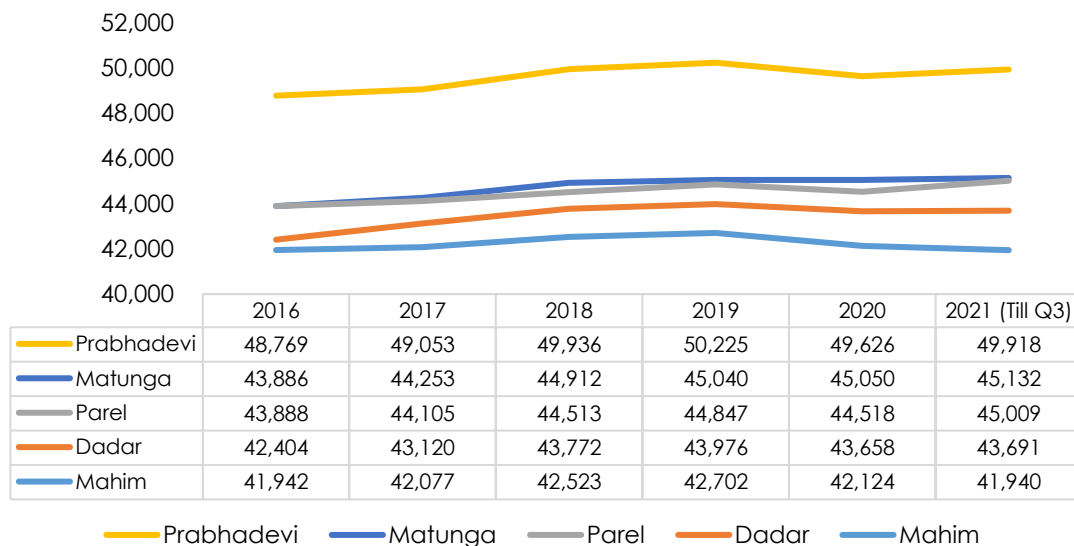
### Combined Markets - Supply Absorption - 2016 to 2021 (fill Q3)



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of combined markets from 2016 to 2021.

### Combined Markets - Capital Values - 2016 to 2021 (fill Q3)



Source: ANAROCK Research, 2021

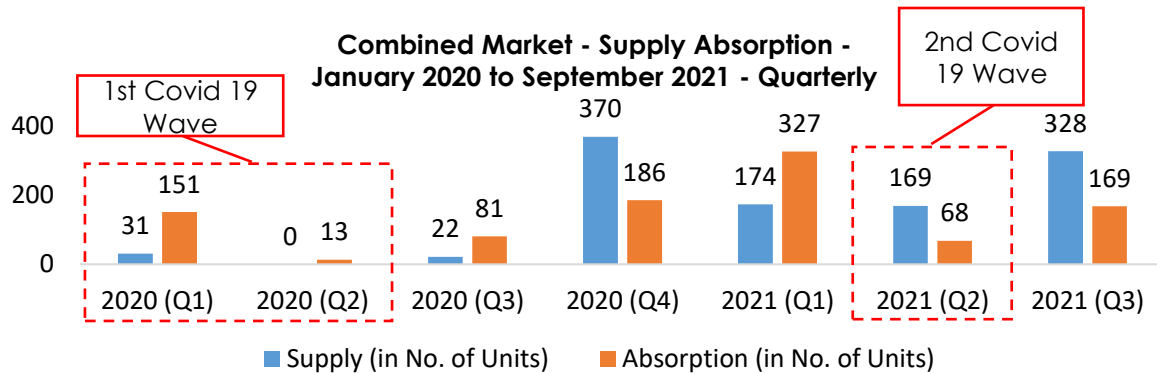
### Impact of COVID on the market dynamics of Combined Markets of Mahim, Matunga, Dadar, Prabhadevi and Parel for the period January – 2020 to September - 2021

During the 1<sup>st</sup> wave of COVID lockdown in Q2 2020, there was an impact on the economic activity in India as there was restriction on labour movements, constructions at developer site were stopped and the employment rate reduced to an all-time low as a result of which there was minimal activity in the real estate market.

During the 2<sup>nd</sup> wave of COVID in Q2 2021, there was an impact on the physical and mental health of people. There was a minimal economic impact, as there was no restriction on labour movement, construction at developer site was allowed due to which there was no impact on demand. Potential buyers in the various projects were also allowed to do site visits.

The following graph sets forth quarterly supply and absorption trends (in units) in combined markets from 2020 to 2021 (till Q3). The first 3 quarters of 2020 witnessed minimal launches as developers delayed the launches of their projects to counter the effects of 1<sup>st</sup> wave of COVID pandemic. As the situation improved post 1<sup>st</sup> wave of lockdown, Q4 2020 and Q1 2021 witnessed higher launches with healthy absorption levels due to stamp duty cut by Government of Maharashtra. Though the 2<sup>nd</sup> wave of COVID pandemic struck in Q2 2021 in India, the

developers were launching projects in the considered markets. There was a reduction in absorption levels during the period; however, the absorption levels improved in Q3 2021.

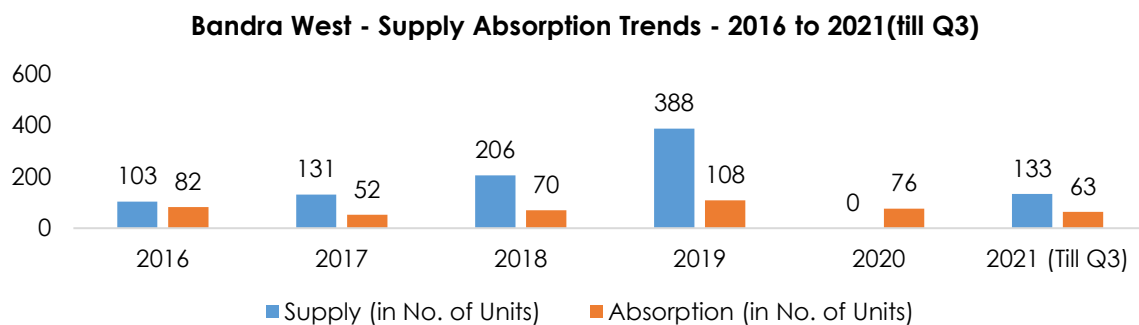


Source: ANAROCK Research, 2021

### Other Markets in South Central Mumbai where Suraj Estate Developers Limited has future plans of developing Residential Projects

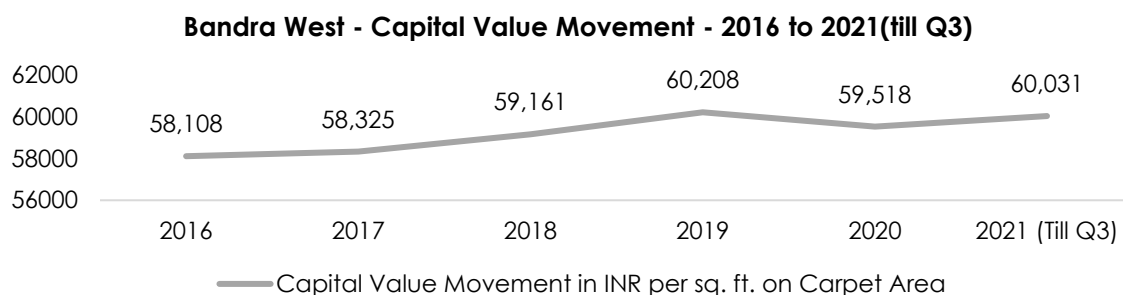
#### Bandra West Sub-Market

The following graph sets forth supply and absorption trends (in units) in Bandra West market from 2016 to 2021(till Q3). There have been limited launches in Bandra West from 2016 to 2021 with no launches recorded in 2020. Bandra West market has witnessed average absorption levels of 70 – 80 units per year from 2016.



Source: ANAROCK Research, 2021

The following graph sets forth the pricing trends of Bandra West market from 2016 to 2021. There has been an overall price appreciation of ~3% from 2016 till 2021 with an reduction in pricing from 2019 to 2020.



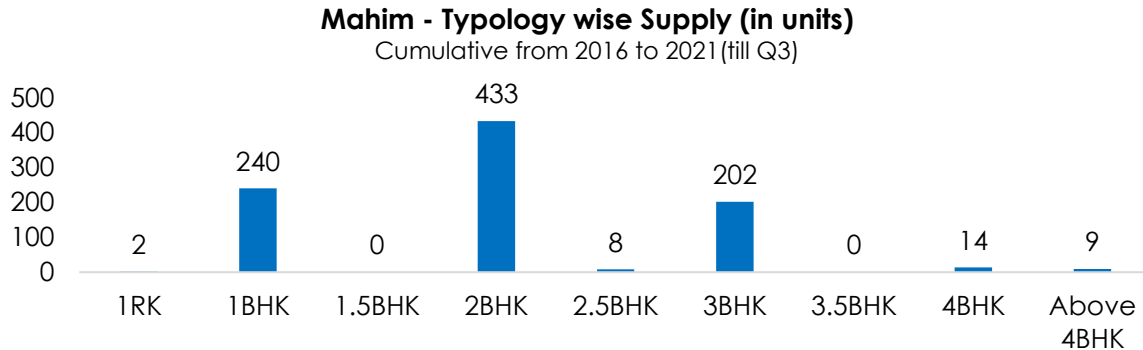
Source: ANAROCK Research, 2021

Suraj Estate Developers Limited has future plans of developing residential project in Bandra West area with an estimated RERA Carpet area of 0.13 million sq. ft. It will help Suraj Estate Developers Limited in venturing into the Bandra West market as it will be its first project in Bandra.

### Typology Wise Supply, Absorption Dynamics in Selected Submarkets of South Central Mumbai – Cumulative from 2016-2021(Till Q3)

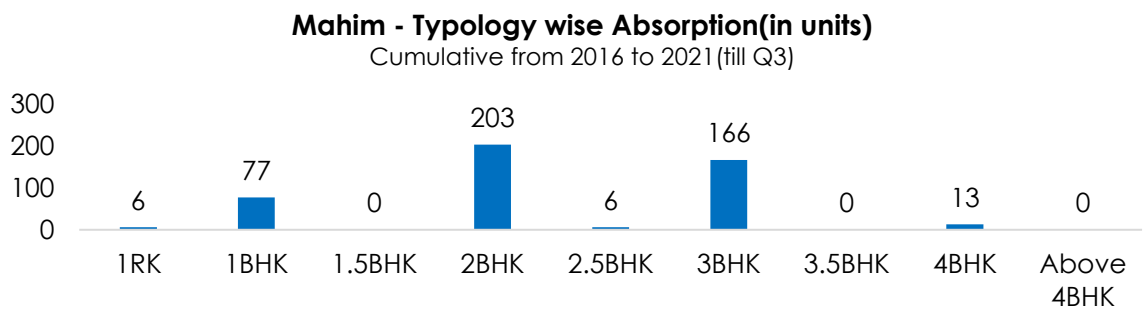
### Mahim Sub-Market

The following graph sets forth typology wise supply (in units) in Mahim market for the cumulative period of 2016 to 2021 (till Q3). The market has a mix of 1BHK, 2BHK, and 3BHK as a part of its supply from 2016 with a small share of 4BHK units.



Source: ANAROCK Research, 2021

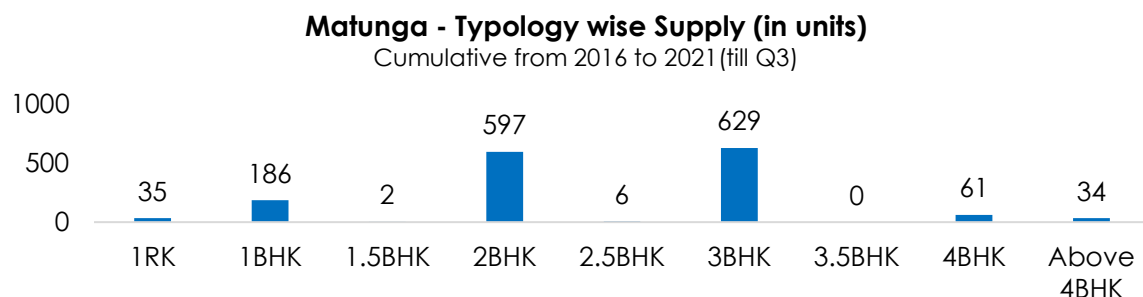
The following graph sets forth typology wise absorption (in units) in Mahim market for the cumulative period of 2016 to 2021 (till Q3). Out of the total absorption levels in the market, 2BHK and 3BHK have a predominant share with ~78% inventory sold out of the total absorption levels in the market.



Source: ANAROCK Research, 2021

### Matunga Sub-Market

The following graph sets forth typology wise supply (in units) in Matunga market for the cumulative period of 2016 to 2021 (till Q3). 2BHK and 3BHK are the predominant typologies in the market with a share of ~79% of the total supply in the market. There is a small share of the luxury apartments as well in the Matunga market with small share of units of 4BHK, 5BHK and 6BHK.

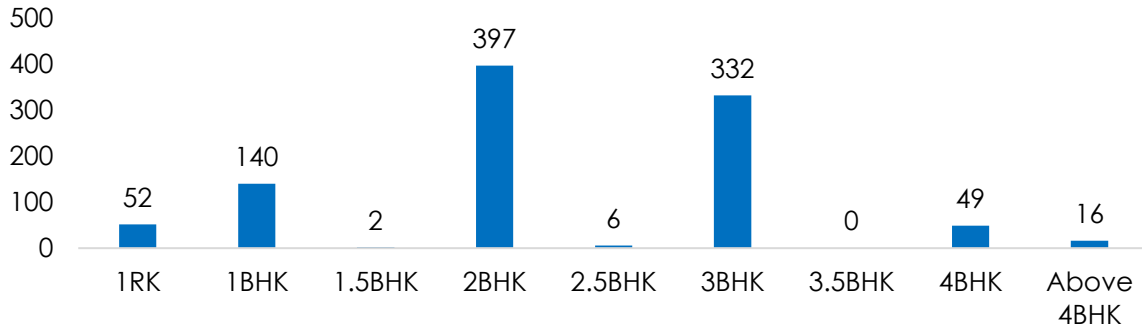


Source: ANAROCK Research, 2021

The following graph sets forth typology wise absorption (in units) in Matunga market for the cumulative period of 2016 to 2021 (till Q3). Out of the total absorption levels in the market, 2BHK and 3BHK have predominant share with ~73% inventory sold out of the total absorption levels in the market.

### Matunga - Typology wise Absorption(in units)

Cumulative from 2016 to 2021 (till Q3)



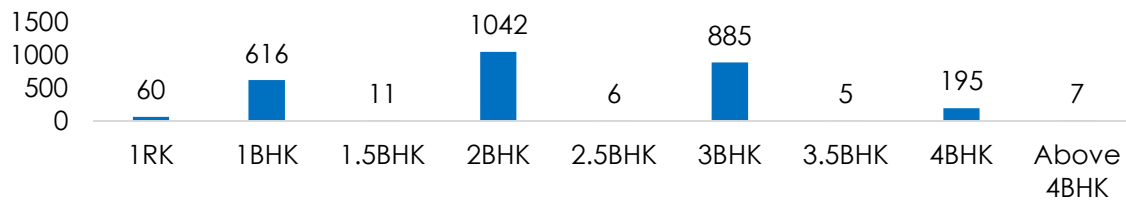
Source: ANAROCK Research, 2021

### Dadar Sub-Market

The following graph sets forth typology wise supply (in units) in Dadar market for the cumulative period of 2016 to 2021 (till Q3). 1BHK, 2BHK and 3BHK are the predominant typologies in the market with a share of ~90% of the total supply in the market.

### Dadar - Typology wise Supply (in units)

Cumulative from 2016 to 2021 (till Q3)

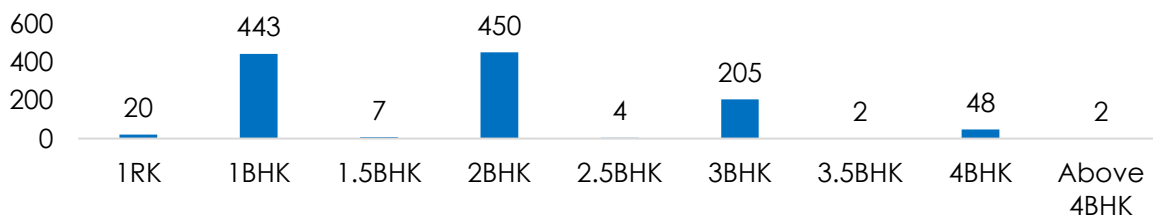


Source: ANAROCK Research, 2021

The following graph sets forth typology wise absorption (in units) in Dadar market for the cumulative period of 2016 to 2021 (till Q3). Out of the total absorption levels in the market, 1BHK and 2BHK consist of ~76% market share out of the total inventory sold in the market.

### Dadar - Typology wise Absorption(in units)

Cumulative from 2016 to 2021 (till Q3)

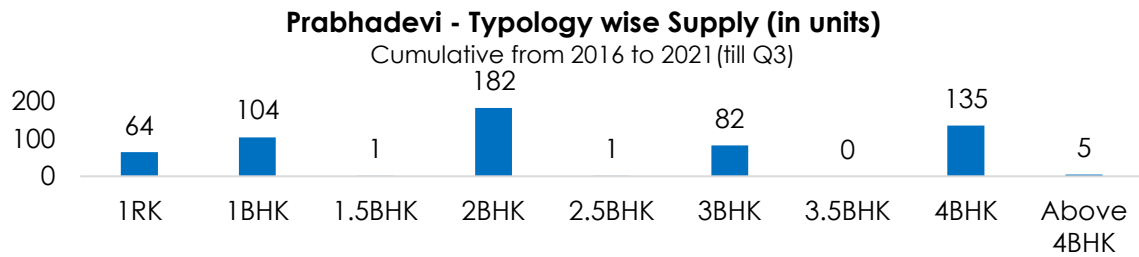


Source: ANAROCK Research, 2021

### Prabhadevi Sub-Market

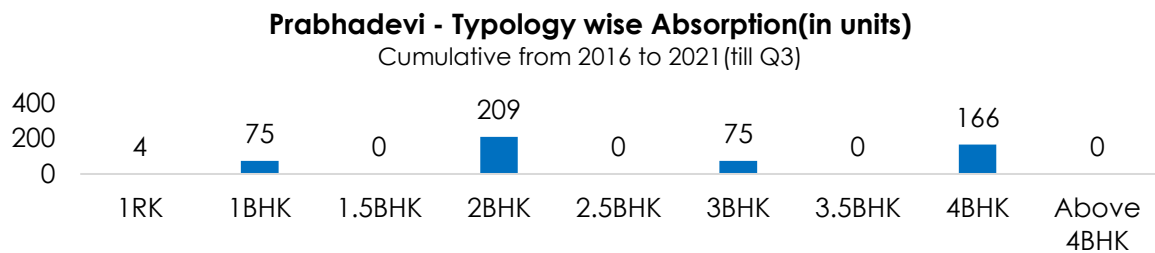
The following graph sets forth typology wise supply (in units) in Prabhadevi market for the cumulative period of 2016 to 2021 (till Q3). The market has a mix of major typologies viz. 1RK, 1BHK, 2BHK, 3BHK and 4BHK as a part of its supply from 2016.





Source: ANAROCK Research, 2021

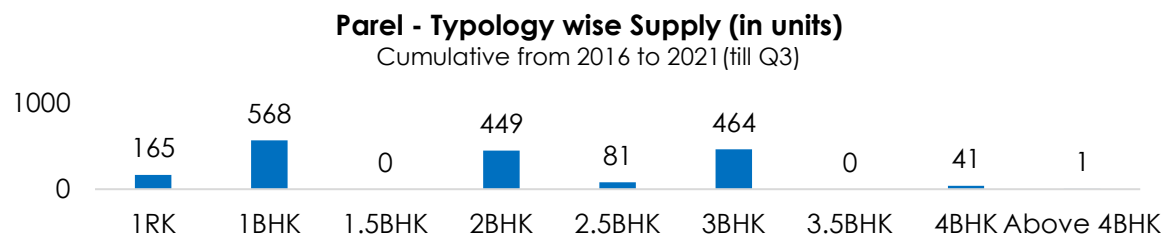
The following graph sets forth typology wise absorption (in units) in Prabhadevi market for the cumulative period of 2016 to 2021 (till Q3). Out of the total absorption levels in the market, 2BHK and 4BHK are predominant typologies with ~71% inventory sold out of the total absorption levels in the market.



Source: ANAROCK Research, 2021

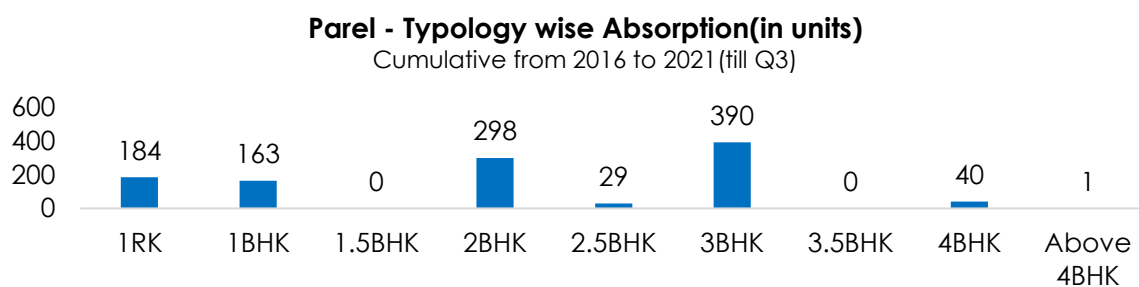
#### Parel Sub-Market

The following graph sets forth typology wise supply (in units) in Parel market for the cumulative period of 2016 to 2021 (till Q3). 1BHK, 2BHK and 3BHK are the predominant typologies in the market with a share of ~84% of the total supply in the market with a small share of 1RK units as well.



Source: ANAROCK Research, 2021

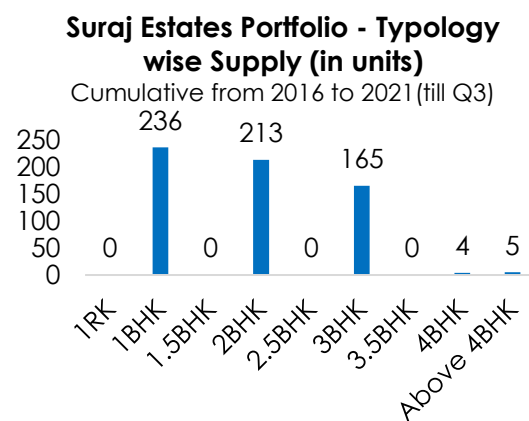
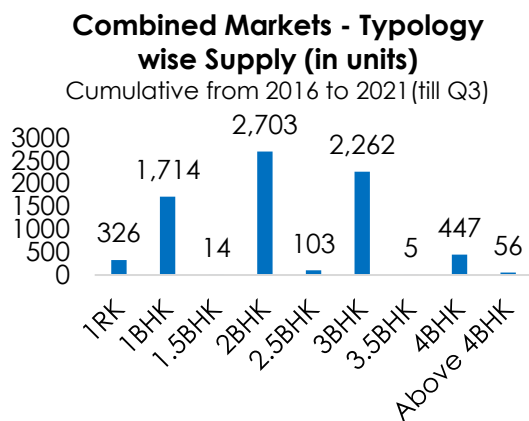
The following graph sets forth typology wise absorption (in units) in Parel market for the cumulative period of 2016 to 2021 (till Q3). Out of the total absorption levels in the market, 2BHK and 3BHK has a predominant share with ~62% inventory sold out of the total absorption levels in the market. Further, 1RK typology has also seen good absorption levels in the market.



Source: ANAROCK Research, 2021

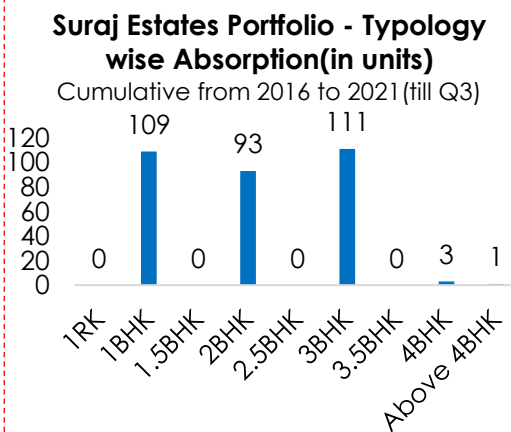
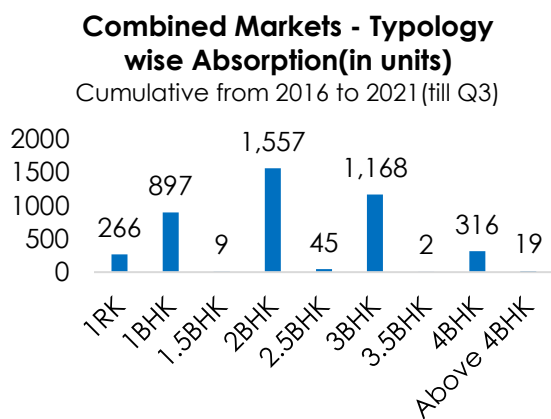
### Comparison of Combined Markets (Mahim, Matunga, Dadar, Prabhadevi, and Parel) with Suraj Estate Developers Limited Portfolio

The following graph sets forth typology wise supply (in units) in combined markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in comparison to the project of Suraj Estate Developers Limited for the cumulative period of 2016 to 2021(till Q3). **Suraj Estate Developers Limited has 1BHK, 2BHK and 3BHK as its predominant typologies as part of its launches in the various markets in Mumbai. Out of the total supply available from 2016, Suraj Estates has a market share of ~14% of 1BHK, ~8% for 2BHK and ~7% for 3BHK out of the total typology wise supply of the combined markets. This signifies that Suraj Estate Developers Limited has been one of the market leaders in terms of Supply of 1BHK, 2BHK and 3BHK units in the market.**



Source: ANAROCK Research, 2021

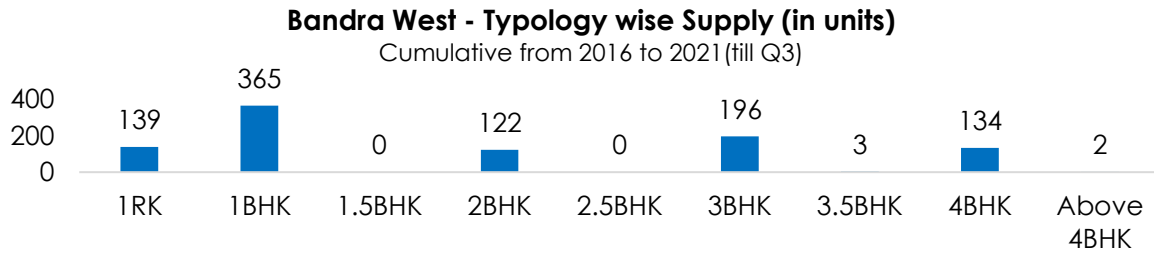
The following graph sets forth typology wise absorption (in units) in combined markets in comparison to the project of Suraj Estate Developers Limited for the cumulative period of 2016 to 2021(till Q3). Out of the total absorption levels from 2016 in the combined markets, **Suraj Estate Developers Limited has a market share of ~12% of 1BHK, ~6% for 2BHK and ~10% for 3BHK out of the total typology wise inventory sold of the combined markets. This signifies that Suraj Estate Developers Limited has been one of the market leaders in terms of selling the typologies of 1BHK, 2BHK and 3BHK units in the market.**



Source: ANAROCK Research, 2021

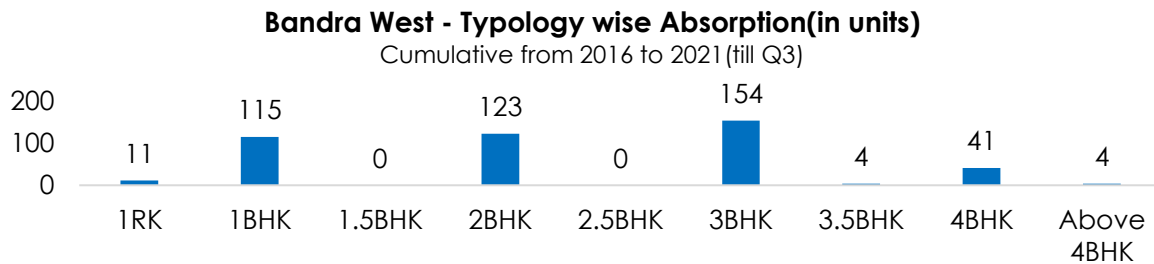
### Bandra West Sub-Market

The following graph sets forth typology wise supply (in units) in Bandra West market for the cumulative period of 2016 to 2021(till Q3). The market has a mix of major typologies viz. 1RK, 1BHK, 2BHK, 3BHK and 4BHK as a part of its supply from 2016.



Source: ANAROCK Research, 2021

The following graph sets forth typology wise absorption (in units) in Bandra West market for the cumulative period of 2016 to 2021 (till Q3). 1BHK, 2BHK and 3BHK have witnessed healthy absorption levels in the market with majority share of these typologies.

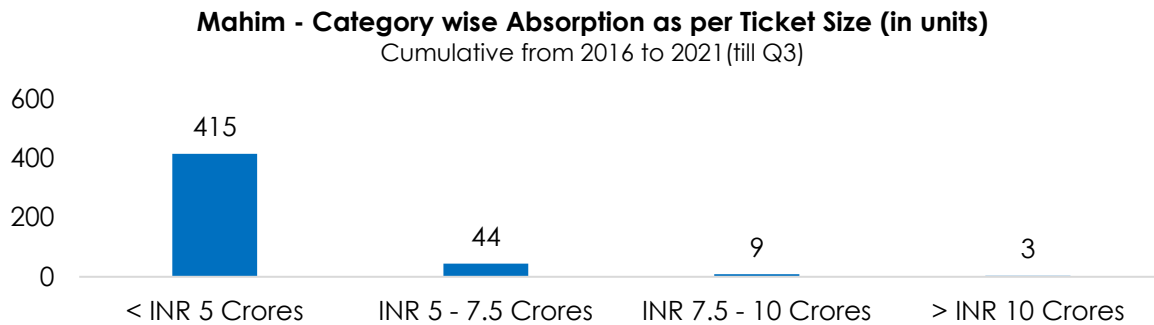


Source: ANAROCK Research, 2021

**Category Wise Sales as per Capital Value in Selected Submarkets of South Central Mumbai – Cumulative from 2016-2021 (Till Q3)**

**Mahim Sub-Market**

The following graph sets forth category wise sales as per Ticket Size (in units) in Mahim market for the cumulative period of 2016 to 2021 (till Q3). Ticket size < INR 5 Crores has a predominant share in the market of ~88% of the total inventory sold.



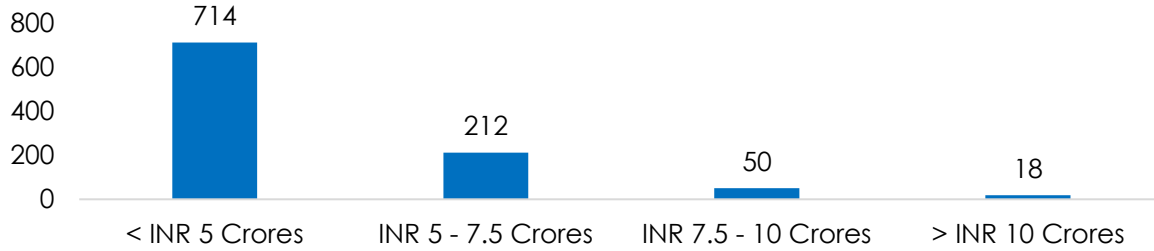
Source: ANAROCK Research, 2021

**Matunga Sub-Market**

The following graph sets forth category wise sales as per Ticket Size (in units) in Matunga market for the cumulative period of 2016 to 2021 (till Q3). Ticket size < INR 5 Crores has a market share of ~72% with INR 5 – 7.5 Crores also being a comparatively large share of ~21% in the market.

### Matunga - Category wise Absorption as per Ticket Size (in units)

Cumulative from 2016 to 2021 (till Q3)



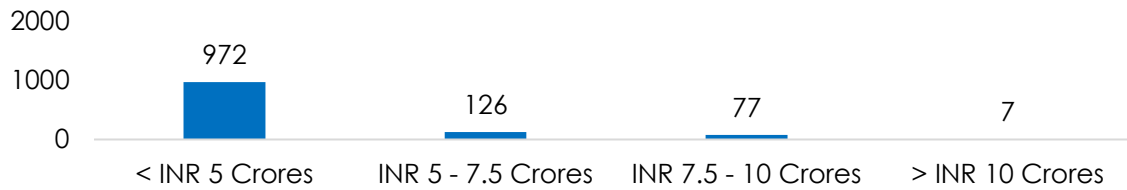
Source: ANAROCK Research, 2021

### 5.4.3 Dadar Sub-Market

The following graph sets forth category wise sales as per Ticket Size (in units) in Dadar market for the cumulative period of 2016 to 2021 (till Q3). Ticket size < INR 5 Crores has a predominant share in the market of ~82% of the total inventory sold.

### Dadar - Category wise Absorption as per Ticket Size (in units)

Cumulative from 2016 to 2021 (till Q3)



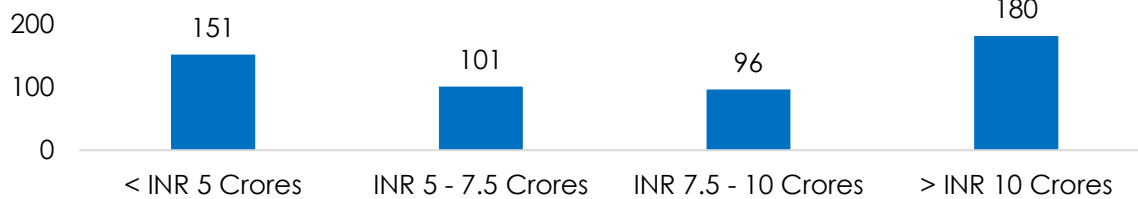
Source: ANAROCK Research, 2021

### Prabhadevi Sub-Market

The following graph sets forth category wise sales as per Ticket Size (in units) in Prabhadevi market for the cumulative period of 2016 to 2021 (till Q3). Prabhadevi has a mix of all the ticket sizes sold from 2016 thus highlighting that the market has an optimum mix of active mid end as well as high end premium projects.

### Prabhadevi - Category wise Absorption as per Ticket Size (in units)

Cumulative from 2016 to 2021 (till Q3)



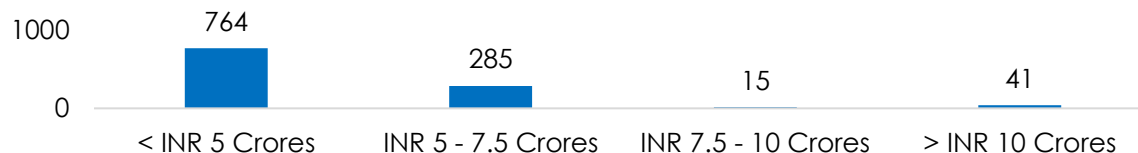
Source: ANAROCK Research, 2021

### Parel Sub-Market

The following graph sets forth category wise sales as per Ticket Size (in units) in Parel market for the cumulative period of 2016 to 2021 (till Q3). Ticket size < INR 5 Crores has a market share of ~69% with INR 5 – 7.5 Crores also being a comparatively large share of ~26% in the market. Parel market also has a share of small inventory of the ticket size > INR 10 Crores of high-end premium products.

### Parel - Category wise Absorption as per Ticket Size (in units)

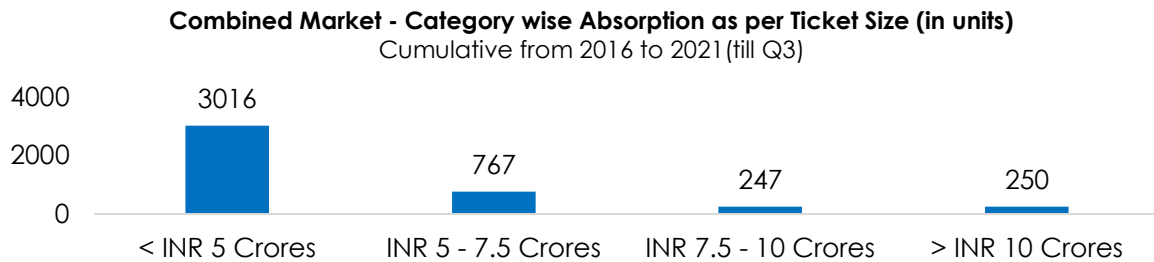
Cumulative from 2016 to 2021 (till Q3)



Source: ANAROCK Research, 2021

#### 5.4.6 Comparison of Combined Markets (Mahim, Matunga, Dadar, Prabhadevi, and Parel) with Suraj Estate Developers Limited Projects

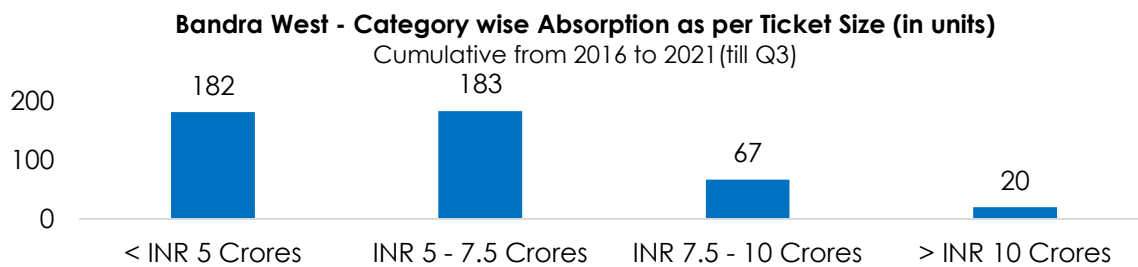
The following graph sets forth category wise sales as per Ticket Size (in units) in combined markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel for the cumulative period of 2016 to 2021(till Q3). Ticket size < INR 5 Crores has a market share of ~70% with INR 5 – 7.5 Crores also being a comparatively large share of ~18% in the market adding to a total of ~88% market share. Further, INR 7.5 - 10 Crores and > INR 10 Crores also have a market share of ~6% each thus highlighting that there is a demand for premium projects as well in the market. Suraj Estate Developers Limited has sold 43 units in the Ticket size range of INR 5 – 7.5 Crores for the period 2016 to 2021.



Source: ANAROCK Research, 2021

#### Bandra West Sub-Market

The following graph sets forth category wise sales as per Ticket Size (in units) in Bandra West market for the cumulative period of 2016 to 2021(till Q3). Bandra West market has a mix of projects with predominant inventory sold for a ticket size < INR 10 Crores. Ticket Size < INR 5 Crores and INR 5 – 7.5 Crores have a market share of 40% each out of the total inventory sold.



Source: ANAROCK Research, 2021

#### MARKET SHARE OF TOP TEN DEVELOPERS ON THE BASIS OF VARIOUS PARAMETERS Supply (in units), Absorption (in units) and Absorption (in INR Crores)

There are select developers in the MMR residential space who have remained active throughout the real estate life cycle. During the past decade, the real estate sector has witnessed several reforms including demonetization and the implementation of GST and RERA. While these reforms have resulted in increased transparency, it has significantly increased the compliance costs, resulting in smaller developers exiting the business and providing an opportunity to branded developers to increase their market share.

Suraj Estate Developers Limited is one of the market leaders in combined markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel markets. The share of top ten developers in the selected residential sub-markets in terms of supply (in units), absorption (in units) and absorption (in INR Crores) from 2016 to 2021(till Q3) has been provided below:

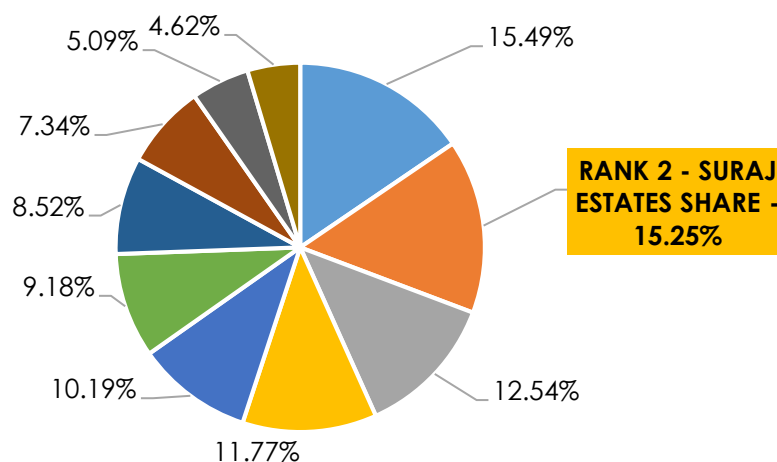
##### 1. Share of Suraj Estate Developers Limited among the top ten developers as per supply (in number of units)

Total supply in the combined sub-markets is 7,631 units. Out of this, total share of top ten developers is 53.35% (4,071 units).

Out of the top ten developers, **Suraj Estate Developers Limited ranks second with 15.25% market share**

### Combined Markets - Top 10 Developers share as per Supply (in units)

Cumulative from 2016 to 2021 (till Q3)



Source: ANAROCK Research, 2021

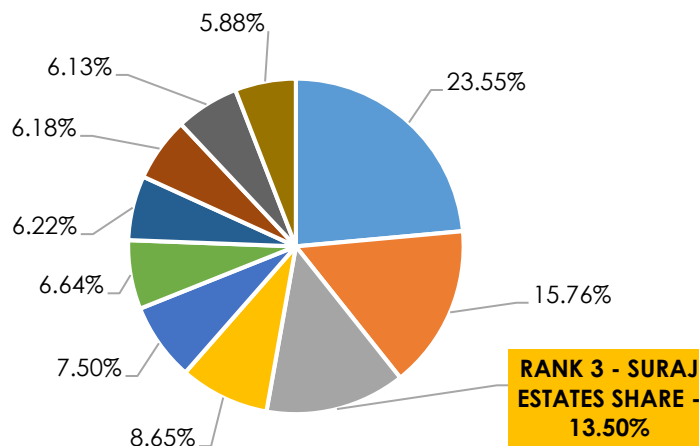
### 2. Share of Suraj Estate Developers Limited among the top ten developers as per absorption (in number of units)

Total absorption (in units) in the combined sub-markets is 4,280 units. Out of this, total share of top ten developers is 54.86% (2,348 units)

Out of the top ten developers, **Suraj Estate Developers Limited ranks third with 13.50% market share**

### Combined Markets - Top 10 Developers share as per Absorption (in units)

Cumulative from 2016 to 2021 (till Q3)



Source: ANAROCK Research, 2021

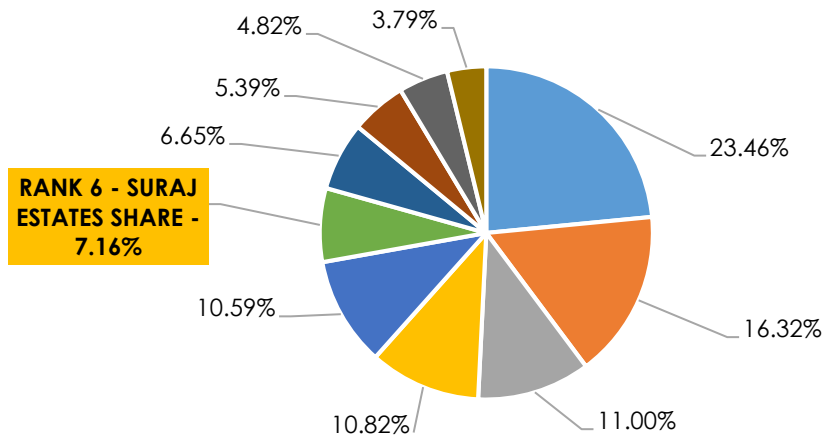
### 3. Share of Suraj Estate Developers Limited among the top ten developers as per absorption (in INR Crores)

Total absorption (in INR Crores) in the selected sub-markets – INR 17,090 Crores. Out of this, total share of top ten developers – 71.74% (12,261 Crores)

Out of the top ten developers, **Suraj Estate Developers Limited ranks sixth with 7.16% market share.**

### Combined Markets - Top 10 Developers share as per Absorption (in INR Cr.)

Cumulative from 2016 to 2021 (till Q3)



Source: ANAROCK Research, 2021

Note: The developer share has been calculated, on a best effort basis, considering its real estate activities from 2016 to 2021(till Q3). The top ten active developers have been considered while providing this share; few developers who have declared bankruptcy in recent times and are part of proceedings before the National Company Law Tribunal have not been considered.

### Data Trends of Prominent Listed Players in South Central Micro Market

Listed players that are present in the South Central Micro market include some of the prominent developers like Macrotech Developers (Lodha Group), Oberoi Realty, Hubtown Developers and D B Realty. Data trends of those listed players for the cumulative period of 2016 – 2021 (till Q3) has been provided below:

Sr. No.	Developer Name	Average Unit size (in sq. ft.)	Average Selling Price (INR per sq. ft.)	Inventor y available	Absorption (units)	Total Absorption (in sq. ft.)	Supply (units)	Total Supply (in sq. ft.)
1	Macrotech Developers (Lodha Group)	2,008	52,470	1095	2871	3,687,175	3,966	5,269,845
2	Oberoi Realty	5,526	85,958	213	71	270,249	284	1,352,321
3	Hubtown Developers	3,178	59,972	7	106	239,049	113	255,670
4	D B Realty	287	29,832	379	7	2,006	386	110,604

Source: ANAROCK Research, 2021 and Information available in the Investor Presentation of the respective companies

### Redevelopment Proportion in Overall Development in Combined Markets and its Comparison with Suraj Estate Developers Limited

Selected Residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel has been considered as combined market.

From 2016 to 2021(till Q3), there are a total of 178 projects that have been launched in the selected residential sub-markets out of which 101 (~57%) projects are redevelopment projects. In the same period, Suraj Estate Developers Limited had launched 14 residential projects out of which 12 projects (~86%) are redevelopment projects. Hence, the proportion of redevelopment projects launched by Suraj Estate Developers Limited is approximately 12% of the total projects launched in the selected residential market cumulatively from

2016 to 2021(till Q3) which shows that Suraj Estate Developers Limited is one of the market leaders in the redevelopment projects in those markets.

The table below shows the breakup of cumulative Supply and Absorption in New and Redevelopment projects for combined markets as well as of Suraj Estate Developers Limited:

MAHIM + MATUNGA + DADAR + PRABHADEVI + PAREL - 2016 to 2021 (till Q3)			
Combined Markets	Total	New (in Units)	Redevelopment(in units)
Supply	7631	2384	5247
Absorption	4280	1288	2991

Source: ANAROCK Research, 2021

SURAJ ESTATE DEVELOPERS LIMITED - 2016 to 2021 (till Q3)			
Suraj Estate Developers Limited Portfolio	Total	New (in Units)	Redevelopment(in units)
Supply	621	125	496
Absorption	317	44	273

Source: ANAROCK Research, 2021

On analysing the above data, we derive that **Suraj Estate Developers Limited has a share of 9.45% in Supply and 9.13% in Absorption of the total redevelopment Supply and Absorption in the selected residential sub-markets, which signifies that Suraj Estate Developers Limited is one of the market leaders in the redevelopment projects in the locations of Dadar, Mahim, Prabhadevi, Parel and Matunga.**

## TRENDS IN COMMERCIAL REAL ESTATE IN MUMBAI

### Overview

Mumbai is one of India's largest metropolitan cities and one of the world's most densely populated cities. With its robust contribution to India's GDP, the tax revenues it generates for the country, it is indeed the city is the financial capital of India. The city houses a diverse base of industries such as BFSI, manufacturing, IT/ITeS, Media & entertainment, etc. The commercial real estate sector has played a significant role in facilitating the required office infrastructure. As of 2021, the MMR office market has a stock of 125 mn. square feet of Grade-A office space, which is amongst the largest in India, and an overall vacancy rate of 14% - 16%. In addition to Grade- A office parks, the city has substantial office space stock in form of 'non Grade- A' office buildings, mix use buildings, and are recently in form of Grade- A strata office buildings.

In last 18 months Covid 19 pandemic has impacted Mumbai's office market, which is evident in form of churn of tenants, consolidation of office space by occupiers, renewals of leases at re-rated lower leases, increase in vacancy and deferred completion of new office parks, however, at the same time,

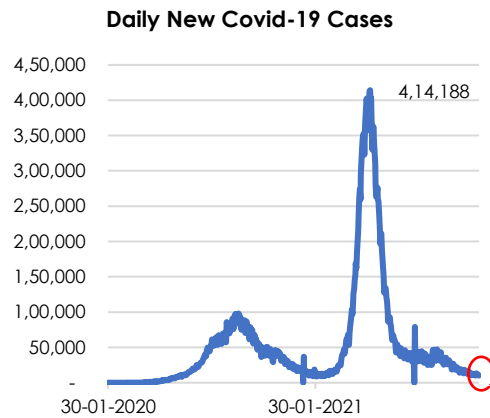
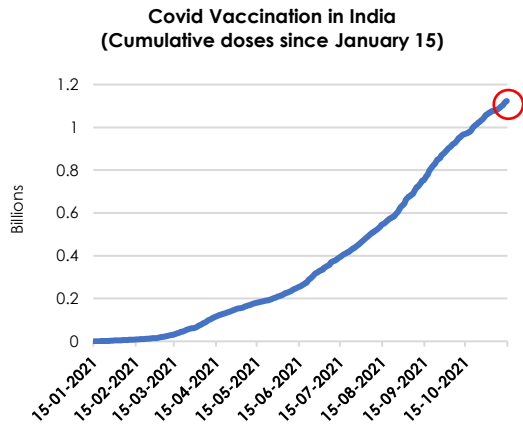
Mumbai's office market has also witnessed de-centralization of office neighbourhoods and emergence of office buildings on 'strata sale' (wherein buildings are sold to end users or investors in floor wise manner, either in part or in full) model.

During initial months of Covid- 19 pandemic, 'work from home' replaced 'work from office'. Certainly in the short term, the office demand and the rents were impacted. However, on the back of a diverse occupier category base that Mumbai office market serves, the impact was a little lower in comparison to the IT demand-driven cities in India, which largely followed work from home model.

With the rapid vaccination drive by the Government of India and the continued tapering of the new cases, the partial opening of offices and other recreational areas were allowed post June 2020 after first wave of Covid-19 and then post-June 2021 after the second wave.

The commencement of the mass transport modes the people's movements gathered the pace. The re-opening of the economy reduced the unemployment scenario and has positively contributed to the rising output levels as a whole.





Source: Government of India Statistics

Despite the near-term market uncertainty, albeit the consensus is that the occupiers will follow a hybrid or blended model of ‘work from home’ and ‘work from office’, the Mumbai office market’s medium to long-term outlook remains bright on the back of the sector’s robust fundamentals and investment attractiveness. The strata sale market in Mumbai is amongst the most active office markets in India.

**During the last 12 – 18 months, two prominent trends have been recorded in Mumbai Office Market include**

**a) Increased demand for flexible office spaces near home**

Select large occupiers, companies from the software/technology sector, start-ups have seen renting flexible office desks nearer to the residential hubs. This will help employees to work efficiently yet reduce the commute time. The flexible office spaces are expected to provide cost-effective solutions.

**b) Increased demand for the strata offices on strata format**

While office leasing has been impacted by the second wave, demand for the strata sale demand is growing. During the past 12 – 18 months, various categories like professional services, consultants, financial advisors, SME manufacturers, logistics were seen taking up the small offices on a purchase basis. The typical office sizes ranging between 500 – 2,000 sq. ft. of the leasable area that can house 4 to 20 employees have gained momentum. The central theme is to work near home in an environment conducive to the business.

For the investors, small office spaces are generating a rental yield potential at about 7% with the upside capital appreciation potential.

The Central Business District (CBD), Secondary Business District (SBD) Central (Lower Parel - Prabhadevi), BKC, Andheri in Mumbai have an active market for the offices on strata sale model. Commercial real estate witnessed a growing demand for boutique office spaces- another term popularly used for strata sale office buildings.

Prominent Developers in Mumbai who offer Grade- A office projects on strata sale model:

- 1) Macrotech (Lodha) Developers
- 2) Kanakia Spaces
- 3) Peninsula Land
- 4) Marathon Group
- 5) Wadhwa Group etc.

In upcoming quarters, more projects offering small offices on a strata sale model are expected to be launched to cater to the growing demand for this category within the commercial office asset class.

## OUR BUSINESS

*The industry information contained in this section is derived from a report titled Real Estate Industry Report for Suraj Estate Developers Limited dated March 4, 2022, prepared by Anarock Property Consultants Private Limited and commissioned by our Company in connection with the Issue (“Company Commissioned Anarock Report”).*

*To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on page 27, 112 and 293 as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

*Our fiscal year ends on March 31 of each year, so all references to a particular “fiscal year”, “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 232. We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. 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 Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*In this chapter any reference to ‘we’, ‘us’ or ‘our’ is Suraj Estate Developers Limited on a consolidated basis and any reference to ‘our Company’ is to Suraj Estate Developers Limited on a standalone basis.*

### OVERVIEW

We are among the top two developers with 15.25% market share as per supply (in number of units) and rank third with 13.50% market share as per absorption (in number of units) in the residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in South Central Mumbai region for calendar years 2016 to 2021 (till Q3). (Source: Company Commissioned Anarock Report). We have been involved in the real estate business since 1986, and develop real estate across the residential and commercial sectors in the South Central Mumbai region.

In our residential portfolio, we are present across the “value luxury” and “luxury” segments across multiple price points with unit values ranging from ₹10.00 million to ₹130.00 million. In our commercial portfolio, we have constructed and sold built-to-suit corporate headquarters to our institutional clientele namely, Saraswat Co-operative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar). To cater to the increasing need for smaller independent offices in the commercial segment, we plan to foray into developing boutique office spaces on Tulsi Pipe Road, Mahim.

We have a longstanding presence of over thirty five (35) years in the real estate market in Mumbai. Our customer-centric business model focuses on addressing customer requirements in various locations, ticket sizes and configurations. Our ability to deliver differentiated product offerings through our deep understanding of the real estate market coupled with design and execution capabilities, strong brand presence and extensive marketing initiatives has helped us to successfully grow our business. We have established a strong brand and a successful track record in the real estate industry through our emphasis on contemporary architecture, strong project execution capabilities and quality construction. Our strong presence in the South Central Mumbai region has generated significant brand recall in sub markets in this region and substantial sales referrals from existing customers. Our brand name, longstanding operations and extensive experience in South Central Mumbai region provides us with significant opportunities in this fast-growing redevelopment sub-markets in the region.

We are one of the market leaders in the redevelopment projects in South Central Mumbai sub markets. From 2016 to 2021(till Q3), we had launched 14 residential projects out of which 12 projects (~86%) are redevelopment projects. (Source: Company Commissioned Anarock Report). We have over the years earned our reputation in South Central Mumbai region through quality-conscious development and specialization in the redevelopment of tenanted properties. Majority of our projects executed by us are on land owned by us or through development agreements with land-owners. Since most of the land parcels in the South Central Mumbai market are in the nature

of redevelopment projects, our core competence lies in tenant settlement which is a key element for unlocking value on such land parcels. We identify cessed/ non-cessed properties with existing tenants, and tie up with the landlords of such tenanted properties by entering into a development agreement or on outright purchase basis through conveyance deed. We have over the years provided good quality housing free-of-cost to the existing tenants/ occupants of redevelopment properties. As on December 31, 2021, we have redeveloped houses for more than 1,011 tenants free-of-cost under regulation 33(7) of the Development Control and Promotion Regulation, 2034 (“**DCP Regulations**”). Compliance of Regulation 33(7) of the DCP Regulations enables sanction of more than FSI - 3.00 for development by the regulatory authorities. As on the date of DRHP, there are 14,207 number of cessed properties in the island city of Mumbai which are yet to be redeveloped.

To bring to life our vision of creating contemporary, sustainable and quality construction, we work with a host of leading architects, namely Sanjay Puri Architects and Vivek Bhole Architects Private Limited for our projects. Almost all aspects of our real estate development business are conducted through in-house capabilities, including acquisition of suitable land and delivering a project from conceptualization to completion. We have also set up an integrated in-house project management team to focus on procurement efficiencies, vendor selection and construction activities. Our in-house sales team is supported by a distribution network of multiple non-exclusive and select channel partners across India which cater to key high networth individuals and non returning Indians. We also have a full-fledged in-house customer relationship team and after-sales team which supports customers from the property booking stage till the final delivery of the property.

Our Company was founded by our Promoter, Rajan Meenathakonil Thomas, who is the Chairperson and Managing Director with over thirty five (35) years of experience in various aspects of real estate business. The leadership team also consists of Rahul Rajan Jesu Thomas, Whole-time Director with over fifteen (15) years of experience in various aspects of real estate business along with other professionals, each having vast experience across different industries and who are instrumental in implementing our business strategies. We have completed forty two (42) projects with a developed area of more than 1,046,543 square feet in the South Central Mumbai region. In addition to the Completed Projects, we have nine (09) Ongoing Project with a developable area of 1,970,445 square feet and saleable RERA carpet area 442,616 square feet and twenty one (21) Upcoming Projects with an estimated carpet area of 928,400 square feet.

We are amongst the prominent real estate developers, focused primarily on value luxury and luxury segments and commercial segment through:

- construction and development of high quality 1 BHK flats and compact 2 BHK flats, catering to aspirational buyers and provide value for money residential projects, in premium locations (“**Value Luxury Segment**”);
- construction and development of high quality 2 BHK flats, 3 BHK flats and 4 BHK flats, catering to ultra-high net worth and high net worth individual buyers in the South Central Mumbai region (“**Luxury Segment**”); and
- construction and development of commercial offices on a built-to-suit model for select clientele and boutique offices (“**Commercial Segment**”).

The details of our Value Luxury and Luxury Segments in the residential projects are stated as below:

### ***Value Luxury Segment***

We are one of the market leaders in terms of Supply of 1BHK and 2BHK units in the South Central Mumbai. (*Source: Company Commissioned Anarock Report*). In this segment, we provide 1BHK flats ranging from 300 to 500 square feet carpet area and compact 2BHK flats ranging from 500 to 800 square feet carpet area which have witnessed a robust demand in the South Central Mumbai region. Recently, in this segment we have completed projects namely, St. Anthony Apartments (Mahim), Lumiere (Dadar) and Elizabeth Apartment (Dadar). We are an early entrant in this segment by providing spacious 1BHK flats and compact 2BHK flats with sea views, banquets, parking space, gymnasium and premium quality amenities. The table below demonstrates the high demand of Value Luxury Segment of our projects in the South Central Mumbai region:

Project Name	Expected Completion Date as filed with RERA <sup>#</sup>	Total number of units for sale	Units sold as of December 31, 2021	% of units sold
Emmanuel (Dadar)	December 2025	59	45	76.27
Lousiandra (Dadar)	June 2022	60	59	96.67

To cater to the high demand of 1 BHK flats and compact 2 BHK flats in the South Central Mumbai region, we are developing projects such as Ave Maria (Dadar), Vitalis (Mahim) and Suraj Eterna (Mahim).

### ***Luxury Segment***

Our ability to design high-quality differentiated products and strategic positioning, coupled with limited land availability in the South Central Mumbai micro-market have been key to our success in the Luxury Segment. We provide 2 BHK flats ranging from 800 to 950 square feet carpet area and 3 BHK flats ranging from 1,000 to 1,500 square feet carpet area and 4 BHK flats ranging from 1,800 to 2,200 square feet carpet area which have witnessed robust demand in the South Central Mumbai region. Recently, in this segment we have Completed Projects namely Mangirish (Dadar) and Tranquil Bay (Dadar) which are located in close proximity to the Arabian Sea. We are currently developing projects i.e. Palette (Dadar) and Ocean Star (Dadar), both designed by the leading architect Sanjay Puri Architects. These prime projects offer sea view, a distinguishing feature of floor to floor height of 12 ft. 6 inches, double glazing windows which provides insulation from sound and weather, swimming pool, multi-level podium parking, walking track, club house, kids play area, gymnasium, luxury fitting and fixtures, amongst other amenities. Since both the projects are high rise residential towers, we have awarded the contract to a civil contractor.

In addition to the above, we have also constructed and sold residential buildings for our institutional clientele such Clearing Corporation of India Limited (Dadar) and other financial institutions.

### ***Commercial Segment***

We have also developed many commercial real estate projects and mixed-use developments around our core residential projects. We have constructed and sold corporate offices to institutional clientele such as Saraswat Co-operative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar). To cater to the increasing need for smaller independent offices in the commercial segment, we are currently, proposing a 31 storey commercial building situated in Tulsi Pipe Road, Mahim comprising of self-contained independent offices with toilet and pantry ranging from 200.00 to 750.00 square feet carpet area.

### **Land Reserves**

We have certain land parcels located at Bandra (West) and Santacruz (East) for future development. As of December 31, 2021, we have Land Reserves of 10,359.77 square meters, which we intend to develop in future by utilizing the entire FSI potential of more than index 2.0, subject to various factors including marketability and receipt of regulatory clearances.

The below table sets forth certain key operational information relating to our projects as of December 31, 2021

#### *Completed Projects*

Number of Projects	Developed Area
	(square feet)
42	1,046,543.20

#### *Ongoing Projects*

Number of Projects*	Developable Area	Saleable RERA Carpet Area
	(square feet)	(square feet)
09	1,970,445.02	442,616

*\*Information provided in respect of our Ongoing Projects are based on our current management plans and subject to change.*

### Upcoming Projects

Number of Projects*	Estimated Carpet Area for Sale <sup>(1)</sup>
	(square feet)
21	928,400

<sup>(1)</sup> Estimated Carpet Area for Sale has been calculated based on certain assumptions and estimates made and certified by the independent architect namely, Priyanka Rajaram Rahate in her certificate dated March 2, 2022. The actual Estimated Sale Carpet Area may vary from the estimated Carpet Area for Sale presented herein on the basis of plans approved by the Municipal Corporation of Greater Mumbai (MCGM).

\*Information provided in respect of our Upcoming Projects are based on our current management plans and subject to change.

### Land Reserves

Owned/ Development Rights	Plot Size
	(square meters)
Owned – [1]	364.21
Leased – [1]	1,173.57
Development Rights – [5]	8,821.99
<b>Total [7]</b>	<b>10,359.77</b>

### Financial Performance

The financial performance of our Company for the seven months period ended October 31, 2021 and Fiscals 2021, 2020 and 2019, are as follows:

(₹ in million, except for percentage)

Particulars	For the seven months ended October 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations	1,096.24	2,399.87	869.28	345.84
EBITDA <sup>(1)</sup>	685.56	866.29	665.56	543.50
EBITDA margin as of revenue from operations (%) <sup>(2)</sup>	62.54	36.10	76.56	157.15
PAT	118.95	62.77	15.16	16.23
PAT Margin (%)	10.85	2.62	1.74	4.69
Net Debt <sup>(3)</sup>	6,351.43	5,796.25	4,914.07	3,640.27
Total Equity	244.80	291.47	230.13	216.98
Inventories	6,313.65	5,652.80	5,439.69	4,518.77
Trade Receivables	746.86	806.65	422.50	293.55
ROE (%) <sup>(4)</sup>	44.36	24.07	6.78	7.77
ROCE (%) <sup>(5)</sup>	10.13	14.51	14.02	15.43

<sup>(1)</sup> EBITDA = Profit before tax + Depreciation & Amortization Expense + Finance Cost – Other Income.

<sup>(2)</sup> EBITDA Margin = EBITDA/ Revenue from operations.

<sup>(3)</sup> Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, and Investment in Mutual Funds.

<sup>(4)</sup> ROE = Net profit after tax / Average equity shareholders fund.

<sup>(5)</sup> ROCE = Earnings before interest and taxes (EBIT) / Average Capital employed (Total Asset – Current Liability net off Short Term Borrowing)

### COMPETITIVE STRENGTHS

**Established brand with a long standing presence in Value Luxury Segment and Luxury Segment in the residential real estate market of South Central Mumbai region**

We are one of the market leaders in combined South Central Mumbai sub markets of Mahim, Matunga, Dadar, Prabhadevi and Parel. We are among the top two developers with 15.25% market share as per supply (in number of units) and rank third with 13.50% market share as per absorption (in number of units) in the residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in South Central Mumbai for calendar years 2016 to 2021 (till Q3) (Source: Company Commissioned Anarock Report). Our deep knowledge of the market, regulatory environment and long standing presence in Value Luxury and Luxury Segment has helped us in identifying

opportunities in this market.

Most of our Completed, Ongoing and Upcoming Projects are under Value Luxury and Luxury Segments and are majorly located in and around South Central Mumbai region. We believe that South Central Mumbai region is an attractive real estate market in terms of high realisation, aspirational value/premium product positioning and high demand across multiple segments and price points. Mumbai's position as the commercial capital of India, together with the demographics of the Mumbai's population, with a high-income, discerning customer base and an expanding segment of young, upwardly mobile professionals having a preference for the convenience of living in the island city of Mumbai, provides a substantial market for our projects. The Value Luxury Segment refers to our projects with ticket sizes ranging between ₹ 10.00 million and upto ₹ 30.00 million in the South Central Mumbai region and Luxury Segment refers to our projects with ticket sizes ranging above ₹ 30.00 million and upto ₹ 130.00 million.

Our longstanding presence in South Central Mumbai has resulted in better understanding of emerging trends, customer preferences and significant brand recall. Our in-house expertise of redevelopment and the successful delivery of forty two (42) Completed Project has helped us in building customer trust over the last thirty five (35) years.

We are well positioned to leverage our established presence and longstanding operations in the South Central Mumbai region to capitalize on the significant demand for real estate projects across various price points in sub markets in this region. The South Central Mumbai real estate sub markets have high barriers to entry due to the limited availability and high cost of land, the need for an expertise in tenant re-housing, regulatory and approval processes required for the development of such projects. Our brand name, longstanding operations and extensive experience in South Central Mumbai region provides us with significant opportunities in these attractive fast-growing redevelopment markets.

***Diversified portfolio encompassing product offerings across various price points***

We have a diversified portfolio of residential developments, spread across price points, unit sizes and micro-markets in the South Central Mumbai, catering to a wide spectrum of economic and demographic segments, from value luxury to luxury residences. Our ability to cater to the needs of customer across income brackets through a range of differentiated products offerings, supported by our technical and execution capabilities has enabled us to successfully grow our business. We have developed a diversified portfolio of projects that includes redevelopment projects as well as open plot projects, in the Value Luxury Segment and Luxury Segment from 1 BHK flats to 4 BHK flats.

<b>Typology</b>	<b>Range of Carpet Area (in square feet)</b>	<b>Number of offerings</b>
1 BHK flats	300.00 – 400.00	4
	400.00 – 500.00	10
2 BHK flats	500.00 – 650.00	3
	650.00 – 800.00	4
	800.00 – 950.00	1
3 BHK flats	1,000.00 – 1,300.00	3
	1,300.00 – 1,500.00	1
4 BHK flats	1,800.00 – 2,200.00	2

Our residential projects include units with prices ranging from ₹10.00 million to ₹130.00 million in the South Central Mumbai region for Value Luxury and Luxury Segments. Further, our projects are strategically located within South Central Mumbai region. Our residential projects benefit from sea view and variety of amenities such as clubhouse and landscaped garden, amongst others which appeal to our clients in Value Luxury and Luxury Segments. Our residential projects are located in areas that are attractive and near to the commercial areas, railway stations, bus stops, upcoming metro stations etc. In addition, higher growth in residential demand is expected in the South Central Mumbai region, due to improved connectivity, higher affordability and development of alternative commercial centres.

The diversity in our portfolio of projects, created by our range of offerings and price help us to cater different segments of the market and diversify our risk of dependence on a particular segment.

***Strong project pipeline providing near term cash flow visibility***

We are among the top two developers with 15.25% market share as per supply (in number of units) and ranked third with 13.50% market share as per absorption (in number of units) in the residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in South Central Mumbai for calendar years 2016 to 2021 (till Q3). (Source: Company Commissioned Anarock Report). We believe that we have a strong project pipeline, which provides near term cash flow visibility.

As of December 31, 2021, we have nine (09) Ongoing Projects the details of which are as follows:

Number of Ongoing Projects	Developable Area (in square feet)	Carpet Area (in square feet)	Total units for sale	Units sold
09	1,970,445.02	442,616	571	284

As of December 31, 2021, we have twenty one (21) Upcoming Projects the details of which are as follows:

Number of Upcoming Projects*	Estimated Carpet Area for Sale (in square feet)**
21***	928,400

\*Information provided in respect of our Upcoming Projects are based on our current management plans and subject to change

\*\*Estimated Carpet Area for Sale has been calculated based on certain assumptions and estimates made and certified by the independent architect namely Priyanka Rajaram Rahate in her certificate dated March 2, 2022. The actual Carpet Area may vary from the estimated Carpet Area presented herein on the basis of plans approved by the Municipal Corporation of Greater Mumbai (MCGM)

\*\*\*Includes 2 commercial projects having estimated carpet area for sale of approximately 110,894 square feet.

We have certain land parcels located at Bandra (West) and Santacruz (East) for future development. As of December 31, 2021, we have Land Reserves of 10,359.77 square meters, which we intend to develop in future by utilizing the entire FSI potential of more than index 2.0, subject to various factors including marketability and receipt of regulatory clearances.

#### ***Strong expertise in tenant settlement in the redevelopment projects***

We are one of the market leaders in the redevelopment projects in South Central Mumbai sub markets. From 2016 to 2021(till Q3), we had launched 14 residential projects out of which 12 projects (~86%) are redevelopment projects (Source: Company Commissioned Anarock Report). Since most of the land parcels in the South Central Mumbai market are in the nature of redevelopment projects, tenant settlement is a key element for unlocking value on land parcels. Due to our track record of providing good quality free-housing to the tenants/ occupants we are the preferred developer even amongst the tenants in the South Central Mumbai region. We have a dedicated in-house team focusing on various requirements and concerns of tenants. As on December 31, 2021, we have redeveloped houses for 1,011 tenants free-of-cost under regulation 33(7) of the Development Control and Promotion Regulation, 2034 (“DCP Regulations”) thereby simultaneously freeing considerable areas of FSI for commercial development.

#### ***Proven track record of efficient project management skills and execution with ability to deliver projects at competitive cost and within reasonable timelines.***

We have the requisite skills for efficient project management and execution, with skilled manpower, quick decision-making abilities, efficiently deploying of resources, as well as strategic purchasing capabilities benefiting from a well integrated business model. We have adopted an integrated project development model involving significant in-house resources and technical capabilities that enable us to execute projects from conceptualization stage to completion. Land acquisition / acquisition of development rights for our projects is determined carefully based on extensive research undertaken by us. We have developed an experienced liasioning team to timely obtain necessary regulatory approvals and ensure continued compliance with applicable regulatory guidelines. We have also developed an in-house planning and design team, equipped with a creative studio, which focuses on conceptualizing projects based on market research and feasibility studies. For certain projects, we have involved well-known architects and structural consultants, including Sanjay Puri Architects, Vivek Bhole Architects Private Limited, JW Consultants LLP, Sterling Engineering Consultancy Services Private Limited, Struct Bombay Consultants. We have on our panel well established and experienced civil contractors including Fem Constructions (India) Private Limited and ACC India Private Limited to carry out civil construction works relating to certain projects.

Our liaison team works in close coordination with civic authorities and has the requisite knowledge of the process and requirements for obtaining the necessary regulatory approvals in a timely manner. Our construction management team ensures efficient and rapid construction and completion of our projects. Our quality assurance team conducts regular assessments to ensure quality of construction materials procured. We maintain stringent quality standards, ensure efficient inventory management and follow strict construction and project execution schedules, thereby ensuring effective resource planning, cost efficiencies and economies of scale across multiple projects. We have technically qualified personnel for overseeing and executing many key aspects of real estate development, such as architecture, engineering, procurement and contracts and project management.

Our execution capabilities comprising of in-house operations consisting of design, engineering, procurement, construction and quality assurance teams have enabled us to timely complete our projects and establish ourselves as one of the prominent real estate developers for in the South Central Mumbai region. In addition, our ability to partner with various domestic and international financial institutions enables us to develop and execute larger real estate projects and increase our scale of operations in terms of size and number of projects.

### ***Innovative marketing and sales strategies***

Our experienced marketing and sales team track market trends which enables us to position our projects appropriately in terms of location and price points, and creates a cohesive marketing strategy designed to secure and build brand value and awareness. Some of these strategies include exclusive code names for each project, large public launches with a book-building approach, and the implementation of the concept of self-sustained communities.

The primary focus of our marketing team is to collectively work towards identifying the target market groups and leveraging promotional tools to attract the target group. Over the time, such initiatives have enabled us in creating differentiated products and market our projects to our target customers for each project. We use differentiated sales strategies and multiple approaches to sell our products. We have dedicated in-house sales teams focusing on interaction with channel partners to drive walk-in at our sites (sourcing function) and the other focusing on deal closures (closing function). We have an experienced customer care team who regularly interact with our customers and are responsible for assisting them throughout the entire period from initial booking to handover of their homes. This provides our customers with a one-point interface for any specific requirement or grievance they may have.

Our customer-centric approach includes comprehensive support to customers from enquiry stage right upto possession of units, as well as measures implemented to address any customer grievance. Our continued engagement with customers even subsequent to sale of units and delivery of possession has resulted in further strengthening of our brand and customer goodwill. Customer goodwill also translates into significant customer referrals that further strengthens our strong brand and sales network resulting in increased sales. In addition, our extensive presence across various sub markets within the South Central Mumbai region further strengthens our brand recall across the region

### ***Experienced promoters and strong management team***

Our Company was founded by our Promoter, Rajan Meenathakonil Thomas, who is the Chairperson and Managing Director with over thirty five (35) years of experience in various aspects of real estate business. The leadership team also consists of Rahul Rajan Jesu Thomas, Whole-time Director with over fifteen (15) years of experience in various aspects of real estate business along with other professionals, each having vast experience across different industries and are instrumental in implementing our business strategies. Our board also includes Non Executive Director, Sujatha R. Thomas and Independent Directors namely, Mrutyunjay Mahapatra, Sunil Pant and Dr. Satyendra Shridhar Nayak, all of whom are qualified and experienced professionals and lead distinct business aspects. For further information, see “*Our Management*” on page 205.

Our management team continues to focus on marketing and new growth areas in their respective segments. The knowledge and experience of our Promoter and Whole-time Director, along with Key Managerial Personnel, senior management and team of skilled personnel, provides us with a significant competitive advantage as we seek to expand our capacities and product portfolio in our existing markets and new markets. We continue to leverage the experience of our Promoter, Directors, Key Managerial Personnel and senior management team to further grow our business and strategically target new market opportunities. We believe that this experience enables us to anticipate real estate trends, identify and develop projects in micro-markets with growing demand, and develop projects that address and attract evolving customer preferences.



## **BUSINESS STRATEGIES**

### ***Enhance our leading market position in the South Central Mumbai region by leveraging our Upcoming Projects***

We continue to focus primarily on residential projects in the Value Luxury and Luxury Segments within select micro-markets of the South Central Mumbai region by leveraging our brand, deep experience and a track record of successful execution. As on December 31, 2021, we have Upcoming Projects with an aggregate estimated carpet area for sale of about 928,400 square feet and Land Reserves of 10,359.77 square meters. Through the execution of these Upcoming Projects we intend to consolidate our leading market position in the South Central Mumbai region. The South Central Mumbai region is a prime real estate market in the MMR region in terms of its aspiration value / premium product positioning, higher realisation and stable demand for real estate developments. In addition, higher growth in residential demand is expected in the South Central Mumbai region, due to improved connectivity, higher affordability and development of alternative commercial centres. We further intend to leverage our in-depth knowledge of these sub markets and continue to focus our expansion plans in the South Central Mumbai across different price points and customer segments.

### ***Continue to focus on redevelopment projects through asset light model***

We aim to strengthen our redevelopment project portfolio pre-dominantly through asset light model. We intend to leverage our brand and leadership position to grow our business by entering into development agreements with housing societies. We believe that such an approach will enable us to be more capital efficient and reduce our upfront land acquisition costs. We intend to follow this strategy in the South Central Mumbai region where we have a strong presence and to expand our presence in other parts of MMR region. We believe that on account of the limited availability of financing, lack of technical expertise and project management skills, societies, want to collaborate with developers such as us. We are a partner of choice for such projects because of our strong brand recall, proven track record, diversified presence across price points, our ability to sell considerable amount of units at launch and during construction phase of projects and our strong marketing and sales capabilities.

### ***Continue to pursue our differentiated product offerings across multiple price point and configurations.***

The share of 1 BHK flats and compact 2 BHK flats in Value Luxury Segment housing in new launches continues to increase and there has been relatively better demand from end users in these segments, resulting in better sales volume and velocity. We therefore intend to further strengthen our presence in delivering value luxury 1 BHK flats and compact 2BHK flats in South Central Mumbai region. We propose to achieve this by continuing to focus on 1 BHK flats with ticket sizes ranging between ₹10.00 million and ₹20.00 million and flat size ranging between 300 square feet up to 500 square feet along with parking and other amenities. We are also developing compact 2 BHK flats, with ticket sizes ranging between ₹20.00 million and ₹30.00 million and flat size ranging between 500 square feet up to 800 square feet along with parking and other amenities.

### ***Continue to expand Land Reserves in South Central Mumbai region and opportunistically build our position in other sub markets within MMR region***

We intend to take advantage of emerging consolidation opportunities in the real estate industry generated by regulatory changes, such as RERA, and other market factors, by following a flexible strategy for land acquisition. We intend to continue to evaluate various land acquisitions models, such as outright purchase, joint ventures, joint development and development management and the same is critical to increase our market penetration across the various market segments in which we operate. In particular, our strong execution record and customer relationships provide us with the continued ability to source land in strategic locations and help us to continue to focus on and execute projects. A significant portion of our Land Reserves has been acquired at a competitive cost in the past through our research efforts. This helps us in predicting areas that are to be developed within the foreseeable future and then selecting locations for our projects that lead to strong demand and faster appreciation of land. While areas in and around South Central Mumbai region are expected to remain our primary focus, we are opportunity centric and have evaluated and will continue to evaluate growth opportunities outside of our current focus area on a case by case basis.

### ***Continue to selectively develop Commercial Projects in the South Central Mumbai region***

We intend to continue to focus on the development of commercial spaces to enable us to create value through complimentary asset classes. We have constructed and sold build-to-suit offices to institutional clientele such as

Saraswat Co-operative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar). To cater to the increasing need of smaller independent offices in the commercial segment, we are currently proposing a 31 storey commercial building situated on Tulsi Pipe Road, Mahim comprising of independent offices between 200.00 square feet up to 750.00 square feet.

## **BUSINESS OPERATIONS**

We are among the prominent residential real estate developers, focused primarily on construction and development of residential and commercial projects, in and around sub market of South Central Mumbai. We have, for the purpose of describing our business, classified the description of our projects into the following categories: (a) Completed Projects, (b) Ongoing Projects, (c) Upcoming Projects and (d) Land Reserves. We believe that real estate development primarily involves nine distinct steps: (i) Land identification, feasibility and acquisition, (ii) Concept design, (iii) Design and planning, (iv) Design development, (v) Regulatory approvals, (vi) Vacating tenant and demolition of existing structure (in case of redevelopment), (vii) Project Execution, site development and construction, (viii) Marketing and sales, and (ix) Completion and transfer.

The category of “**Completed Projects**” are those projects where the Company and/ or subsidiaries of the Company and/ or associates/ joint ventures of the Company have completed development; and in respect of which the occupancy/completion certificate, as applicable, has been obtained as of December 31, 2021.

The category of “**Ongoing Projects**” are those projects in respect of which (i) all title or development rights, or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company / associates/ joint ventures of the Company; (ii) Development work is ongoing/started; and (iii) the requisite approvals for commencement of development have been obtained as of December 31, 2021.

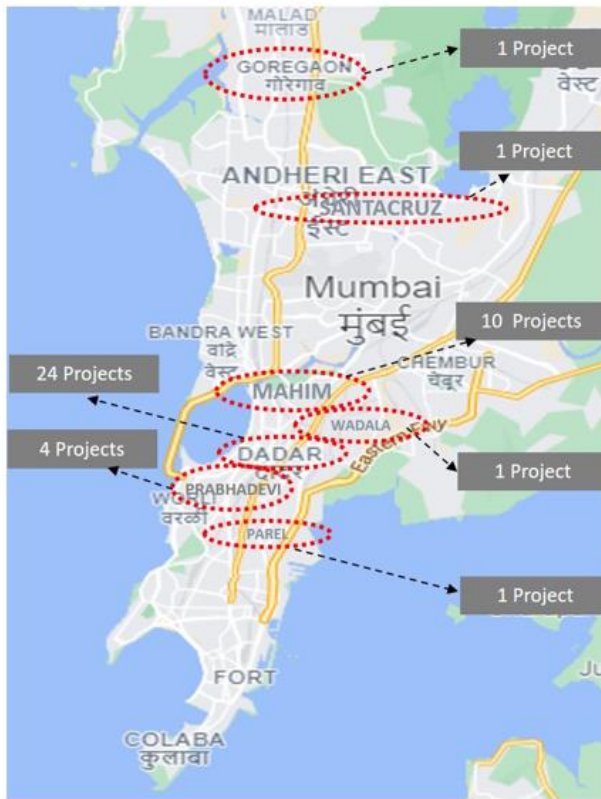
The category of “**Upcoming Projects**” are those residential and/ or commercial projects where the land (or rights thereto) has been acquired, the business plan of the project is being finalized, the design development and pre-construction activities and the process for seeking necessary approvals for the development of the project or part thereof has commenced. The construction and sales of the upcoming projects have not yet commenced as of December 31, 2021.

The category of “**Land Reserves**” comprises land on which any of the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) owns development rights/MOU/similar documents or where development right agreements are in the process of execution, but on which the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) have not planned any construction or development as of December 31, 2021.

A majority of our Completed Projects, Ongoing Projects and Upcoming Projects are situated in South Central Mumbai region in Mumbai, Maharashtra

Set forth below are maps indicating the locations of our Completed Projects, as of December 31, 2021:

## Suraj Group – Completed Projects (42)



### Dadar

1. Tranquil Bay -II
2. Tranquil Bay -I
3. Ocean Star -II
4. Mangirish
5. Suraj Muktiyash
6. Godavari Sadan
7. Rahul-I
8. Rahul - II
9. Vinayak Darshan
10. Neat House
11. Madonna-A
12. Gloriosa Apts
13. Lavanya Apts
14. Shweta Apts
15. Sujatha Apts
16. ICICI Apts
17. Diomizia Apts
18. Mon Desir
19. CCIL Bhavan-I
20. Harmony
21. Jacob Apts
22. Elizabeth Apts I
23. Lumiere
24. Suraj Vista

### Parel

1. Mahadevachiwadi CHS

### Mahim

1. St. Anthony's Apts
2. Suraj Sadan
3. Bobby Apts
4. Suraj Venture-A
5. Suraj Venture-B
6. Our Lady of Vailankanni & Our Lady of Perpetual Succour
7. Our Lady of Lourdes
8. Suraj Eleganza-I
9. Suraj Eleganza-II
10. Eternity Apts

### Prabhadevi

1. Brahmsidhhi CHS
2. Saraswat Bank Bhavan-I
3. Elizabeth Apts II
4. ICICI Apts

### Goregaon

1. Suraj Height -I, II, III

### Santacruz

1. Christina Apts

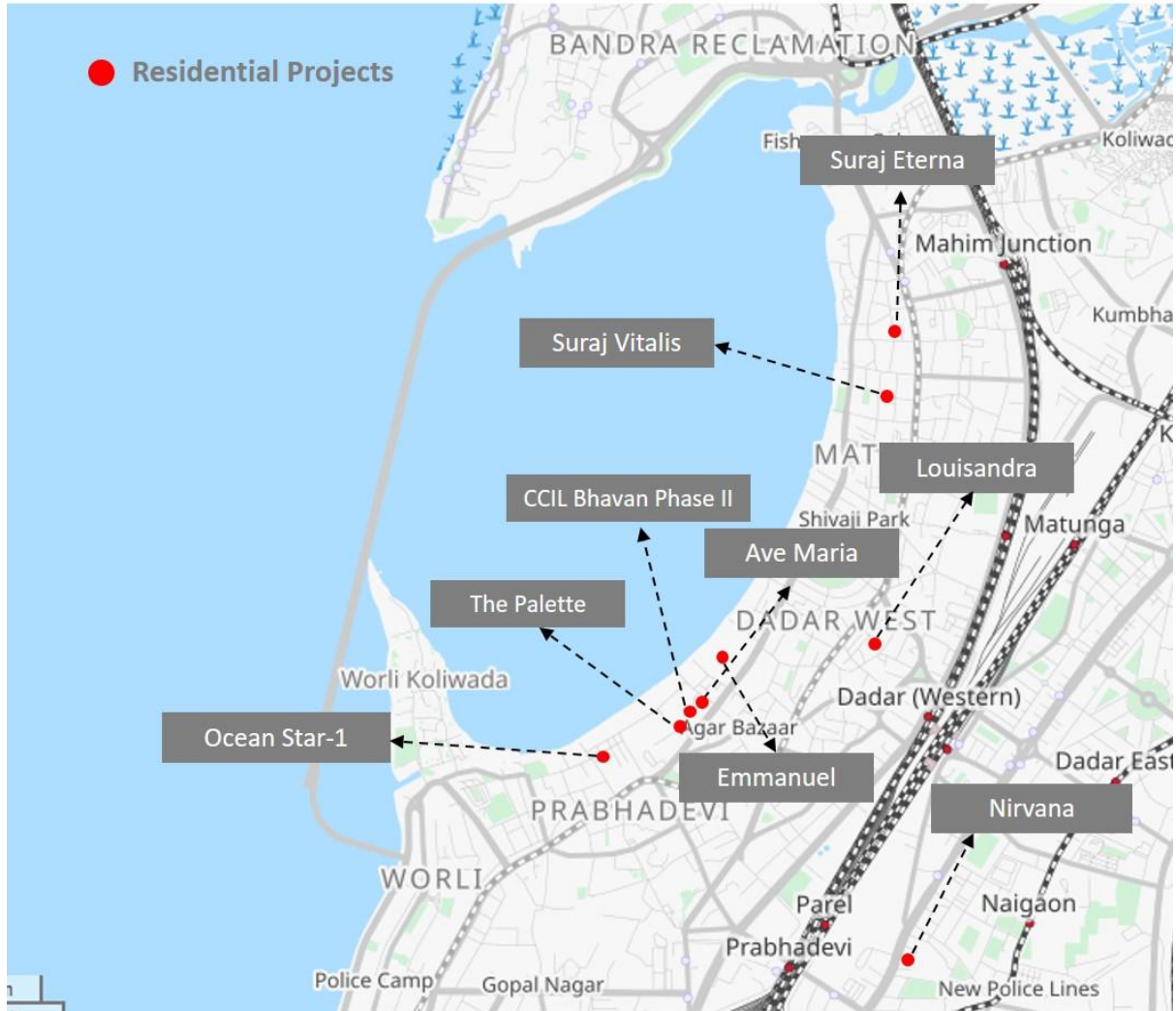
### Wadala

1. Hallmark

*Note: The above map is not to scale and not intended to mean political map of the Mumbai.*

Set forth below are maps indicating the locations of our Ongoing Projects as of December 31, 2021:

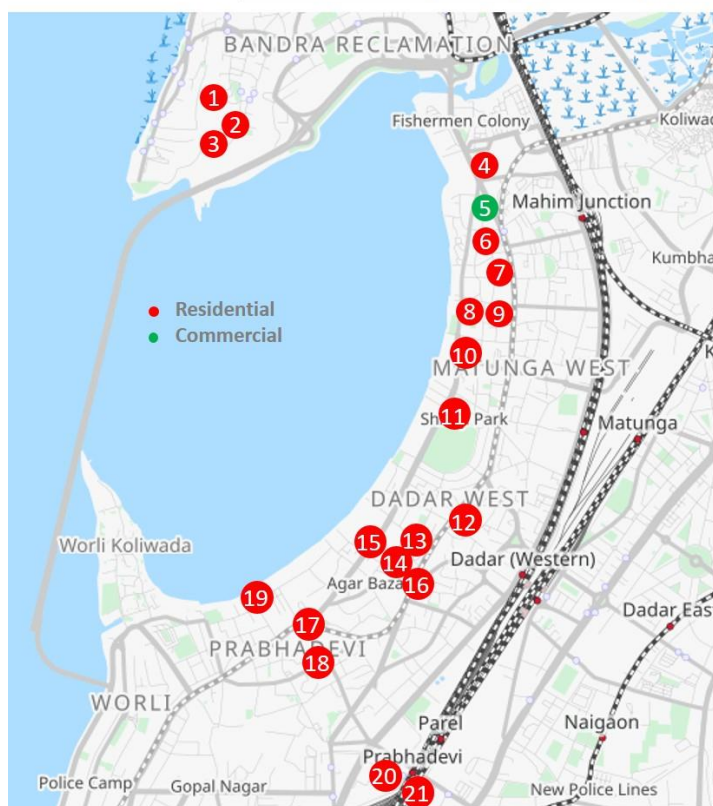
## Suraj Group – Ongoing Projects (9)



*Note: The above map is not to scale and not intended to mean political map of the Mumbai.*

Set forth below are maps indicating the locations of our Upcoming Projects as of December 31, 2021:

### Suraj Group – Upcoming Projects (21)



1. CTS 948-949, Bandra (W)
2. CTS 933-915, Bandra (W)
3. CTS 920 -924, Bandra (W)
4. FP 393, Mahim (W)
5. FP 426B, Mahim (W)
6. FP 471, Mahim (W)
7. FP 557, Mahim (W)
8. FP 103, Mahim (W)
9. FP 70, Mahim (W)
10. FP 638, Mahim (W)
11. FP 702-704, Shivaji Park, Dadar (W)
12. FP 280, Dadar (W)
13. FP 782, Dadar (W)
14. FP 766-B, Dadar (W)
15. FP 846, Dadar (W)
16. Palette , Balance Area, Dadar (W)
17. FP 953, Dadar (W)
18. FP 964, Prabhadevi
19. Ocean Star-I, Balance Area, Prabhadevi
20. C.S. 177, Lower Parel
21. C.S. 692, Byculla (E)

Note: The above map is not to scale and not intended to mean political map of the Mumbai.

Further, the table below sets forth certain key operational information relating to our projects as of December 31, 2021:

#### Completed Projects

Number of Projects	Developed Area
	(square feet)
42	1,046,543.20

#### Ongoing Projects

Number of Projects*	Developable Area	Saleable RERA Carpet Area
	(square feet)	(square feet)
09	1,970,445.02	442,616

\*Information provided in respect of our Ongoing Projects are based on our current management plans and subject to change

#### Upcoming Projects

Number of Projects*	Estimated Carpet Area for Sale <sup>(1)</sup>
	(square feet)
21	928,400

<sup>(1)</sup>Estimated Carpet Area for Sale has been calculated based on certain assumptions and estimates made and certified by the independent architect namely, Priyanka Rajaram Rahate in her certificate dated March 2, 2022. The actual Estimated Sale Carpet Area may vary from the estimated Carpet Area for Sale presented herein on the basis of plans approved by the Municipal Corporation of Greater Mumbai (MCGM).

*\*Information provided in respect of our Upcoming Projects are based on our current management plans and subject to change.*

**Land Reserves**

Owned/ Development Rights	Plot Size
	(square meters)
Owned – [1]	364.21
Leased – [1]	1,173.57
Development Rights [5]	8,821.99
<b>Total – [7]</b>	<b>10,359.77</b>

Number of bookings and cash collections in the Ongoing and Completed Projects:

	For nine month period ended December 2021	FY2021	FY2020	FY 2019
<b>Number of Bookings</b> (in units)				
Value Luxury	54	105	29	26
Luxury	20	37	9	8
<b>Cash Collections</b> (in million)				
Value Luxury	931.17	658.51	323.49	225.59
Luxury	758.87	852.13	381.90	209.80

**Completed Projects**

Majority of our Completed Projects are situated in South Central Mumbai. The following table sets forth certain information on our Completed Projects, as of:

Sr. No.	Project Name	Location	Type and configuration	Name of company/ entity that is the developer of the project	Company's / respective entity's stake in Project	Developed Area		Date of Occupation certificate	Occupation certificate for all floors
						(square meters)	(square feet)		Yes/ No
1.	Tranquil Bay-II	F.P. No.1181/1182, Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	2,756.27	29,668.49	13/03/2019	Yes (Except for 1 Flat)
2.	Tranquil Bay-I	F.P. No.1181/1182, Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	356.22 (FSI area)	3,834.35 (FSI area)	15/10/2011	Yes
3.	Ocean Star-II	F.P. No 1198/1199, Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,038.86 (FSI area)	11,182.29 (FSI area)	26/02/2019	Yes (Except for 4 No of Flats)
4.	Mon Desir	F.P. No.625, S.V.S. Marg, Dadar (W)	Commercial/ Residential	Suraj Estate Developers Ltd.	100	2,749.03	29,590.56	27/08/2019	Yes
5.	Mangirish	F.P. No.1170, Kashinath Dhuru Road, Dadar (W)	Residential	Accord Estates Pvt. Ltd.	100	5,850.37	62,973.38	06/12/2021	Yes
6.	St. Anthony Apartments	F.P. No.451, MMC Cross Road No.2, Mahim (W)	Residential	Suraj Estate Developers Ltd.	100	1,839.62	19,801.67	27/08/2021	Yes (Excepting for 1 Flat)
7.	Brahmsidhhi CHS	F.P. No. 953, Appasaheb Marathe Marg, Prabhadevi	Residential	Suraj Estate Developers Ltd.	100	8,402.50	90,444.51	22/03/2006	Yes
8.	Saraswat Bank Bhavan (Phase-I-up to 7 <sup>th</sup> floor)	F.P. No. 953, Appasaheb Marathe Marg, Prabhadevi	Commercial	Suraj Estate Developers Ltd.	100	3,986.24	42,907.89	16/10/2010	Yes
9.	Suraj Height -I, II, III	CTS No. 552, 552/1 to 20, Village Pahadi Goregaon (E), Wal Bhat Road,	Commercial / Residential	Suraj Estate Developers Ltd.	100	5,882.07 (FSI area)	63,314.60 (FSI area)	08/02/1996	Yes
10.	Christina Apartments	CTS No. 6371 to 6374, Village Kolkalyan, Santacruz (E),	Commercial / Residential	Suraj Estate Developers Ltd.	100	408.80 (FSI area)	4,400.32 (FSI area)	23/04/2003	Yes
11.	Suraj Muktiyash	F.P. No.1165A, Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Pvt. Ltd.	100	1,441.67 (FSI area)	15,518.14 (FSI area)	12/03/1996	Yes
12.	Suraj Sadan	F.P. No.651, Kapad Bazar Road, Mahim (W)	Residential	Suraj Estate Developers Ltd.	100	499.69 (FSI area)	5,378.66 (FSI area)	19/01/1994	Yes
13.	CCIL Bhavan (Phase-I-up to 6 <sup>th</sup> floors)	F.P. No. 822, Govindrao Patwardhan Road, Dadar (W)	Commercial	Suraj Estate Developers Ltd.	100	5,949.68 (FSI area)	64,042.35 (FSI area)	13/02/2012	Yes
14.	Godavari Sadan	F.P. No. 1185, Kashinath Dhuru Road, Dadar (W)	Residential	Accord Estates Pvt. Ltd.	100	773.50 (FSI area)	8,325.95 (FSI area)	21/07/2003	Yes
15.	Rahul-I	F.P. NO.441, Baburao Paralkar Marg, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,562.51 (FSI area)	16,818.85 (FSI area)	14/07/1997	Yes
16.	Rahul-II	F.P. NO.441, Baburao Paralkar Marg, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,278.07 (FSI area)	13,757.15 (FSI area)	20/04/1993	Yes
17.	Vinayak Darshan	F.P. NO.1173, Off Cadel Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	866.25 (FSI area)	9,324.32 (FSI area)	03/12/1992	Yes
18.	Bobby Apartments	F.P. NO.295, L.J. Road, Mahim (W)	Residential	Suraj Estate Developers Ltd.	100	373.75 (FSI area)	4,023.05 (FSI area)	22/05/2003	Yes
19.	Suraj Venture-A	F.P. NO.494-C & E, Bhagoji Keer Marg, Mahim (W)	Residential	Suraj Estate Developers Ltd.	100	1,250.00 (FSI area)	13,455 (FSI area)	03/11/1990	Yes
20.	Suraj Venture-B	F.P. NO.494-C & E, Bhagoji Keer Marg, Mahim (W)	Residential	Suraj Estate Developers Ltd.	100	1,909.89 (FSI area)	20,558.05 (FSI area)	14/01/1992	Yes
21.	Hallmark	C.S.No.104, Shaikh, Mistry Karve Road, Wadala (E)	Residential	Suraj Estate Developers Ltd.	100	450.80 (FSI area)	4,852.41 (FSI area)	30/11/2016	Yes
22.	Harmony	F.P.No.694,Ranade Road, Dadar (W)	Commercial / Residential	Suraj Estate Developers Ltd.	100	370.09 (FSI area)	3,983.65 (FSI area)	16/04/2010	Yes (Except for 4 Flats)
23.	Neat House	F.P.No.766-A ,GovindRao Patwardhan Marg, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,812.95(FSI area)	19,514.59 (FSI area)	18/09/2000	Yes
24.	Madonna Wing A	F.P.No.766-B ,GovindRao Patwardhan Marg, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	995.30(FSI area)	10,713.40 (FSI area)	07/08/1999	Yes



Sr. No.	Project Name	Location	Type and configuration	Name of company/ entity that is the developer of the project	Company's / respective entity's stake in Project	Developed Area		Date of Occupation certificate	Occupation certificate for all floors
						(square meters)	(square feet)		Yes/ No
25	Our Lady of Vailankanni & Our Lady of Perpetual Succour	F.P.No.557,Mari Nagar, Mahim,(W)	Residential	Suraj Estate Developers Ltd.	100	7,025.43(FSI area)	7,5621.72(FSI area)	15/11/2003	Yes
26	Our Lady of Lourdes	F.P.No.557,Mari Nagar, Mahim,(W)	Residential	Suraj Estate Developers Ltd.	100	1,680.48 (FSI area)	18,088.69 (FSI area)	07/10/1996	Yes
27	Jacob Apartments	F.P.No.439, Baburao Parulekar Marg, Dadar(W)	Commercial/ Residential	Suraj Estate Developers Ltd.	100	1,087.69 (FSI area)	11,707.90 (FSI area)	16/03/2006	Yes (Except for 4 Shops)
28	Gloriosa Apartments	F.P.No.857-A, N.M. Kale Marg, Dadar,(W)	Residential	Suraj Estate Developers Ltd.	100	3,343.56 (FSI area)	35,990.08 (FSI area)	01/04/2005	Yes (Except for 4 Flats)
29	Lavanya Apartments	F.P.No.514, Prof. V.S. Agashe Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,610.80 (FSI area)	17,338.65 (FSI area)	12/03/2003	Yes
30	Shweta Apartments	F.P.No.869-A, Off. S.K. Bole Road Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,265.26 (FSI area)	13,619.26 (FSI area)	25/04/1996	Yes
31	Sujatha Apartments	F.P.No.437, Baburao Parulekar Marg, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	800.15 (FSI area)	8,612.81 (FSI area)	27/04/2001	Yes
32	Suraj Eleganza-I	F.P.No.470, Pitamber Lane, Mahim,(W)	Residential	Suraj Estate Developers Ltd.	100	1,302.47 (FSI area)	14,019.79 (FSI area)	25/07/2005	Yes
33	Suraj Eleganza-II	F.P.No.470, Pitamber Lane, Mahim,(W)	Residential	Suraj Estate Developers Ltd.	100	1,635.36 (FSI area)	17,603.01 (FSI area)	03/01/2007	Yes
34	Eternity Apartments	F.P.No.469, Pitamber Lane, Mahim,(W)	Residential	Suraj Estate Developers Ltd.	100	552.00 (FSI area)	5,941.73 (FSI area)	22/04/2010	Yes
35	ICICI Apartments	F.P. No.1165B, Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,333.57 (FSI area)	14,354.54 (FSI area)	31/03/2000	Yes
36	ICICI Apartments	F.P No. 967, Shankar Ghanekar Marg, Prabhadevi, Mumbai	Residential	Suraj Estate Developers Ltd.	100	1,631.48 (FSI area)	17,561.25 (FSI area)	30/03/2007	Yes
37	Diomizia Apartments	F.P. No.888, Gokhale Road (South), Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	1,375.61 (FSI area)	14,807.06 (FSI area)	14/02/2011	Yes
38	Elizabeth Apartment	F.P. No.398, Gokhale Road (South), Dadar (W)	Commercial/ Residential	Suraj Estate Developers Ltd.	100	3,769.84	40,578.56	27/03/2020	Yes
39	Lumiere	F.P. No.782, Gokhale Road (North), Dadar (W)	Commercial/ Residential	New Siddharth Enterprises	100	3,880.06	41,764.97	30/12/2020	Yes (Except for 3 Flats)
40	Mahadevachiwadi CHS	C.S. No.662, G.D. Ambedkar Marg, Parel	Commercial/ Residential	Accord Estates Pvt. Ltd.	100	9,061.85 (FSI area)	97,541.75 (FSI area)	27/10/2015	Yes
41	Suraj Vista	F.P. No. 1184, Off. Kashinath Dhuru Road, Dadar (W)	Residential	Suraj Estate Developers Ltd.	100	473.30 (FSI area)	5,094.60 (FSI area)	18/09/1996	Yes
42	Elizabeth Apartment	C.S. No. 2/844, Carell Road, Elphinstone Road	Residential	Suraj Estate Developers Ltd.	100	2,593.20 (FSI area)	27,913.20 (FSI area)	23/10/1992	Yes
	<b>Total</b>					<b>97,225.31</b>	<b>10,46,543.20</b>		

Note: Complete occupation certificate for certain Completed Projects are yet to be received. We are in process of obtaining the occupation certificate for the pending flats and commercial space.



Below mentioned are the images of certain our notable Completed Projects:



**Ongoing Projects**

As of December 31, 2021, we had nine (09) Ongoing Projects with a Developable Area of 1,970,445.02 square feet.

The following table sets forth certain information on our Ongoing Projects:

Sr. No.	Project Name	Location	Type	Segment	Details of registration certificate under RERA	Company's/ Entity's effective stake in Project	Developable Area	Carpet Area for Sale	Unit details			Expected Completion Date As filed with RERA#	Ticket Size  (in ₹ million)
									(square feet)	(square feet)	Total units for sale		
1.	Louisandra	F.P. No. 1/274, Gokhale Road (North), Dadar (W)	Residential	Value Luxury	P51900010078	100	63,360.13	28,800	60	59	96.67%	30/06/2022	15 to 40
2.	Emmanuel	F.P. No. 751-752, MTNL Lane, Dadar (W)	Residential	Value Luxury	P51900028729	100	78,577.20	28,138	59	45	76.27%	30/12/2025	17 to 30
3.	Ave Maria	F.P. No. 822, Govindrao Patwardhan Road, Dadar (W)	Residential	Value Luxury	P51900021954	100	177,020.55	20,948	40	37	92.50%	30/12/2024	15 to 30
4.	Vitalis	F.P.No.107,L.J.Road,Mahim (W)	Residential	Value Luxury	P51900031447	100	349,410.20	81,027	142	14	9.86%	31/12/2026	17 to 30
5.	Suraj Eterna	F.P. No. 606-607, 2 <sup>nd</sup> L.J. Cross Road, Mahim (W)	Residential	Value Luxury	P51900032173	100	61,416.26	33,431	66	-	0.00%	31/12/2026	15 to 30
6.	Nirvana**	C.S. No.662, G.D. Ambedkar Marg, Parel	Residential	Value Luxury	P51900010100	Share of Area as per Joint Development Agreement	663,515.56**	75,600**	69	50	72.46%	30/12/2024	23 to 50
7.	Palette*	F.P. No. 823, R.B.S.K. Bole Road, Dadar (W)	Residential	Luxury	P51900008207	100	414,048.02	131,168	109	59	54.13%	30/06/2022	45 to 80
8.	Ocean Star-I*	F.P. No. 1198-1199, Kashinath Dhuru Marg, Dadar (W)	Residential	Luxury	P51900007257	100	147,020.42	29,327	24	20	83.33%	30/06/2023	60 to 80
9.	CCIL Bhavan (Phase-II-additional 2 floors)	F.P. No. 822, Govindrao Patwardhan Road, Dadar (W)	Commercial	Commercial	P51900021953	100	16,076.68	14,177	2	-	0.00%	30/12/2024	350 to 700
	<b>Total</b>						<b>1,970,445.02</b>	<b>4,42,616</b>	<b>571</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>-</b>

*(\*Part of a larger project; areas taken are for ongoing portion only)*

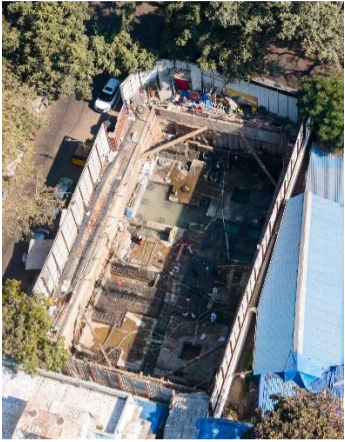





*\*\*Total Developable Area and Developed Area reflects 100% Developable Area of Ongoing Project Nirvana whereas the Carpet Area for Sale reflects Accord Estates Private Limited's Share of Carpet Area for Sale in the Project Nirvana)*

*(# The RERA dates mentioned herein stands extended by a cumulative period of 12 months as per notifications No. MahaRERA / Secy /Order/ 26 /2020 dated 18th May 2020 and No. MahaRERA I Secy/File No. 27 / 157 / 2021 dated 06<sup>th</sup> August 2021 issued by Maharashtra Real Estate Regulatory Authority (Maha RERA)*

*Note: Information provided in respect of our Ongoing Projects are based on our current management plans and are subject to change.*



Set out below is a brief description of our notable Ongoing Projects:

Project Name and Segment	Project Description	Project Image	
<b>Emmanuel (Dadar) - Value Luxury</b>	This project is in the Value Luxury Segment and comprises of a Ground + 20 storey tower and having 1 BHK flats and compact 2 BHK boutique sea facing apartments. It strategically located off Cadell Road and is in close proximity of commercial hubs at Lower Parel and Worli, malls, theatres and parks. The development will include gymnasium and all other essential amenities. This project is designed by Vivek Bhole Architects Private Limited and is in the Value Luxury Segment.		
<b>Vitalis (Mahim) - Value Luxury</b>	This project is in the Value Luxury Segment. It is a 38-storey tower and comprises of 1 BHK flats and 2 BHK sea facing apartments. This project has a dedicated 7-level podium parking. It is strategically located at Lady Jamshedji Road, Mahim (West) and is in the close proximity of Mumbai's Shivaji Park. This development will include a dedicated amenities floor admeasuring of a 1,000 square feet gymnasium, kids play area, banquet hall, jogging track, amongst others. This project is designed by Vivek Bhole Architects Private Limited and in our Value Luxury Segment.		
<b>Palette (Dadar) - Luxury</b>	This project is in Luxury Segment and comprises of 2 BHK flats and 3 BHK flats which are sea facing apartments. One of the main USP of this project is the floor to floor height of 12 feet 6 inches. The development will include facilities and amenities such as clubhouse, swimming pool and landscaped garden, amongst others. It is strategically located between Portuguese Church and Siddhivinayak Temple and about 10 minutes walking distance from Dadar Railway station. This project is designed by Sanjay Puri Architects and is being constructed by ACC India Private Limited.		 <p data-bbox="1398 1679 1902 1739"><i>Note: This picture depicts a picture of the show flat at our project Palette (Dadar)</i></p>  <p data-bbox="1398 2095 1902 2154"><i>Note: This picture depicts a picture of the show flat at our project Palette (Dadar)</i></p>
<b>Ocean Star (Dadar) - Luxury</b>	This project is in theLuxury Segment and comprises of 3 BHK sea facing apartments with just 2 units per floor with floor to floor height is 12 feet 6 Inches. It is strategically located in the close proximity of Dadar Beach. This project is designed by Sanjay Puri Architects and is being constructed by ACC India Private Limited Segment.		

### Upcoming Projects

As of December 31, 2021, we have twenty one (21) Upcoming Projects with an aggregated estimated carpet area for sale of 9,28,400 square feet.

The following table sets forth certain information on our Upcoming Projects, as of December 31, 2021:

Sr. No.	Project Name	Location	Type	Segment	Name of company/ entity that is the developer of the project	Company's/ Entity's stake in Project	Estimated Carpet Area for Sale*
						(%)	(Sq ft)
1.	Kowliwadi	F.P. No. 964, Kakasaheb Gadgil Marg, Prabhadevi	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	13,995
2.	Madonna Wing B	F.P.No.766-B ,GovindRao Patwardhan Marg, Dadar (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	13,660
3.	Gudekar House	F.P. No. 280, R.B.S.K. Bole Road, Dadar (W)	Residential	Value Luxury	S.R. Enterprises	100	10,586
4.	Lucky Chawl	F.P. No. 103, L.J. Road, Mahim (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	15,351
5.	Mestry House	F.P. No. 471, Pitamber Lane, Mahim (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	3,928
6.	Ambavat Bhawan	C.S. No. 177, N.M. Joshi Marg, Lower Parel	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	17,010
7.	Marinagar Phase -2	F.P.No.557,Mari Nagar, Mahim (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	167,884
8.	Norman House	F.P. No. 846, R.B.S.K. Bole Road, Dadar (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	7,074
9.	Nanabhai Manzil	F.P. No. 638, L.J. Road, Mahim (W)	Residential	Value Luxury	Mulani & Bhagat Associates	100	20,150
10.	Lumiere Phase 2	Final Plot No 782, TPS IV of Mahim Division, Gokhale Road, Dadar (West)	Residential	Value Luxury	New Siddharth Enterprises	100	19,672
11.	Girgaonkarwadi	F.P. No. 393, Sitaladevi Temple Road, Mahim (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	200,489
12.	F.P. No. 702-704	Final Plot No 702-704, Anant Patil Road, Near Shivaji Park, Dadar (W)	Residential	Value Luxury	Suraj Estate Developers Ltd.	100	82,501
13.	Palette – (Balance Area)	F.P. No. 823, R.B.S.K. Bole Road, Dadar (W)	Residential	Luxury	Suraj Estate Developers Ltd.	100	43,864
14.	Ocean Star 1- (Balance Area)	FP No 1198-99 & F.P. No. 1200 situated at Kashinath Dhuru Road, Dadar (W)	Residential	Luxury	Suraj Estate Developers Ltd.	100	27,517
15.	Bandra Project 3	C.T.S.No.920 Mount Mary, Hill Road, Bandra (W)	Residential	Luxury	Suraj Estate Developers Ltd.	100	34,585
		C.T.S.No.924 Mount Mary, Hill Road, Bandra (W)			Accord Estates Pvt. Ltd.	100	
16.	Pednekarwadi	F.P. No.70, Off. S.V.S. Road, Mahim (W)	Residential	Value Luxury/ Luxury	Uditi Premises Pvt. Ltd.	100	21,969
17.	JRU Property	C.S. No. 692, Dadoji Konddeo Marg, Byculla (E)	Residential	Value Luxury/ Luxury	Suraj Estate Developers Ltd.	100	21,144
18.	Bandra Project 1	C.T.S. No. 948-949, Mount Mary, Hill Road, Bandra (W)	Residential	Value Luxury / Luxury	Accord Estates Pvt. Ltd.	100	45,566
19.	Bandra Project 2	C.T.S.No.933 Mount Mary, Hill Road, Bandra (W) & C.T.S.No.915 Mount Mary, Hill Road, Bandra (W)	Residential	Value Luxury / Luxury	Accord Estates Pvt. Ltd.	100	50,562
20.	Final Plot No 426-B	F.P. No. 426/B, Senapati Bapat Marg, Tulsi Pipe Road, Mahim (W)	Commercial	Commercial	Iconic Property Developers Pvt. Ltd.	100	98,111
21.	Saraswat Bank Bhavan (Phase 2 - Additional Two Floors)	F.P. No. 953, Appasaheb Marathe Marg, Prabhadevi	Commercial	Commercial	Suraj Estate Developers Ltd.	100	12,783
	<b>Total</b>						<b>928,400</b>

(\*Estimated Carpet Area has been calculated based on certain assumptions and estimates made by us. The actual Carpet Area may vary from the estimated Carpet Area presented herein on the basis of plans approved by the Municipal Corporation of Greater Mumbai (MCGM).

Note: Information provided in respect of our Upcoming Projects are based on our current management plans and are subject to change.

### Our Land Reserves

Land is an important resource and is a key factor contributing to our ability to develop real estate. Our Land Reserves comprise lands owned by our Company through itself and through our Subsidiary.

The following is a summary of our Land Reserves as of December 31, 2021:

Sr. No.	Location	Name of company/entity that is the developer of the project	Company's /Entity's effective stake in the project (%)	Leased/ Owned/Development Rights	Plot Area
					Square Meters
1	C.T.S.No.918 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd.	100	Leasehold Rights	1,173.57
2	C.T.S.No.930 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd.	100	Owned	364.21
3	C.T.S. No 917 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd.	100	Development Rights	3,884.91
4	C.T.S. No 929 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd.	100	Development Rights	1,740.12
5	C.T.S. No 931 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd.	100	Development Rights	890.29

Sr. No.	Location	Name of company/entity that is the developer of the project	Company's /Entity's effective stake in the project (%)	Leased/ Owned/Development Rights	Plot Area
					Square Meters
6	C.T.S. No 916 Mount Mary, Hill Road, Bandra (W)	Accord Estates Pvt. Ltd	100	Development Rights	1,578.25
7	CS No 3429, 3430 and 3262 - Kole Kalyan Property, Santacruz (E)	Suraj Estate Developers Ltd.	100	Development Rights	728.42
	<b>Total</b>				<b>10,359.77</b>

## **Key Business Partners**

We have ongoing relationships with leading international and domestic entities for the planning, development and maintenance of our projects. We have partnered with leading international and domestic firms that offer consultancy services in architecture, interior design, master planning, landscape, urban design and building, to develop concepts and designs for some of our projects. For certain projects, we have involved well-known architects and structural consultants, including Sanjay Puri Architects, Vivek Bhole Architects Private Limited, JW Consultants LLP, Sterling Engineering Consultancy Services Private Limited, Struct Bombay Consultants. We have on our panel well established and experienced civil contractors including Fem Constructions (India) Private Limited and ACC India Private Limited to carry out civil construction works relating to certain projects. Further, we have current and/ or past associations with various financial institutions.

## **Key Process for Project Development**

We have established a systematic process for land identification, feasibility and acquisition, designing and planning, project execution and customer marketing.

### ***Land Identification, Feasibility and Acquisition***

One of the key factors in the real estate development industry is the ability to assess the potential of a location after evaluating its demographic and economic trends. Our land acquisition process is overseen by our liaisoning team along with inputs from our senior management. Once a potential development site has been identified, site visits and feasibility studies/surveys are undertaken, which include detailed analysis of the following factors, among others:

- location, including frontage, surrounding developments and landmarks and views;
- size of the development site;
- potential end use of the site;
- land acquisition cost;
- regional demographics;
- gap analysis of current property development initiatives and market needs;
- financial viability of the proposed project;
- feasibility of construction and adequacy of support infrastructure;
- number of tenants/ occupants in the project site (in case of redevelopment);
- availability of utility services;
- title searches and related legal due diligence;
- market trends; and
- regulatory issues.

After conducting such analysis, our senior management makes the final decision with regard to the financial feasibility of the acquisition and the scope of the projects to be developed on the proposed site.

After a decision is made to proceed with the acquisition of land or land development rights, we take necessary steps to acquire the land or development rights. We enter into negotiations with the seller of land or land development rights in order to reach a preliminary acquisition agreement, usually memorialised in a memorandum of understanding. Once we have completed our preliminary due diligence on the land, we enter into final agreements to acquire the land.

### ***Concept Design***

An assessment report is discussed internally and inputs are provided by heads of internal departments such as sales, marketing, finance, architecture and construction. Further, a project brief in text format is submitted to an architect and the architect is responsible for developing the conceptual design of the development. The conceptual design includes master-planning, landscaping and phasing of development with orientation of buildings. At the conceptual design stage, detailed value engineering is done to evaluate criteria such as building design and layout, sub-soil

conditions, geological data, building system selection, site egress and ingress to arrive at the optimal design and orientation of our projects. The final decision on the conceptualization of each project and the development of each property is made by our senior management.

### ***Design and Planning***

We coordinate with international and domestic design firms and architects such as Sanjay Puri Architects, Vivek Bhole Architects Private Limited, for our projects. Our Planning team is responsible for budgeting, planning, contracting and tracking the execution of projects. In addition, we also engage other structural consultants for the planning of our projects namely, JW Consultants LLP, Sterling Engineering Consultancy Services Private Limited, Struct Bombay Consultants. The work performed by these third parties must comply with specifications provided by us and, in all cases, are subject to our review. We emphasize on the use of advanced technologies such as computer aided design software to ensure optimization of costs and space.

### ***Design Development***

The output of the concept design phase is a master plan with a broad description of the planned development in the form of a presentation. The design development phase involves further detailing of the concept design. In this phase, detailed drawings of the planned development with dimensions are prepared. At completion of the tentative detailed design, the team focuses on detailed design decisions, such as specific building system design, specifications provided by architects and corresponding performance requirement, site paving and grading, phasing and scheduling plans. Upon finalization of the final design drawing, another set of drawings called “valid for construction drawings” are prepared. The valid for construction drawings include minute design details, such as dimensions, wall thickness, window dimensions, air conditioning connections and toilet piping, and are a blueprint of the proposed development.

### ***Regulatory Approvals***

While evaluating the feasibility of an area for the implementation of a project, it is imperative to understand the legal regime governing land development at the relevant location, which varies from state to state. The approvals generally required for the development of a property include approvals of building plans, layouts, approval from airport and fire authorities for buildings above a stipulated height, environment approvals, and infrastructure facilities such as power and water and, occasionally, approvals for conversion of agricultural lands to non-agricultural lands. In addition, with the implementation of the Real Estate (Regulation and Development) Act, 2016, Maharashtra Housing and Area Development Authority Act, 1976 there is a constantly evolving framework of approvals with respect to development of land in India. We deploy personnel to specifically ensure compliance with such regulations. As per Maharashtra Housing and Area Development Authority (MHADA) Regulation, we are required to obtain minimum 51% consent of tenants/occupants (hitherto 70%) for which it is necessary to gain the confidence of the tenants/occupants and obtain their irrevocable consents for cooperating with us as developers. Once the final no objection certificate from MBRRB is received, we are entitled to approach Municipal Corporation of Greater Mumbai (MCGM) for obtaining building plan approvals (IOD) for the scheme of redevelopment.

One of our strategies is to venture into the redevelopment of co-operative housing societies. We intend to obtain tenders issued by such housing societies for redevelopment and after considering the feasibility of the project we will submit our bid for approval of the housing society under the provisions of the Maharashtra Co-operative Societies Act, 1960.

### ***Vacating tenant and demolition of existing structure (in case of redevelopment)***

On receipt of building plan approvals and other statutory and regulatory approvals from the relevant authorities, the existing tenants/occupants are provided temporary alternate accommodation outside the property by providing premises on leave and license basis by us until the time the permanent alternate accommodation is ready and the said tenants/occupants are put into possession thereof.

### ***Project Execution, Site Development and Construction***



Each project is led by a project head and construction team. The project planning and execution process commences with the obtaining of requisite statutory and regulatory approvals, including environmental approvals, the approval of building plans and layout plans.

We have a dedicated construction management team working on various projects that employs the best available construction techniques including the use of aluminium shuttering in most of our recent projects. A quality assurance team is present at every project site with on-site equipment necessary to carry out checks on all materials used in construction. In order to assist our construction management team, we have installed Far Vision application, an enterprise resource planning software, which enables the team to keep a constant check on the budgeted cost and actual costs incurred. We have a strong information technology support system, using which we are able to track inventory at different sites and improve our inventory management capabilities. We have a team of project engineers who perform the functions of managing site development and construction activities, coordinating the activities of third party contractors and suppliers, overseeing quality and cost controls; and ensuring compliance with zoning and building codes and other regulatory requirements.

### ***Marketing and Sales***

Our experienced marketing and sales team track market trends which enables us to position our projects appropriately in terms of location and price points, and creates a cohesive marketing strategy designed to secure and build brand value and awareness. Some of these strategies include exclusive code names for each project and large public launches with a book-building approach. We use differentiated sales strategies and multiple channels to sell our products. Further, we undertake sales efforts through a combination of digital marketing and advertising in mass media, either centrally from our head office or through our branch and site offices. We actively participate in real estate exhibitions that are attended by potential home/ property buyers. We employ various marketing approaches such as launch events, exhibitions, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising. We also engage in digital marketing efforts in order to target customers. We also maintain a data base consisting of our existing customers and prospective customers and undertake direct sales efforts through a combination of telephonic marketing and electronic marketing. We also market our projects through our in-house sales teams and brokers. We have a dedicated customer relationship team which serves our customers from the property booking stage till the final delivery of the property.

We have dedicated in-house sales teams focusing on interaction with channel partners to drive walk-in at our sites (sourcing function) and focusing on deal closures (closing function). For our residential projects, we typically follow a pre-sale model, whereby we offer units for sale prior to completion. We generally receive up to 20% of the purchase price as advance at the time of sale of flat and the balance consideration in installments subject to fulfilment of construction linked milestones. We generally launch such projects and commence the sales process for a portion of the total number of units to be sold around the time of commencing construction.

### ***Completion and Transfer***

Our execution team, in coordination with the architecture team, completes the processes required to achieve the necessary compliance and statutory certifications for each site including with respect to completion, occupation, fire safety, waste disposal, rain water harvesting and recycling of water. We convey the title of the properties to the customers upon the completion of the project, and closure of the sales process as per applicable laws. We ensure the entire consideration is paid to us prior to the transfer of title. After completion of any project, we generally hand over the day-to-day management and control of the project to the association of apartment unit purchasers. In certain cases, we also negotiate and arrange for annual maintenance contracts with equipment suppliers for rotation and mechanical instruments and machinery at each property, including elevators.

### **Pricing**

The prices of our units are determined and driven principally by market forces of supply and demand, and we normally conduct the pricing exercise prior to pre-launch marketing of a project, and review the prices by considering various



factors on a periodic basis. We price our properties by reference to market rates for similar types of properties in their locality. The prices of our properties will therefore depend on the location, and mix of properties we sell throughout the development of a particular project and on prevailing market supply and demand conditions. Therefore, the prices we may charge for our properties, are affected by various factors outside our control, including prevailing local economic, income and demographic conditions, interest rates available to purchasers requiring financing, the availability of comparable properties completed or under development, changes in governmental policies relating to zoning and land use, changes in applicable regulatory schemes, and competition from other real estate development firms. We consider the above mentioned factors in determining the price, cost of acquisition of the land or development rights and final estimates of the construction costs, a premium, depending on the location of the project and facilities provided, and prevailing market for similar developments in that segment.

## Competition

We face competition from various national and regional real estate developers. Our competitors includes listed real estate developers in the regions and areas where we operate, including Macrotech Developers (Lodha Group), Oberoi Realty, Hubtown Developers and D B Realty (*Source: Company Commissioned Anarock Report*). We also face competition from various small unorganized operators in the residential segment.

## Employees

As of December 31, 2021, our Company together with our Subsidiaries had 117 permanent employees. The breakdown of our employees by function is summarized in the following table:

<b>Function</b>	<b>Number of employees</b>
Legal	7
Liaison	5
Purchase	1
Rehab Department	9
Directors Office	3
Finance and Accounts	13
CRM	6
Sales and Marketing	21
Human Resource, IT and Admin	25
Engineering and Operation	19
Security	6
<b>Total</b>	<b>117</b>

For the development of some of our projects, we also engage third party consultant engineers, architects, interior designers and landscape designers. In addition to our employees, we also engage the services of contract workers which include tradesmen, facility management personnel and other skilled, unskilled and semi-skilled workers.

## Business continuity during COVID-19 times

Since the end of 2019, COVID-19 pandemic has spread to a majority of countries across the world, including India. The World Health Organization declared the outbreak of COVID-19 to be a global pandemic on March 11, 2020. The COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in several countries, including India. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown on all services except for essential services from March 25, 2020 for three weeks, which was subsequently extended to May 31, 2020. While beginning from September 1, 2020, the Government of India notified all states to permit normal economic activity outside the containment zones, other measures have been introduced in order to control the spread of the virus. These include implementing social distancing norms at the work place and remote working arrangements at organizations.

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses including real estate sector. While the impact has come down progressively after the lockdown was first eased and then by and large lifted, in case of any recurrence of the pandemic, there could again be a severe impact for an unknown period of time. As of the date of this Draft Red Herring Prospectus, while the Government of India and other governments in the world have substantially vaccinated their citizens, there is still some uncertainty relating to the impact of the COVID-19 pandemic on the global and the Indian economy, and we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our business.

The impact of the pandemic on our business, operations and future financial performance include, but are not limited to the following:

### **Sales**

As a result of COVID-19 and related measures including the lockdown, our operations were significantly disrupted, particularly in terms of sale of units. Due to the nation-wide lockdown and inability to conduct site visits, sales enquiries from prospective customers that typically follow site-visits, were significantly affected. We use multiple sales channels to sell our unit. For example, we conducted webinars for knowledge sharing amongst channel partners by inviting eminent panellist to discuss restate business beyond COVID-19, conducted virtual meetings and presentation with clients to conclude deals, focusing on digital marketing to generate leads and focusing on existing booked clients to generate a pipeline for sales.

### **Construction and Progress at Sites**


After the sudden announcement of the nation-wide lockdown on March 25, 2020, operations at our construction sites were brought to a complete standstill. Due to reduced economic activity and stringent lockdowns enforced by the Government, a number of workforce deployed at our construction sites returned to their native cities/ towns/ villages. On the gradual easing of these restrictions and improvement in the economy, return to work sites progressively increased, construction activities resumed at our sites from August 2020.

Further, the emergence of second wave of COVID-19 has created concern all over the country and has resulted in fresh restrictions in across the country, including free movement of people, closure of offices and banking channels or working on the limited capacities, thereby hampering businesses and day to day functioning of companies.

Additionally, during the second lockdown in April 2021 and May 2021, we have monitored and considered the impact of known events arising from the COVID-19 pandemic, including with respect to our liquidity and going concern and recoverable values of assets. Although the governments are beginning to ease or lift these restrictions subject to certain terms & conditions, the construction activity at our sites has largely not been hampered.

For details of the impact of the COVID-19 pandemic on our business, refer to “*Risk Factors – Internal Risk Factors – The Covid-19 pandemic adversely affects our business, financial condition, results of operations, cash flows, liquidity and performance, and it may reduce the demand for our projects in future. The impact of the pandemic cannot be predicted, and the future remains uncertain*” on pages 27. We undertake several preventive measures to lessen its effect which helped us to bounce back. To ensure a COVID free and safe environment and to give a sense of security and confidence to all our employees, routine testing is carried out, especially when anyone in their team/room tested positive for COVID.

### **Intellectual Property**

As on the date of this Draft Red Herring Prospectus, we have applied for registration of our corporate logo “  ” under Class 37 with the Trademark Registry. For details of approvals relating to intellectual property, see “*Government and Other Approvals*” and “*Risk Factor- We have applied for registrations of certain intellectual property rights and any failure to enforce our rights could have an adverse effect on our business prospects*”

beginning on pages 339 and 51, respectively.

### **Safety, Health and Environment**

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavour to achieve no accidents at our project sites through employment of internal safety professionals and adherence to our internal policy in this regard. We believe that accidents and occupational health hazards can be significantly reduced through systematic analysis, risks control mechanisms and training of management, employees, contractors and the labour force.

### **Insurance**

Our operations are subject to hazards inherent to the real estate industry, such as accidents at work sites. We are also subject to force majeure events such as fires, earthquakes, floods and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. We obtain building under construction policy for our sites under construction. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. We also ensure that our contractors obtain workmen compensation insurance policy while carrying out any activities on our behalf.

### **Information Technology**

We use information technology systems to enhance our performance and efficiency. We have fully implemented the Far Vision application across the various business functions in our Company to integrate systems among our departments, including engineering and accounting, and are also in the process of implementing a customer relationship management software. We believe that this system will allow us to streamline our processes while enhancing our monitoring and control functions.

### **Corporate Social Responsibility**

As a socially responsible Company, we place our emphasis on social and community service. Our corporate social responsibility initiatives include educating children from low-income families, vocational training for disadvantaged youth and other community welfare measures. We have adopted a Corporate Social Responsibility policy which is in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

### **Property**

Our Registered Office and Corporate Office is located at 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India availed on lease and license basis.

## **KEY REGULATIONS AND POLICIES**

*Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company and Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company and Subsidiaries are required to obtain, and periodically 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 339.*

*The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.*

### **Industry Specific Laws**

#### **Central Laws**

##### **The Transfer of Property Act, 1882 (the “TP Act”)**

The TP Act establishes the general principles relating to transfer of property in India. It deals with the various methods in which transfer of immovable property including transfer of any interest in relation to that property takes place. The TP Act stipulates the general principles relating to the transfer of property including, among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser, and the lessor and lessee in a transaction of sale or lease of land, as the case may be. The TP Act also covers provisions with respect to mortgage of property.

##### **The Registration Act, 1908 (the “Registration Act”)**

The Registration Act has been enacted with an objective, amongst other things, to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud. The Registration Act details the formalities for registering an instrument. Further, the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the Transfer of Property Act, 1882 or as collateral), unless it has been registered.

##### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Stamp Act, stamp duty is payable on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. Instruments subject to payment of stamp duty under the Stamp Act include, among other thing, instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The applicable rates for stamp duty on instruments chargeable with duty are prescribed by state legislations. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in

a court of law as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can be admitted in evidence by paying a penalty of up to ten times of the proper duty and the deficient portion thereof payable on such instruments. Pursuant to the Finance Act 2019, the Stamp Act has been amended for rationalisation of stamp duty and design of zero evasion collection mechanism in respect of securities market instruments.

### **Indian Easements Act, 1882 (the “Easements Act”)**

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, land not his own. Under the Easements Act, a license is defined as a right to use property, which use in the absence of such right would be unlawful. The period and incident upon which a license may be revoked may be provided in the license agreement entered into between the licensee and the licensor.

### **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the “Land Acquisition Act”)**

The Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialisation, development of essential infrastructural facilities and urbanisation. While aiming to cause least disturbance to landowners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. Under the Land Acquisition Act, various state rules have been notified which frame rules in relation to, inter alia, the consent process, the compensation mechanism and rehabilitation and resettlement.

### **The Real Estate (Regulation and Development) Act, 2016 (the “RERA”) and the rules made thereunder**

The RERA seeks to regulate and promote real estate sector by establishing a specialised forum known as the Real Estate Regulatory Authority (“Regulatory Authority”) and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal. It mandates the registration of residential and commercial projects before booking, selling or offering apartments for sale in such projects. The application for registration must disclose details of the promoter, brief details of the projects launched by the promoter, an authenticated copy of the approval and commencement certificate received from the competent authority, the sanctioned plan, layout plan, specifications of the project, proforma of the allotment letter, number, type and carpet area of the apartments, the names and addresses of the promoter’s real estate agent and a declaration by the promoter stating that he has a legal title to the land and the time period within which he undertakes to complete the project.

The RERA mandates that the promoter shall not accept more than 10% of the cost of the apartment as advance payment without first entering into a written agreement of sale with such person. Further, in case of delay in handing over possession, the promoter shall be liable to return the amount received by him from the allottee with interest and compensation. However, if the allottee does not intend to withdraw from the project, he shall be paid interest by the promoter till the handing over of the possession. The RERA also ensures that the promoter does not make any addition or alteration in the sanctioned plans without the previous consent of the allottees. In case of any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter, the promoter shall rectify such defect and if he fails to do so, the aggrieved allottee shall be entitled to receive appropriate compensation.

We are also required to comply with the rules, regulations and orders issued under RERA by the State Governments such as Maharashtra has issued, inter alia, Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017 and Maharashtra Real Estate (Regulation and Development) (Recovery of Interest, Penalty, Compensation, Fine payable, Forms of Complaints and Appeal, etc.) Rules, 2017.

### **National Building Code of India, 2016 (the “Code”)**

The Code a comprehensive building code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a model code for adoption by all agencies involved in building construction works, including the public works departments, other government construction departments, local bodies or private companies in the field of construction. The Code mainly contains administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety) and building and plumbing services.

State Laws

### **Unified Development Control and Promotion Regulations for Maharashtra (“UDCPR”)**

The State Government has introduced the UDCPR, which applies to building activities and development works on land within the jurisdiction of all planning authorities and regional plan areas except the Municipal Corporation of Greater Mumbai and other exclusions as specified in the UDCPR.

Key provisions of the UDCPR include:

- Increase in the floor space index (“FSI”) enabling us to increase the size of units and correspondingly increase the Developable Area available for sale.
- Provisions for deferring payment of approval expenses that were previously required to be paid upfront. The payment of these expenses can now be deferred subject to payment of an interest at the rate of 8.5% per annum.
- A decrease in approval and other premium costs driven by a decrease in staircase premium charges, scrutiny fee, infrastructure charges and premium FSI charges.

### **The Maharashtra Stamp Act, 1958 (the “MS Act”)**

Stamp duty on instruments in the state of Maharashtra is governed by the MS Act. The MS Act levies stamp duty on documents/instruments which are specified in the schedule to the MS Act and by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded. All instruments chargeable with duty and executed by any person are required to be stamped before or at the time of execution or immediately thereafter on the next working day following the day of execution. It authorises the State Government on receiving information from any source, to call for examination of any instrument to satisfy itself that the market value of the property referred therein has been truly set forth and the duty paid on it is adequate. Instruments not duly stamped are incapable of being admitted in court as evidence of the transaction in question. The State Government has the authority to impound insufficiently stamped documents.

### **Maharashtra Land Revenue Code, 1966 (the “MLR Code”)**

The MLR Code is a consolidated code governing the sphere of land revenue and powers of revenue officers in the state of Maharashtra. Under the MLR Code, the commissioner is the chief controlling authority in all matters connected with the land revenue for a particular division within the state, subject to the superintendence, direction and control of the State Government. Land revenue has been defined to mean all sums and payments claimable by or on behalf of the State Government on account of any land or interest in or right exercisable over any land held, and any cess or rate authorised by the State Government, any rent, lease money, quit rent or any other payment provided under any law or contract. All land, whether applied for agricultural or other purposes, and wherever situated, is liable for the payment of land revenue to the State Government as provided under the MLR Code, unless otherwise exempted. Further, any arrears of land revenue due on a land shall be a paramount charge on the land and shall have precedence over every other debt, demand or claim. Additionally, the Maharashtra Land Revenue (Conversion of Occupancy Class-II and Leasehold lands into Occupancy Class-I) Rules, 2019 were enacted on March 8, 2019 provides details

upon the fees applicable for conversion of the property from Class-II into Class-II for agricultural, industrial and commercial purposes.

### **Maharashtra Tenancy and Agricultural Lands Act, 1948 (the “MTAL Act”)**

The MTAL Act regulates the concept of tenancy over those areas of the state of Maharashtra within which our projects are situated. A tenancy has been defined in the MTAL Act as the relationship between the landlord and the tenant and recognises a deemed tenancy in favour of a person lawfully cultivating land belonging to another. The MTAL Act lays down provisions with respect to the maximum and minimum rent for a tenancy, and the renewal and termination of a tenancy. The transfer of land to non-agriculturists is barred except in the manner provided under the MTAL Act. Agricultural land tribunals have been constituted under the MTAL Act with an officer not below the rank of a mamlatdar as the presiding officer.

### **Maharashtra Regional and Town Planning Act, 1966 (the “MRTP Act”)**

The MRTP Act has been enacted with the object of establishing local development authorities in Maharashtra to ensure better town planning and development of lands within their jurisdiction. The MRTP Act provides for the creation of new towns and compulsory acquisition of land required for public purposes. The MRTP Act provides a mechanism for the better preparation of planning proposal and their effective execution.

### **Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (the “Slums Act”)**

The Slums Act has been enacted with the objective of providing better provisions for the improvement and clearance of slum areas in the State, redevelopment and protection of occupiers from eviction and distress warrants. It establishes a specialised authority known as the Slum Rehabilitation Authority (“SRA”) that is engaged in surveying and reviewing existing position regarding slum areas, formulation of schemes for rehabilitation of slum areas and to get the scheme implemented. The Slums Act provides that provisional slum rehabilitation scheme will be published by the authority to invite the objections and suggestions regarding the general slum rehabilitation scheme that will be implemented for areas as specified by the State Government. The scheme generally lays down the parameters for declaration of any area as the slum rehabilitation area and indicate the manner in which rehabilitation of the area declared as the slum rehabilitation area will be carried out. The SRA is responsible to submit to the State Government each financial year, an annual financial statement and the program of work for the succeeding financial year along with the estimated receipts, expenditures during the succeeding financial year. The SRA can undertake improvement works such as (i) laying of water mains, sewers and storm water drains; (ii) provision of urinals, latrines, community baths, and water taps; (iii) widening, realigning or paving of existing roads, lanes and pathways and constructing new roads, lanes and pathways; (iv) providing street lighting; (v) cutting, filling, levelling and landscaping the area; (vi) partial development of the area with a view to providing land for purposes such as parks, playgrounds, welfare and community centres, schools, dispensaries, hospitals, police stations, fire stations and other amenities run on a non-profit basis; (vii) demolition of obstructive or dilapidated buildings or portions of buildings; (viii) any other matter for which it is expedient to make provision for preventing the area from being or becoming a source of danger to safety or health or a nuisance.

### **Maharashtra Fire Prevention and Life Safety Measures Act, 2006 (the “Fire Safety Act”)**

The Fire Safety Act has been enacted to make more effective provisions for fire prevention and life safety measures in various types of buildings in different areas in the State of Maharashtra, imposition of fee and constitution of a special fund. The Director or the Chief Fire Officer or the nominated officer may, after giving three hours’ notice to the occupier, or if there is no occupier, to the owner of any place or building or part thereof, enter and inspect such place or building or part thereof at any time between sunrise and sunset where such inspection appears necessary for ascertaining the adequacy or contravention of fire prevention and life safety measures. If the Director or the Chief Fire Officer is satisfied that due to inadequacy of fire prevention and life safety measures the condition of any place or building or part thereof is in imminent danger to person or property, then notwithstanding anything contained in this Act, or any other law for the time being in force, he shall, by order in writing, require the persons in possession or in occupation of such place or building or part thereof to remove themselves forthwith from such place or building or

part thereof.

### **The Bombay Village Panchayats Act, 1958 (the “BVP Act”)**

The 73rd Amendment to the Constitution inserted Part IX to the Constitution of India (“Constitution”) which provides for the constitution and functioning of panchayats. Article 243-H (a) authorised the panchayats to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits. Accordingly, The BVP Act was legislated to empower the panchayat to levy taxes on buildings and lands within the limits of the village, shop keeping and hotel keeping, any trade or calling other than agriculture which is carried on with the help of machinery run by steam, oil or electric power or by manual labour. The tax is leviable from the occupier or owner of the building or land.

### **The Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (“Ownership of Flats Act”)**

The Ownership of Flats Act applies throughout the State of Maharashtra. It applies to promoter/developers who intend to construct a block or building of flats on ownership basis. The Ownership of Flats Act requires promoters to make full and true disclosures regarding the nature of title to land on which the construction is to take place and all encumbrances on the land. The promoter/developer is required to enter into a written agreement for the sale of flats with each purchaser and the agreement contains prescribed particulars with relevant copies of documents. These agreements must be compulsorily registered. Any contravention of the provisions of the act may be punishable with imprisonment for a term of up to three years or a fine, or both.

### **The Maharashtra Apartment Ownership Act, 1970 (“MAO Act”)**

The MAO Act, as amended, was enacted to provide for the ownership of an individual apartment in a building and to make such apartment heritable and transferable property in the state of Maharashtra. The MAO Act provides for, inter alia, provisions related to ownership of apartments, common areas and facilities, common profits and expenses, by-laws, insurance, disposition of property etc.

### **The Maharashtra Housing and Area Development Act, 1976 (“MHADA”)**

MHADA has been enacted for giving effect to the policy of the state towards securing distribution of ownership and control of the material resources of the community so as best to serve the common good. To give effect to this policy, MHADA provides for execution of proposals, plans or projects, acquisition of lands and buildings and transferring the lands, buildings or tenements to needy persons and cooperative societies of occupiers of such lands or buildings. MHADA consolidated the law relating to housing, repairing and reconstruction of dangerous buildings and carrying out improvement works in slum area. It establishes the Maharashtra Housing and Area Development Authority with a view to integrate the activities and functions of different corporate and statutory bodies.

### **Development Control Regulations for Greater Mumbai, 1991 (“Development Control Regulations”)**

The Development Control Regulations apply to building activity and development work in areas under jurisdiction of the municipal corporation of Greater Mumbai. The Development Control Regulations prohibit erection, re-erection or alteration of any building and carrying out any development or redevelopment on any plot or land without obtaining a development permission and a commencement certificate. All construction and development in areas falling within the scope of the Development Control Regulations by us must be in accordance with the requirements and specifications including, inter alia, fire protection requirements and structural design specifications provided under the Development Control Regulations.

### **The Development Control and Promotional Regulations (DCPR) 2034 (“DCPR 2034”)**

The DCPR 2034 came into effect from September 1, 2018 with some provisions notified November 13, 2018. The DCPR 2034 primarily governs govern all the building development activity and development work in the jurisdiction



of Municipal Corporation of Greater Mumbai and covers redevelopment projects that were to obtain completion certificate. The constructions by our Company must be in accordance with the requirements and specifications including safety requirements provided under the regulations and be compliant with the safety requirements provided in the DCPR 2034.

### **Development Control Regulations for Mumbai Metropolitan Region, 1999 (“Development Control Regulations for MMR”)**

The Development Control Regulations for MMR apply to the development of any land situated within the Mumbai Metropolitan Region as defined in the Mumbai Metropolitan Region Development Authority Act, 1974. Under the Development Control Regulations for MMR, no person can carry out any development (except those stated in proviso to Section 43 of the Maharashtra Regional Town Planning Act, 1966) without obtaining permission from the Planning Authority and other relevant authorities including zilla parishads and the pollution control board. The Development Control Regulations for MMR have demarcated the region into various zones for development purposes including urbanisable zones, industrial zone, recreation and tourism development zone, green zones and forest zone.

### **Maharashtra Co-operative Societies Act, 1960 (“Co-operative Societies Act”)**

The Co-operative Societies Act provides for the orderly development of the Co-operative movement in state of Maharashtra in accordance with the relevant directive principles of state policy enunciated in the Constitution of India. The Co-operative Societies Act provides the application process and conditions for registration of co-operative societies. Further, the Co-operative Societies Act specifies the eligibility criteria of and voting by members of co-operative societies. The Co-operative Societies Act permits the state government to subscribe to the shares of a co-operative society with limited liability or provide funds to a co-operative society for the purchase of shares in other co-operative societies. The Co-operative Societies Act, inter alia, governs management, audit and liquidation of co-operative societies. Contravention of the provisions of the Co-operative Societies Act is punishable with a fine, imprisonment or both.

### **Environment Laws**

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

### **The Environment (Protection) Act, 1986 (the “EPA”)**

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

### **The Environmental Impact Assessment Notification, 2006 (the “Notification”)**

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating

standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme 'Housing for All by 2022' and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

#### **The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

#### **Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

#### **Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)**

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

#### **Labour Laws**

In addition to the aforementioned legislations which are applicable to our Company and Subsidiaries, other legislation that may be applicable to the operations of our Company and Subsidiaries include:

- Child Labour (Prohibition and Regulation) Act, 1986;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;\*\*\*\*
- Employees’ State Insurance Act, 1948;\*\*\*\*
- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;\*\*\*
- Industrial Employment (Standing Orders) Act, 1946;\*\*\*
- Maternity Benefit Act, 1961;\*\*\*\*
- Minimum Wages Act, 1948;\*
- Motor Transport Workers Act, 1961;
- Payment of Bonus Act, 1965;\*
- Payment of Gratuity Act, 1972;\*\*\*\*
- Payment of Wages Act, 1936;\*
- Equal Remuneration Act, 1976;\*
- Employee’s Compensation Act, 1923;
- Contract Labour (Regulation and Abolition) Act, 1970;\*\*

- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

\* The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The provisions of this code will be brought into force on a date to be notified by the Central Government.

\*\* The Government of India enacted ‘The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

\*\*\* The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

\*\*\*\*The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including 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, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.

### **Intellectual Property Laws**

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for trademark protection under the Trade Marks Act, 1999. The above enactment provides for protection of intellectual property by imposing civil and criminal liability for infringement.

### **Foreign Exchange Regulations**

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended (“FEMA”) read with the applicable Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 as amended (“FEM Rules”). FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DPIIT makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT issued the FDI Policy which consolidates the policy framework on FDI issued by DPIIT, in force on October 15, 2020 and reflects the FDI policy as on October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. As per the FDI Policy, 100% FDI is permitted in our Company under the automatic route, subject to compliance with prescribed conditions. In this Issue, foreign investment is limited to investments by FPIs and NRIs. For further details, see “*Issue Procedure*” on page 361.

### **Other Laws**

Additionally, we are required to comply with other legislations such as the laws governing taxation aspects of our business. Goods and services tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to us.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated at Mumbai, Maharashtra under the name 'Suraj Estate Developers Private Limited' on September 10, 1986 as a private limited company, under the Companies Act, 1956 and was granted a certificate of incorporation by the RoC. Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the shareholders of our Company dated October 30, 2021 and the name of our Company was changed to 'Suraj Estate Developers Limited' and a fresh certificate of incorporation dated December 9, 2021 was issued to our Company by the RoC.

### Change in the Registered Office of our Company

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date	Details of change in the address of the Registered Office	Reason for change
November 11, 2017	The registered office of our Company was changed from 901 Silver Cascade, Mount Marg Road, Bandra, Mumbai, Maharashtra to 14, Floor – 2, Nirmala Building, Miya Mohd Chottani, 2nd X Road, Mahim, Mumbai	For the purpose of administrative convenience.
December 27, 2021	The registered office of our Company was changed from 14, Floor – 2, Nirmala Building, Miya Mohd Chottani, Mahim, Mumbai to 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India	For the purpose of administrative convenience.

### Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on in India or elsewhere, the business of land, building, builders, civil engineers, consultants, constructors, erectors of prefabricated concrete buildings and constructional works and contractors, decorators, architects, surveyors, constructions, engineers, sanitary and water engineers and plumbers, land developers, canals, bridges, drainages and projecting and designing in all kinds of constructing structures thereon in India and abroad.
2. To do all civil mechanical, fabrication, electrical, instrumentation, insulation, industrial works of construction and installation, testing and inspection, to build, rebuild, demolish, dismantle, pull down, restore, repair, reconstruct, develop, alter buildings workshops, factories, pipelines, embankments or other roads, airports, air strips, flats, factories, roads, yards, wharves, docks, piers, railways, waterways, bridges, mills, engines, machinery, plants, ships, vessels, tanks, markets, drainage, sewage work, gas work and works of all varieties and description.

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing business.

### Amendments to our Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the ten years preceding the date of this Draft Red Herring Prospectus:

<b>Date of change/ shareholders' resolution</b>	<b>Nature of amendment</b>
January 25, 2018	Clause V (a) of the Memorandum of Association was amended to reflect the increase in authorised share capital of our Company to ₹ 66,500,000/- (Rupees Six Crores Sixty Five Lac only) divided into 6,650,000 (Sixty Six Lakh Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten) each.
October 21, 2021	Clause V (a) of the Memorandum of Association was amended to reflect the increase in authorised share capital of our Company to ₹ 300,000,000/- (Rupees Thirty Crores only) divided into 30,000,000 (Three Crores only) equity shares of ₹10/- (Rupees Ten Only) each.
October 30, 2021	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from ' <i>Suraj Estate Developers Private Limited</i> ' to ' <i>Suraj Estate Developers Limited</i> ' pursuant to the conversion from private limited company to public limited company Clause V(a) of the Memorandum of Association was amended to reflect the sub-division of face value Equity shares from ₹10/- (Rupees Ten Only) each to ₹ 5/- (Rupees Five Only) each and consequently, the authorised share capital of our Company was amended from ₹ 300,000,000/- (Rupees Thirty Crores only) divided into 30,000,000 (Three Crores only) of ₹10/- (Rupees Ten Only) each to ₹ 300,000,000/- (Rupees Thirty Crores only) divided into 60,000,000 (Six Crores only) of ₹ 5/- (Rupees Five Only) each.

### Major events and milestones

The table below sets forth some of the major events in the history of our Company:

<b>Calendar Year</b>	<b>Details</b>
1986	Our Company was incorporated as a private limited company.
1990	Our Company successfully completed its maiden project 'Suraj Venture A' a residential project located at Mahim (West), Mumbai.
1992	Our Company successfully delivered a residential building known as 'Vinayak Darshan' located at Dadar (West), Mumbai, which was exclusively sold to a nationalized public sector bank.
1996	Our Company successfully delivered a residential building known as 'Suraj Heights III' located at Goregaon (East), Mumbai, which was exclusively sold to one of the leading private sector bank as staff quarters.
2000	Our Company successfully delivered 'ICICI Apartments' a residential project located at Kirti College Lane, Dadar (West), Mumbai, which was exclusively sold to one of the leading private sector bank as quarters for senior officers. Our Company successfully delivered 'NEAT House' a residential project located at Dadar (West), Mumbai, which was exclusively sold to a stock exchange as quarters for senior officers.
2005	Our Company delivered 14 apartments in 'Gloriosa Apartment' a residential project located at Dadar (West), Mumbai, to Clearing Corporation of India Limited as quarters for their senior officers.
2007	Our Company successfully delivered 'ICICI Apartments' a residential project located at Shankar Ghanekar Road, Prabhadevi, Mumbai, which was exclusively sold to one of the leading private sector bank as quarters for senior officials.
2010	Our Company successfully delivered 'Saraswat Bank Bhavan' a built to suit commercial building consisting of ground +7 upper floors located at Prabhadevi, Mumbai as corporate office for Saraswat Co-operative Bank Limited.
2012	Our Company successfully delivered 'CCIL Bhavan' a built to suit commercial building consisting of ground + 6 upper floors located at Dadar (West), Mumbai as corporate office

	for Clearing Corporation of India Limited.
2016	Accord Estates Private Limited, our Material Subsidiary, entered into a Joint Development Agreement with Runwal Realty Private Limited for the development of a residential project known as 'Nirvana' located at Parel (East).
2017	Our Company with its launch of its flagship project known as 'Palette' located at Dadar (West), Mumbai and entered into the luxury residential segment of the real estate market of South Central Mumbai. Our Company launched the sea facing luxury project 'Ocean Star' at Dadar (West), Mumbai located less than 100 meters from sea.
2018	Our Company successfully raised ₹ 200 Crore term loan facility from Piramal Capital & Housing Finance Limited for its luxury projects Palette, Tranquil Bay and Mangirish.
2019	Our Company through the launch of 'Louisandra' a residential value luxury project located at Dadar (West), Mumbai, forayed into the value luxury segment comprising of 1 BHK and compact 2 BHK in the South Central Mumbai. Our Company launched 'Ave Marie Apartments' a residential value luxury project located at Dadar (West), Mumbai.
2021	Our Company acquired vacant land parcel at Tulsi Pipe Road from Tata Motors Limited. Our Company received investment from ICICI Ventures Funds Management Company by way of subscription to Non-Convertible Debentures for part financing project cost of newly launched value luxury project 'Suraj Eterna'. Our Company launched 'Vitalis' a residential value luxury project located at L.J Road, Mahim (West), Mumbai. Our Company launched 'Suraj Eterna' a residential value luxury project located at Off. L.J. Road, Mahim (West), Mumbai.

#### Key awards, recognitions and accreditations

The below table sets forth some of the awards, recognitions and accreditations received by our Company

Calendar Year	Awards, recognitions and accreditations
2020	Our Company received the award as 'Best Developer of the Year – Residential' at CNN News 18 Real Estate & Business Excellence Awards for Mumbai City on February 2, 2020.

#### Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

#### Time/cost overrun

For details of time and cost overruns in developing our projects, see "*Risk Factors -Significant increases in prices (including for increase in taxes and levies) or shortage of or delay or disruption in supply of, construction materials, contract labour and equipment could adversely affect our estimated construction cost and timelines resulting in cost overruns.*" on page 39.

#### Launch of key products or services, capacity/ facility, location of plants, entry in new geographies or exit from existing markets

For details of launch of key products or services by our Company, capacity/ facility creation, location of plants, entry in new geographies or exit from existing markets to the extent applicable, see "*Our Business*" on page 159.

#### Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks.

**Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years**

Except as stated below, our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last 10 years:

**M/s. S.R. Enterprises**

*Deed of Admission entered into amongst Retirement amongst Snehprabha Yeshwant Sathe, Diwakar Naryan Raote, Rajan Meenathakonil Thomas and our Company dated March 17, 2005, Snehprabha Yeshwant Sathe, Diwakar Naryan Raote (collectively referred as "The Retiring Partners") and Rajan Meenathakonil Thomas, our Company (collectively referred as "The Continuing Partners") dated March 23, 2005 ("Deed of Retirement") and Rajan Meenathakonil Thomas, Suraj Estate Developers Private Limited entered into addendum to partnership deed dated November 10, 2021*

The Retiring Partners constituted M/s. S.R. Enterprise ("Firm"), a partnership firm, under an indenture of partnership dated March 14, 1977. Pursuant to the Deed of admission dated March 17, 2005, Rajan Meenathakonil Thomas and our Company were admitted to the firm as partners. Pursuant to Deed of Retirement dated March 23, 2005, the Retiring Partners retired from the Firm and the Continuing Partners took over all the assets and liabilities of the Firm with effect from March 1, 2005. Further, the Retiring Partners transferred all share, right, title and interest unto the Continuing Partners in all properties, assets, credits, effects, securities, permits, licenses, quota rights, ownership rights, leasehold rights, development rights, trade name and goodwill and contracts entered into, works executed and work-in-progress and deposits and moneys and properties due to the said firm to hold unto the Continuing Partners. In the event of any outstanding liability of the Retiring Partners, the Retiring Partners shall discharge the same on their own account and shall jointly and severally indemnify the Continuing Partners and the Firm from all such liabilities. Further, the Continuing Partners will at all times discharge, all debts and liabilities incurred by the Firm after the date of the Deed of Retirement and are required to keep the Retiring Partners indemnified from all actions, proceedings and demands in respect thereof.

Subsequently, the Continuing Partners entered into an addendum to the partnership agreement dated November 10, 2021 pursuant to which our Company holds a 95% profit and sharing ratio in the Firm.

**M/s New Siddharth Enterprises**

*Deed of Admission and Retirement between Yeshwant Chintaman Sathe, Diwakar Narayan Raote (collectively referred as 'Retiring Partners') and Rajan Meenathakonil Thomas, our Company (collectively referred as the 'Incoming Partners') dated April 7, 2011. ("Deed of Admission and Retirement") and Rajan Meenathakonil Thomas and our Company entered into addendum to partnership deed dated November 10, 2021*

The Retiring Partners constituted a partnership firm, M/s New Siddharth Enterprises ("Firm") by a Deed of Partnership dated June 14, 2004. Subsequently, by the Deed of Admission of Retirement and Retirement, the Retiring Partners Retired and the Incoming Partners were admitted in the Firm with effect from April 7, 2011. Further, the Retiring Partners remained sole responsible for all claims, penalties and fines levied on the Firm prior to April 7, 2011.

The Incoming Partners entered into an Addendum to the Partnership Deed dated November 10, 2021 pursuant to which our Company holds a 95% profit and loss sharing ratio in the Firm.

**M/s Mulani and Bhagat Associates**

*Amended Supplementary Retirement Deed of Partnership between our Company, Rajan Meenathakonil Thomas,*

***Rahul Jesu Thomas (collectively referred to as “Continuing Partners”) and Riyaz Ganibhai Mulani, Amit Shantilal Bhagat and Kiran Kantilal Bhagat (Collectively referred to as “Retiring Partners”) (The Continuing Partners and Retiring Partners collectively referred to as “Parties”) dated February 26, 2018 and our Company, Rajan Meenathakoli Thomas and Rahul Jesu Thomas entered into addendum to the partnership deed dated November 10, 2021***

The Parties constituted M/s Mulani and Bhagat Associates (“**Firm**”) by the Deed of Partnership dated August 30, 2001. Subsequently, on and from February 26, 2018, the Continuing Partners were the absolute owners of all the properties and assets of the Firm and the Retiring Partners retired from the Firm. Further, all the previous liabilities of the Firm were required to be borne and discharged by the Retiring Partners and Continuing Partners in proportion to the profit and loss sharing ratio.

The Continuing Partners subsequently entered into an addendum to the partnership deed dated November 10, 2021 pursuant to which our Company holds a 95% profit and loss sharing ratio in the Firm.

#### **Accord Estates Private Limited**

Pursuant to board resolution dated October 27, 2021 and share transfer deeds, 106,500 equity shares from Rajan Meenathakonil Thomas, 43,500 equity shares from Sujatha R. Thoms and 39,000 equity shares from Rahul Rajan Jesu Thomas were transferred to our Company to increase its shareholding from 35.38% to 98.37%.

#### **Uditi Premises Private Limited**

Pursuant to share purchase agreements dated March 28, 2017 and March 29, 2017, the 10,000 equity shares of Uditi Premises Private Limited were purchased by our Company and Rajan Meenathakonil Thomas, Rahul Rajan Jesu Thomas and Sujatha R. Thomas. Further, pursuant to board resolution dated December 29, 2017 and share transfer deeds, 9,100 equity shares of Uditi Premises Private Limited were transferred from our Company to Rajan Meenathakonil Thomas. Further, pursuant to board resolution dated October 22, 2019 and share transfer deed, 9,100 equity shares of Uditi Premises Private Limited were transferred from Rajan Meenathakonil Thomas to Accord Estates Private Limited and pursuant to October 27, 2021 and share transfer deeds, 300 equity shares each from Rajan Meenathakonil Thomas, Rahul Rajan Jesu Thomas and Sujatha R. Tomas were transferred to our Company, respectively. Further, Uditi Premises Private Limited became subsidiary of Accord Estates Private Limited and Step down subsidiary of our Company.

#### **Iconic Property Developers Private Limited**

Pursuant to board resolution dated October 27, 2021 and share transfer deeds, 6,250 equity shares from Rajan Meenathakonil Thomas and 3,750 equity shares from Rahul Rajan Jesu Thomas were transferred to our Company to increase its shareholding to 100%.

#### **Skyline Realty Private Limited**

Pursuant to share purchase agreement dated July 12, 2019, the 20,000 equity shares of Skyline Realty Private Limited were purchased by our Company and Rajan Meenathakonil Thomas, Rahul Rajan Jesu Thomas and Sujatha R. Thomas. Further, pursuant to board resolution dated May 26, 2021 and share transfer deeds 100 equity shares held by Sujatha R. Thomas were transferred to Rajan Meenathakonil Thomas and 100 equity shares held by Sujatha R. Thomas were transferred to Rahul Rajan Jesu Thomas. Pursuant to board resolution dated October 27, 2021 and share transfer deeds, 500 equity shares each from Rajan Meenathakonil Thomas and 500 equity shares of Rahul Rajan Jesu Thomas were then transferred to our Company to hold 100% equity shares of Skyline Realty Private Limited.

#### **M/s. Mansi Developers (“Firm”)**

Our Company and Rajan Meenathakonil Thomas, partners of the Firm *vide* Deed of Dissolution dated February 14, 2014, dissolved the Firm.



## **Summary of key agreements**

### **Other material agreements**

Our Company has not entered into any other subsisting shareholder's material agreements other than in the ordinary course of business of our Company, as on the date of this Draft Red Herring Prospectus.

### **Agreements with Key Managerial Personnel, Director, Promoter or any other employee**

As on the date of this Draft Red Herring Prospectus there are no agreements entered into by a Key Managerial Personnel or Directors 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.

### **Details of guarantees given to third parties by the Promoter**

Other than the guarantees provided by our Promoter in relation to certain of our loans as and when required, our Promoter has not given any material guarantees to any third parties with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

## OUR SUBSIDIARIES

As of the date of this Draft Red Herring Prospectus, in terms of the Companies Act, 2013 and Ind AS 110 our Company has the following 7 (seven) subsidiaries.

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries:

(a) **Subsidiaries under Companies Act, 2013:**

1. Accord Estates Private Limited;
2. Skyline Realty Private Limited;
3. Iconic Property Developers Private Limited; and
4. Udit Premises Private Limited.

(b) **Subsidiaries under Ind AS 110:**

5. M/s. New Siddharth Enterprises;
6. M/s. S R Enterprises; and
7. M/s. Mulani & Bhagat Associates;

### Details regarding our Subsidiaries

Unless stated otherwise, the details in relation to our Subsidiaries, provided below, are as on the date of this Draft Red Herring Prospectus:

#### 1. Accord Estates Private Limited (“Accord”)

Accord is our Company’s material unlisted subsidiary, as defined under the SEBI Listing Regulations.

##### *Corporate Information*

Accord was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated October 14, 1987 issued by the RoC. Its corporate identification number is U70100MH1987PTC044983. Its registered office is situated at 15, Floor-3, Mahim Mata Building, Miya Mohd Chhotani, 2nd X Road, Mahim Mumbai– 400016, Maharashtra, India.

Accord is engaged in the business of construction, developers, builders, contractors, architects, engineers, interior decorators and all types of constructing structures, and to do all civil mechanical, fabrication, insulation, industrial works to build, rebuild, demolish or repair buildings, workshops, factories airports, flats, etc, in India or abroad.

##### *Capital Structure*

The capital structure of Accord as on the date of this Draft Red Herring Prospectus is as follows:

<b>Particulars</b>	<b>No. of equity shares of face value of ₹100 each</b>
Authorised share capital	30,000,000
Issued, subscribed and paid-up capital	30,000,000

##### *Shareholding pattern*

The shareholding pattern of Accord as on the date of this Draft Red Herring Prospectus is as follows:

<b>Name of the shareholder</b>	<b>No. of equity shares of ₹ 100 each</b>	<b>Percentage of shareholding (%)</b>
Suraj Estate Developers Limited	295,122	98.37
George Thomas	1,875	0.63
Josy Thomas	1,875	0.63
Elizabeth Lavanya Rajan Thomas	1,125	0.38
Rajan Meenathakonil Thomas*	1	0.00
Sujatha R. Thomas*	1	0.00
Rahul Rajan Jesu Thomas*	1	0.00
<b>Total</b>	<b>300,000</b>	<b>100.00</b>

\*as a nominee of our Company

## 2. Skyline Realty Private Limited (“Skyline Realty”)

### Corporate Information

Skyline Realty was originally incorporated as ‘Dunamis Properties Private Limited’ as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated September 19, 2006 issued by the RoC. The name of Dunamis Properties Private Limited was changed to ‘Skyline Realty Private Limited’ pursuant to the necessary resolution passed by Skyline Realty dated October 26, 2006 and a fresh certificate of incorporation dated December 28, 2006 was issued by the RoC. Its corporate identification number is U45201MH2006PTC164709. Its registered office is situated at 14, Floor-2, Nirmala Building, Miya Mohd Chhotani, 2<sup>nd</sup> X Road, Mahim, Mumbai – 400016, Maharashtra, India.

Skyline Realty is engaged in the business of construction, developers, builders, contractors, architects, civil engineers, interior decorators and all types of construction and development works in all types of buildings and structures and to handle, control, purchase or sell all types of immovable properties for development or sale, in India or abroad.

### Capital Structure

The capital structure of Skyline Realty as on the date of this Draft Red Herring Prospectus is as follows:

<b>Particulars</b>	<b>No. of equity shares of face value of ₹10 each</b>
Authorised share capital	100,000
Issued, subscribed and paid-up capital	20,000

### Shareholding pattern

The shareholding pattern of Skyline Realty as on the date of this Draft Red Herring Prospectus is as follows:

<b>Name of the shareholder</b>	<b>No. of equity shares of ₹ 10 each</b>	<b>Percentage of shareholding (%)</b>
Suraj Estate Developers Limited	19,999	99.99
Rajan Meenathakonil Thomas*	1	0.01
<b>Total</b>	<b>20,000</b>	<b>100.00</b>

\*as a nominee of our Company

## 3. Iconic Property Developers Private Limited (“Iconic Property”)

### Corporate Information

Iconic Property was originally incorporated as ‘Iconic Hotels Private Limited’ as a private company, under the Companies Act, 1956 pursuant to a certificate of incorporation dated July 26, 2010 issued by the RoC. The name of Iconic Hotels Private Limited was subsequently changed to ‘Iconic Property Developers Private Limited’ pursuant to

a special resolution passed by Iconic Property dated May 28, 2019 and a fresh certificate of incorporation dated July 5, 2019 was issued by the RoC. Its corporate identification number is U70100MH2010PTC205955. Its registered office is situated at 15-B, Mahim Mata Building, Marinagar Colony, Mahim, Mumbai – 400016, Maharashtra, India.

Iconic Property is engaged in the business as building, builders, civil engineers, constructors, decorators, architects, designers, engineers, sanitary and water engineers and projecting and designing all kinds of constructing structures in India and abroad.

#### *Capital Structure*

The capital structure of Iconic Property as on the date of this Draft Red Herring Prospectus is as follows:

<b>Particulars</b>	<b>No. of equity shares of face value of ₹10 each</b>
Authorised share capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding pattern*

The shareholding pattern of Iconic Property as on the date of this Draft Red Herring Prospectus is as follows:

<b>Name of the shareholder</b>	<b>No. of equity shares of ₹ 10 each</b>	<b>Percentage of shareholding (%)</b>
Suraj Estate Developers Limited	9,999	99.99
Rajan Meenathakonil Thomas*	1	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

\*as a nominee of our Company

#### **4. Uditi Premises Private Limited (“Uditi”)**

##### *Corporate Information*

Uditi was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated June 19, 2006 issued by the RoC. Its corporate identification number is U45201MH2006PTC162723. Its registered office is situated at 14, Floor-2, Nirmala Building, Miya Mohd Chhotani, 2nd X Road, Mahim Mumbai– 400016, Maharashtra, India.

Uditi is engaged in the business of builders, contractors, designers, architects, decorators, furniture, consultants, constructors and brokers of all types of buildings and structures and to develop, erect and install all such buildings and structures and to purchase, sale or deal in all types of movable and immovable properties for development investment.

##### *Capital Structure*

The capital structure of Uditi as on the date of this Draft Red Herring Prospectus is as follows:

<b>Particulars</b>	<b>No. of equity shares of face value of ₹10 each</b>
Authorised share capital	10,000
Issued, subscribed and paid-up capital	10,000

##### *Shareholding pattern*

The shareholding pattern of Uditi as on the date of this Draft Red Herring Prospectus is as follows:

<b>Name of the shareholder</b>	<b>No. of equity shares of ₹ 10 each</b>	<b>Percentage of shareholding (%)</b>
Accord Estates Private Limited	9,100	91.00

<b>Name of the shareholder</b>	<b>No. of equity shares of ₹ 10 each</b>	<b>Percentage of shareholding (%)</b>
Suraj Estate Developers Limited	900	9.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

## 5. M/s. New Siddharth Enterprises

### *Corporate Information*

M/s. New Siddharth Enterprises, a partnership firm, was set up and deemed to commence its business pursuant to a deed of partnership dated June 14, 2004. M/s. New Siddharth Enterprises has been reconstituted and deemed to commence its business as a new firm in terms of the deed of admission cum retirement dated April 7, 2011. Consequently, M/s. New Siddharth Enterprise entered into an addendum to the partnership deed dated November 10, 2021. Its place of business is situated at 15B Mahim Mata Building, 3<sup>rd</sup> Floor, Mari Nagar Colony, Mahim West Mumbai-400016, Maharashtra, India.

M/s. New Siddharth Enterprises is engaged in the business of builders, contractors, designers, architects, decorators, furniture, consultants, constructors and brokers of all types of buildings and structures and to develop, erect and install all such buildings and structures and to purchase, sale or deal in all types of movable and immovable properties for development investment.

### *Partners*

The partners of M/s. New Siddharth Enterprises are:

1. Suraj Estate Developers Limited; and
2. Rajan Meenathakonil Thomas

### *Capital Contribution*

M/s. New Siddharth Enterprises has a fixed capital of ₹ 1.26 million wherein ₹ 1.20 million is contributed by our Company and the remaining capital amount is contributed by the remaining partners in accordance with the profit/loss sharing ratio as specified below, and thereafter as and when required in mutually agreed proportion.

### *Profit/Loss Sharing Ratio*

<b>Name of the Partner</b>	<b>Profit and Loss Sharing</b>
Suraj Estate Developers Limited acting through its Managing Director Rajan Meenathakonil Thomas	95.00%
Rajan Meenathakonil Thomas	5.00%
<b>Total</b>	<b>100.00%</b>

## 6. M/s. S R Enterprises

M/s. S R Enterprises, a partnership firm, was set up and deemed to commence its business pursuant to a deed of partnership dated March 14, 1977. M/s. S R Enterprises has been reconstituted and deemed to commence its business as a new firm in terms of the deed of admission cum retirement dated March 17, 2005 by admission of Rajan Meenathakonil Thomas and our Company and was amended on March 23, 2005 to take over the firm from the existing partners. Consequently, M/s. S R Enterprises entered into an addendum to the partnership deed dated November 10, 2021. Its place of business is situated at Flat no 15, Mahim Mata Building, Marinagar Colony, opp Mahim Station, Mahim West Mumbai-400016 Maharashtra, India.

M/s. S R Enterprises is engaged in the business of builders, contractors, designers, architects, decorators, furniture, consultants, constructors and brokers of all types of buildings and structures and to develop, erect and install all such buildings and structures and to purchase, sale or deal in all types of movable and immovable properties for development investment.

### *Partners*

The partners of M/s. S R Enterprise are:

1. Suraj Estate Developers Limited; and
2. Rajan Meenathakonil Thomas

### *Capital Contribution*

M/s. S R Enterprises has a fixed capital of ₹ 3.18 million wherein ₹2.98 million is contributed by our Company and the remaining capital amount is contributed by the remaining partners in accordance with the profit/loss sharing ratio as specified below, and thereafter as and when required in mutually agreed proportion.

### *Profit/Loss Sharing Ratio*

<b>Name of the Partner</b>	<b>Profit and Loss Sharing</b>
Suraj Estate Developers Limited acting through its Managing Director Rajan Meenathakonil Thomas	95.00%
Rajan Meenathakonil Thomas	5.00%
<b>Total</b>	<b>100.00%</b>

### **7. M/s. Mulani & Bhagat Associates (“Mulani & Bhagat”)**

Mulani & Bhagat, a partnership firm, was set up and deemed to commence its business pursuant to a deed of partnership dated August 30, 2001. Mulani & Bhagat has been reconstituted and deemed to commence its business as a new firm in terms of the amended supplementary retirement deed of partnership dated February 26, 2018. Consequently, Mulani & Bhagat entered into an addendum to the partnership deed dated November 10, 2021. Its place of business is situated at 15B, Mahim Mata Building, Marinagar Colony, Mahim West Mumbai-400016, Maharashtra, India.

Mulani & Bhagat is engaged in the business of builders, contractors, designers, architects, decorators, furniture, consultants, constructors and brokers of all types of buildings and structures and to develop, erect and install all such buildings and structures and to purchase, sale or deal in all types of movable and immovable properties for development investment.

### *Partners*

The partners of Mulani & Bhagat are:

1. Suraj Estate Developers Limited; and
2. Rajan Meenathakonil Thomas

### *Capital Contribution*

Mulani & Bhagat has a fixed capital of ₹ 0.05 million wherein ₹0.045 million is contributed by partners in accordance with the profit/loss sharing ratio as specified below, and thereafter as and when required in mutually agreed proportion.

### *Profit/Loss Sharing Ratio*

<b>Name of the Partner</b>	<b>Profit and Loss Sharing</b>
Suraj Estate Developers Limited acting through its Managing Director Rajan Meenathakonil Thomas	95.00%
Rajan Meenathakonil Thomas	2.50%
Rahul Rajan Jesu Thomas	2.50%
<b>Total</b>	<b>100.00%</b>

## **Other details regarding our Subsidiaries**

### **Accumulated profits or losses of our Subsidiaries.**

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that are not accounted for, by our Company.

### ***Common Pursuits***

All of our Subsidiaries are engaged in business activities similar to that of our Company. Our Subsidiaries have been incorporated/acquired to undertake various projects in line with our business strategies. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and our Subsidiaries, see “*Related Party Transactions*” on page 326.

### ***Business interest between our Company and our Subsidiaries***

Except in the ordinary course of business and as stated in “*Our Business*” and “*Related Party Transactions*” on pages 159 and 326, respectively, none of our Subsidiaries have any business interest in our Company.

### ***Outstanding litigations***

For details regarding the outstanding litigations against our Subsidiaries, see “*Outstanding Litigation and Material Developments*” on page 330.

### ***Other confirmations***

None of our Subsidiaries have listed their securities of on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange, nor have our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

### **Our Holding Company**

As of the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

### **Joint Venture and Associate**

As of the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate.

## OUR MANAGEMENT

In terms of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus, we have 6 (six) Directors on our Board, including 1 (one) Chairperson and Managing Director, 1 (one) Whole-time Director, 1 (one) Non-Executive Director being a woman Director and 3 (three) Independent Directors. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

### Board of Directors

The following table sets forth the details of our Board as on the date of filing of this Draft Red Herring Prospectus with SEBI:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><b>Rajan Meenathakonil Thomas</b></p> <p><i>Designation:</i> Chairperson and Managing Director</p> <p><i>Date of birth:</i> December 16, 1956</p> <p><i>Address:</i> 901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years with effect from October 1, 2021 up to September 30, 2026</p> <p><i>Period of Directorship:</i> Since September 10, 1986</p> <p><i>DIN:</i> 00634576</p>	65	<ol style="list-style-type: none"> <li>1. Accord Estates Private Limited;</li> <li>2. Uditi Premises Private Limited;</li> <li>3. Iconic Property Developers Private Limited;</li> <li>4. Skyline Realty Private Limited;</li> <li>5. Gratique Realty Private Limited; and</li> <li>6. Exemplica Realty Private Limited.</li> </ol>
<p><b>Rahul Rajan Jesu Thomas</b></p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Date of birth:</i> April 12, 1987</p> <p><i>Address:</i> 901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years with effect from December 1, 2021 upto November 30, 2026 and liable to retire by rotation</p> <p><i>Period of directorship:</i> Since August 18, 2006</p>	34	<ol style="list-style-type: none"> <li>1. Accord Estates Private Limited;</li> <li>2. Uditi Premises Private Limited;</li> <li>3. Iconic Property Developers Private Limited;</li> <li>4. Skyline Realty Private Limited;</li> <li>5. Gratique Realty Private Limited; and</li> <li>6. Exemplica Realty Private Limited.</li> </ol>



Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<i>DIN:</i> 00318419		
<p><b>Sujatha R. Thomas</b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Date of birth:</i> October 24, 1959</p> <p><i>Address:</i> 901, Silver Cascade, Mount Mary Road, Bandra West, Mumbai- 400050, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since September 10, 1986</p> <p><i>DIN:</i> 02492141</p>	62	<ol style="list-style-type: none"> <li>1. Accord Estates Private Limited;</li> <li>2. Udit Premises Private Limited;</li> <li>3. Gratique Realty Private Limited; and</li> <li>4. Exemplica Realty Private Limited.</li> </ol>
<p><b>Mrutyunjay Mahapatra</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> May 3, 1960</p> <p><i>Address:</i> Gulmarg H Bungalow, SBI Residential Colony, Sector 1,3 Nerul (East), Navi Mumbai, Thane, Maharashtra, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Current term:</i> For a Period of five (5) years with effect from December 3, 2021 till December 2, 2026</p> <p><i>Period of directorship:</i> Director since December 3, 2021</p> <p><i>DIN:</i> 03168761</p>	61	<ol style="list-style-type: none"> <li>1. Mayfair Hotels &amp; Resorts Limited;</li> <li>2. Quantum Asset Management Company Private Limited; and</li> <li>3. Reserve Bank Innovation Hub.</li> </ol>
<p><b>Sunil Pant</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> December 19, 1953</p> <p><i>Address:</i> H.N. A-1402, Angel Mercy Society, Ahinsha Khand 2, Police Station – Indrapuram, Gaziabad – 201014, Uttar Pradesh, India</p> <p><i>Occupation:</i> Professional</p>	68	<ol style="list-style-type: none"> <li>1. Green Infra Wind Energy Theni Limited;</li> <li>2. Green Infra Wind Power Generation Limited; and</li> <li>3. Mulanur Renewable Energy Limited.</li> </ol>

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><i>Current term:</i> For a Period of five (5) years with effect from December 3, 2021 till December 2, 2026</p> <p><i>Period of directorship:</i> Since December 3, 2021</p> <p><i>DIN:</i> 07068748</p>		
<p><b>Dr. Satyendra Shridhar Nayak</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> March 22, 1949</p> <p><i>Address:</i> Villa No. 24, Aqua Village Project, Aqua Bay, Near MES College, Zuarinagar- 403726, Goa, India</p> <p><i>Occupation:</i> Financial Advisor and Consultant</p> <p><i>Current term:</i> For a Period of five (5) years with effect from December 3, 2021 till December 2, 2026</p> <p><i>Period of directorship:</i> Since December 3, 2021</p> <p><i>DIN:</i> 08194706</p>	72	Accord Estates Private Limited

#### ***Brief profiles of our Directors***

**Rajan Meenathakonil Thomas**, the Chairperson and Managing Director of our Company. He holds a bachelor's degree in Arts from the Agra University. He has been associated with our Company since its incorporation. He has over 35 years of experience in various aspects of real estate business.

**Rahul Rajan Jesu Thomas**, is a Whole-time Director of our Company. He holds a bachelor's degree in Commerce from the University of Mumbai and corporate finance certificate from Harvard University. He has over 15 years of experience in various aspects of real estate business.

**Sujatha R. Thomas**, the Non-Executive Director of our Company. She holds a bachelor's degree in Arts from the University of Madras. She has been associated with our Company since its incorporation. She has over 30 years of experience in various aspects of real estate business.

**Mrutyunjay Mahapatra**, is an Independent Director of our Company. He holds a bachelor's degree in Science (Physics) from Berhampur University and master's degree in Science (Physics) from Berhampur University. He was a Managing Director and Chief Executive Director of State Bank of India and is Member of Governing Council of RBI Innovation hub. He has experience in various aspects of banking.

**Sunil Pant**, is an Independent Director of our Company. He holds a bachelor's degree in Science from the Merut University, bachelor's degree in Labour Law from Garhwal University, master's degree in physics from Garhwal University and member of the Indian Institute of Bankers and All India Management Association. He was working with State Bank of India as Chief General Manager and with Gerson Lehrman Group, USA as Consultant. He has

over 36 years of experience in banking.

**Dr. Satyendra Shridhar Nayak**, is an Independent Director of our Company. He holds a master's degree in Commerce from the University of Bombay and Doctor of Philosophy from University of Bombay. He has authored a book called "Globalization and the Indian Economy". He was on the board of Bharat Wire Ropes Limited. He has experience in consulting.

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

Except as mentioned below, none of our other Directors are related to each other or to any of our Key Managerial Personnel:

<b>Name of the Directors</b>	<b>Relationship</b>
Rajan Meenathakonil Thomas and Rahul Rajan Jesu Thomas	Father and Son
Sujatha R. Thomas and Rahul Rajan Jesu Thomas	Mother and Son
Rajan Meenathakonil Thomas and Sujatha R. Thomas	Husband and Wife

#### **Arrangement or understanding with major shareholders, customers, suppliers or others.**

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

#### **Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

#### **Payment or benefit to Directors of our Company**

In Fiscal 2021, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors other than remuneration paid to them for such period.

#### **Terms of appointment of our Managing Director and Whole-time Directors**

##### **1. Rajan Meenathakonil Thomas**

Our Board of Directors in its meeting held on September 27, 2021 and our Shareholders in their general meeting held on October 21, 2021 approved the re-appointment of Rajan Meenathakonil Thomas as the Chairperson and Managing Director of our Company for a period of 5 years with effect from October 1, 2021 upto September 30, 2026. The following table sets forth the terms of appointment of Rajan Meenathakonil Thomas:

<b><u>Particulars</u></b>	<b><u>Amount</u></b>
Remuneration (Gross)	₹ 6.38 million p.a.
Other Perks (Mobile Bills Reimbursement)	As per bills

##### **2. Rahul Rajan Jesu Thomas**

Our Board of Directors in its meeting held on December 1, 2021 and our Shareholders in their general meeting held on December 3, 2021 approved the appointment of Rahul Rajan Jesu Thomas as the Whole-time Director of our Company, liable to retire by rotation for a period of 5 years with effect from December 1, 2021 till November 30, 2026. The following table sets forth the terms of appointment of Rahul Rajan Jesu Thomas:

<u>Particulars</u>	<u>Amount</u>
Remuneration (Gross)	₹ 5.63 million p.a.
Other Perks (Mobile Bills Reimbursement)	As per bills

### Remuneration of our Directors from our Company

#### (a) Executive Directors

The following table sets forth the details of the remuneration paid by our Company to our Executive Directors for the Fiscal 2021:

Sr. No.	Name of the Executive Director	Remuneration (in ₹ million)
1.	Rajan Meenathakonil Thomas	4.76
2.	Rahul Rajan Jesu Thomas	4.50

#### (b) Non-Executive Directors

Pursuant to a resolution of our Board dated January 19, 2022, our Non-Executive Directors and Independent Directors are entitled to receive sitting fees of ₹ 100,000 for attending each meeting of our Board and meeting of the Committees.

None of the Non-Executive Directors have received any sitting fees in Fiscal 2021.

### Remuneration of our Directors from our Subsidiaries

Except as mentioned below, no remuneration has been paid to our Director by any of our Subsidiaries in Fiscal 2021.

Sr. No.	Name of the Subsidiary	Name of the Director	Remuneration (in ₹ million)
1.	Accord Estates Private Limited	Sujatha R. Thomas	0.35

### Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

### Bonus or profit-sharing plan for our Directors

Our Company has no bonus or profit-sharing plan in which the Directors participate.

### Shareholding of our Directors and Key Managerial Personnel in our Company

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors and Key Managerial Personnel hold any Equity Shares in our Company:

Sr. No.	Name of the Director	No. of Equity Shares held
1.	Rajan Meenathakonil Thomas	27,282,000
2.	Sujatha R. Thomas	3,877,500
3.	Rahul Rajan Jesu Thomas	392,000

### Shareholding of Directors in our Subsidiaries.

Except as stated below, none of our Directors hold any equity shares in our Subsidiaries

Details of equity shares held in Accord:

Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
Rajan Meenathakonil Thomas*	1	Negligible
Sujatha R. Thomas*	1	Negligible
Rahul Rajan Jesu Thomas*	1	Negligible
<b>Total</b>	<b>3</b>	<b>Negligible</b>

*\*As a nominee of our Company*

Details of equity shares held in Skyline:

Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
Rajan Meenathakonil Thomas*	1	0.01
<b>Total</b>	<b>1</b>	<b>0.01</b>

*\*As a nominee of our Company*

Details of equity shares held in Iconic Property:

Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
Rajan Meenathakonil Thomas*	1	0.01
<b>Total</b>	<b>1</b>	<b>0.01</b>

*\*As a nominee of our Company*

Details of profit/loss sharing ratio in M/s. New Siddharth Enterprises:

Name of the shareholder	Profit and Loss Sharing
Rajan Meenathakonil Thomas	5.00%
<b>Total</b>	<b>5.00%</b>

Details of profit/loss sharing ratio in M/s. S R Enterprises:

Name of the shareholder	Profit and Loss Sharing
Rajan Meenathakonil Thomas	5.00%
<b>Total</b>	<b>5.00%</b>

Details of profit/loss sharing ratio in M/s. Mulani & Bhagat Associates:

Name of the shareholder	Profit and Loss Sharing
Rajan Meenathakonil Thomas	2.50%
Rahul Rajan Jesu Thomas	2.50%
<b>Total</b>	<b>5.00%</b>

### ***Borrowing Powers***

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, and pursuant to a resolution of the Shareholders of our Company passed in their extraordinary general meeting held on January 25, 2022, in accordance with Section 180 of the Companies Act, 2013, our Board is authorised to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with the amount already borrowed by our Company (apart from temporary

loans obtained from our Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of our Company provided that the total amount borrowed by our Board and outstanding at any point of time shall not exceed ₹ 10,000 million.

### ***Interest of Directors***

All our Directors, including Independent Directors, may be regarded to be interested to the extent of remuneration, fees, if any, payable to them for attending meetings of our board of directors or a committee thereof of our Company and Subsidiaries as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them by to our Company and Subsidiaries. Certain of our Directors may also be regarded as interested to the extent of loan granted to the Company and interest being paid towards them.

The Directors may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Issue and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. None of our Independent Directors hold any Equity Shares in our Company.

The Directors may also be regarded as interested in the securities, if any, held by them in the Subsidiaries to the extent of Equity Shares held by them, capital contribution or having certain share in the profit/loss sharing ratio of such Subsidiaries, and/or to the extent of being a Director, partners or designated partners of such Subsidiaries as the case may be, and/or any other related benefits and also to the extent of any dividend payable to them and other distributions in respect of such securities and the securities of the Subsidiaries that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. None of our Independent Directors hold any Equity Shares or profit/loss sharing in our Company and Subsidiaries.

Certain of our Directors may be deemed to be interested in the contracts, transactions, agreements or arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity. Please see "*Related Party Transactions*" on page 326.

There is no material existing or anticipated transaction whereby Directors will receive any proceeds from the Net Issue.

### ***Interest of Directors in the promotion and formation of our Company***

As on the date of this Draft Red Herring Prospectus, except for Rajan Meenathakonil Thomas, who is the Promoter of the Company, none of our other Directors and Key Managerial Personnel are interested in the promotion of our Company. For further details, see "*Our Promoter and Promoter Group*" on page 224.

### ***Interest in property***

Our Directors do not have any interest in any property acquired or proposed to be acquired by or of our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Sujatha R.Thomas, member of the Promoter Group has entered into lease deed dated July 17, 2015 with Accord Estates Private Limited, Material Subsidiary of the Company for taking on lease four ground plus one upper floor row houses and having possessory rights with respect to land underneath and land appurtenant thereto in Mount Mary Hill, Bandra West for lease rent of ₹ 10,000 per month.

### ***Business interest***

Except as stated in “*Financial Information – Related Party Disclosure*” beginning on page 232 and as disclosed in this section, our Directors do not have any other interest in our business.

### **Confirmations**

Our Directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on our board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors have been or are directors on our board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

None of our Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors have been identified as Wilful Defaulters or a Fraudulent Borrower, as defined under the RBI guidelines/master circulars on Wilful Defaulters and Fraudulent Borrowers.

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, trusts 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, trust or company in which he is interested, in connection with the promotion or formation of our Company.

### **Changes to our Board in the last three years**

The changes in our Board in the last three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

<b>Name of Director</b>	<b>Date of Change</b>	<b>Reasons</b>
Rahul Rajan Jesu Thomas	December 1, 2021	Change in designation to Whole-time Director
Sujatha R. Thomas	December 1, 2021	Change in designation to Non-Executive Director
Mrutyunjay Mahapatra*	December 3, 2021	Appointed as Additional Independent Director
Sunil Pant*	December 3, 2021	Appointed as Additional Independent Director
Dr. Satyendra Shridhar Nayak*	December 3, 2021	Appointed as Additional Independent Director

\*Mrutyunjay Mahapatra, Sunil Pant and Dr. Satyendra Shridhar Nayak were regularised at the extra-ordinary general meeting of our Company held on January 25, 2022.

### **Corporate Governance**

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company and its Material Subsidiary is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of our Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have six Directors on our Board, of whom one women Director and three are Independent Directors.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

### **Committees of our Board of Directors**

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

### **Audit Committee**

The Audit Committee was constituted by a meeting of our Board held on January 19, 2022. The members of the Audit Committee are:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Dr. Satyendra Shridhar Nayak	Chairperson	Independent Director
Sunil Pant	Member	Independent Director
Rajan Meenathakonil Thomas	Member	Chairman and Managing Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee are as follows:

#### **A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference
2. to seek information from any employee
3. to obtain outside legal or other professional advice;
4. management discussion and analysis of financial condition and results of operations;
5. to secure attendance of outsiders with relevant expertise, if it considers necessary; and
6. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) reviewing, 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;
- (6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report,
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to



- the Board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - (10) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;  
*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.*
  - (11) laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
  - (12) scrutiny of inter-corporate loans and investments;
  - (13) valuation of undertakings or assets of the Company, wherever it is necessary;
  - (14) evaluation of internal financial controls and risk management systems;
  - (15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (16) 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;
  - (17) discussion with internal auditors of any significant findings and follow up there on;
  - (18) 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;
  - (19) 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;
  - (20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
  - (21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - (22) reviewing the functioning of the whistle blower mechanism;
  - (23) monitoring the end use of funds raised through public offers and related matters;
  - (24) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
  - (25) 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;
  - (26) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
  - (27) 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;
  - (28) to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, 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; and
  - (29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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;
- e) The appointment, removal and terms of remuneration of the chief internal auditor;
- f) Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
- g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted by a meeting of our Board held on January 19, 2022. The members of the Nomination and Remuneration Committee are:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Mrutyunjay Mahapatra	Chairperson	Independent Director
Sunil Pant	Member	Independent Director
Dr. Satyendra Shridhar Nayak	Member	Independent Director
Rajan Meenathakonil Thomas	Member	Chairman and Managing Director

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);

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.
- (2) formulation of criteria for evaluation of performance of independent directors and the Board;
  - (3) devising a policy on Board diversity;
  - (4) 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;

- (5) reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
- (6) 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,
- (7) extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (8) evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
- (9) making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;
- (10) recommending to the board, all remuneration, in whatever form, payable to senior management, including revisions thereto;
- (11) administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
- (12) 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 SEBI Insider Trading Regulations; and
  - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;
- (13) 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;
- (14) performing such other functions as may be necessary or appropriate for the performance of its duties;
- (15) periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
- (16) developing a succession plan for our Board and senior management and regularly reviewing the plan;
- (17) consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate; and
- (18) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act,

2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a meeting of our Board held on January 19, 2022. The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Mrutyunjay Mahapatra	Chairperson	Independent Director
Sunil Pant	Member	Independent Director
Rahul Rajan Jesu Thomas	Member	Whole-time Director

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

- (1) considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;
- (2) resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- (3) review of measures taken for effective exercise of voting rights by shareholders;
- (4) investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (5) 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;
- (6) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- (8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority

### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted by a meeting of our Board held on January 19, 2022. The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Mrutyunjay Mahapatra	Chairperson	Independent Director
Sunil Pant	Member	Independent Director
Rahul Rajan Jesu Thomas	Member	Whole-time Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- (b) To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and;
- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time;
- (d) Any other matter as the CSR Committee may deem to be directed by the Board from time to time.

### **IPO Committee**

The IPO Committee was constituted by a meeting of our Board held on January 19, 2022. The members of the IPO Committee are:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Rajan Meenathakonil Thomas	Chairperson	Chairman and Managing Director
Rahul Rajan Jesu Thomas	Member	Whole time Director
Sujatha R. Thomas	Member	Non-Executive Director

The terms of reference of the IPO Committee are as follows:

1. To decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead managers appointed in relation to the Issue (“**BRLMs**”);
2. to decide in consultation with the BRLMs the actual size of the Issue and taking on record the number of equity shares, having face value of ₹5 per equity share (the “**Equity Shares**”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
3. to appoint, instruct and enter into agreements with the BRLMs, and in consultation with BRLMs appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and offer agreement with the BRLMs, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
4. to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLMs or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares;
5. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”), the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“**Stock Exchanges**”), the Registrar of Companies, Maharashtra at Mumbai (“**Registrar of Companies**”), institutions or bodies;
6. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange

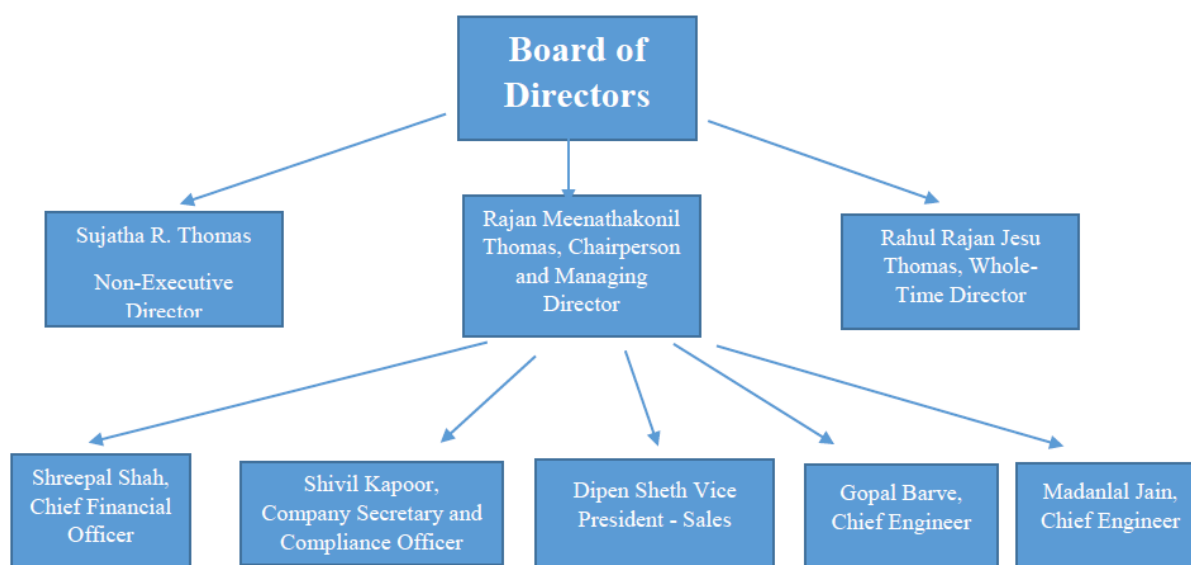
Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), Companies Act, 2013, as amended and other applicable laws;

7. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
8. to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
9. to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
10. to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited and / or National Securities Depositories Limited (NSDL), registrar and transfer agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents;
11. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, monitoring agency, legal counsel, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
12. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), Registrar of Companies and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
13. to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing
14. to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
15. to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
16. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk

management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;

17. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
18. to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
19. to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
20. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
21. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
22. to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and applicable laws;
23. To determine the utilization of proceeds of the fresh issue, if applicable and accept and appropriate proceeds of such fresh issue in accordance with the Applicable Laws;
24. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue or provide clarifications to the SEBI, Registrar of Companies and the relevant Stock Exchange(s) where the Equity Shares are to be listed;
25. To authorize the affixation of the common seal of the Company on such documents in this connection as may be required in accordance with the provisions of the Articles of Association of the Company and Applicable Law; and
26. To authorize and empower officers of the Company (each, an "**Authorized Officer(s)**"), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchange(s), the registrar's agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

## Management organisation chart



## Key Management Personnel

For details in relation to the biographies of our Executive Directors, see “– *Brief biographies of Directors*” on page 207. The details of the Key Managerial Personnel of our Company are as follows:

**Shreepal Shah**, is the Chief Financial Officer of our Company with effect from December 1, 2021. He is associated with our Company since July 9, 2018 and is involved in day to day financing & strategic activities and fund raising. He holds a bachelor’s degree in Engineering from University of Mumbai and a master’s degree in Business Administration from University of Pune. Prior to joining our Company, he was working with P. Raj & Co., Chartered Accountants providing business and finance advisory. He has also worked with Kotak Investment Banking in their structured finance team. He was paid a remuneration of ₹ 1.31 million in Fiscal 2021.

**Shivil Kapoor**, is the Company Secretary of our Company with effect from December 1, 2021. He was appointed as compliance officer with effect from January 19, 2022 and is responsible for handling secretarial matters in our Company. He holds a bachelor’s degree in Commerce from Devi Ahilya Vishwavidyalaya, Indore, bachelor’s degree in Law from Devi Ahilya Vishwavidyalaya, Indore and is a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was working with Ajcon Global Services Limited, Aamby Valley Limited and Svatantra Microfin Private Limited. He was appointed in Fiscal 2022, so he did not receive any remuneration in Fiscal 2021.

All the Key Managerial Personnel are permanent employees of our Company.

## Senior Management Personnel

The details of our Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as follows:

**Dipen Sheth**, is the Vice President - Sales of our Company with effect from December 28, 2020. He was appointed as Senior General Manager Sales with effect from October 14, 2020. He holds a bachelor’s degree in Commerce from University of Mumbai. Prior to joining our Company, he was associated with Kanakia Spaces Private Limited and



Oasis Lifespaces Private Limited. He has received a remuneration of ₹ 0.75 million in Fiscal 2021.

**Gopal Barve**, is the Chief Engineer of our Subsidiary, Accord Estates Private Limited with effect from May 7, 2006. He holds a bachelor's degree in Engineering (Civil) from University of Bombay. He is an associate member of The Institute of Engineers (India) and Prior to joining our Subsidiary, he was associated with Siddhivinayak Builders, Abhay Raut, Architect & Interior Designer, Pushkar Consultants, Architects Engineers & Interior Designers, Dr. Vasant S. Kelkar and Associates, Consulting Civil-Structural Engineers, Networks Constructions Private Limited, Anamika Real Estate Private Limited and Shalini Construction Company Private Limited. He has received a remuneration of ₹ 2.13 million in Fiscal 2021.

**Madanlal Jain**, is the Chief Engineer of our Company with effect from May 2, 2020. He holds bachelor's degree in Engineering (Civil) from University of Bombay. He also holds Chartered Engineer degree from The Institute of Engineers (India). Prior to joining our Company, he was associated with International Knowledge Park Private Limited as General Manager (Projects). He has received a remuneration of ₹ 2.20 million in Fiscal 2021.

### **Relationship among Key Management Personnel and Directors**

Except as disclosed in “-*Relationship between our Directors and Key Managerial Personnel*” on page 208, none of our other Key Management Personnel are related to each other.

### **Arrangements and understanding with major shareholders, customers and suppliers**

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

### **Shareholding of the Key Management Personnel**

Except as disclosed in “-*Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 209, none of our other Key Management Personnel hold any Equity Shares in our Company.

### **Retirement and termination benefits**

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

### **Contingent and deferred compensation payable to Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

### **Bonus or profit-sharing plan of the Key Managerial Personnel**

Our Company has no bonus or profit-sharing plan in which the Key Managerial Personnel participate.

### ***Interest of our Key Management Personnel***

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

The Key Management Personnel may also be deemed to be interested in the Equity Shares, if any, held by them, and dividend payable to them and other distributions in respect of Equity Shares held by them, if any.

Further, our Key Management Personnel may be deemed to be interested to the extent as disclosed in “-Interest of Directors” on page 211.

#### **Changes in the Key Management Personnel in last three years**

The details of the changes in the Key Management Personnel of our Company in the last three years are as follows:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason of change</b>
Shivil Kapoor	Company Secretary and Compliance Officer	December 1, 2021	Appointment
Shreepal Shah	Chief Financial Officer	December 1, 2021	Appointment

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

#### **Payment or benefits to the Key Management Personnel (non-salary related)**

No employee stock option plans, no non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s officers and Key Management Personnel within the two preceding years from the date of filing of this Draft Red Herring Prospectus, other than in the ordinary course of their employment.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

As on the date of this Draft Red Herring Prospectus, the Promoter of our Company is Rajan Meenathakonil Thomas.

As on date of this Draft Red Herring Prospectus, our Promoter, in aggregate, holds 27,282,000 Equity Shares in our Company, representing 82.05% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoter' shareholding in our Company, see “*Capital Structure – History of the Equity Share capital held by our Promoter*” on page 83.

#### A. Details of our individual Promoter is as follows:



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#### Rajan Meenathakonil Thomas

Rajan Meenathakonil Thomas, aged 65 years, is our Promoter and is also the Chairperson and Managing Director on our Board. For the complete profile of Rajan Meenathakonil Thomas, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, see “*Our Management*” on page 205.

His permanent account number is AABT3128P.

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Our Company confirms that the permanent account number, aadhaar card number and driving license number of our Promoter shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

#### Change in management and control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

#### Interest of Promoter

Our Promoter is interested in our Company to the extent that he is the Promoter of our Company and to the extent of his respective shareholding directly or indirectly along with that of his relatives in our Company, his directorship in our Company (where applicable), interest payable on the loans provided to the Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter's shareholding, see “*Capital Structure*” on page 83. For further details of interest of our Promoter in our Company, see “*Restated Consolidated Financial Statements*” on page 232.

Our Promoter is also interested in the Subsidiaries of our Company, to the extent of his share in capital contribution or having certain share in the profit/loss sharing ratio of such Subsidiaries, and/or to the extent of being a partner of such Subsidiaries as the case may be, and/or any other related benefits.

Our Promoter is also interested in our Company to the extent of his shareholding in our Subsidiaries and Group Companies, Promoter Group entities with which our Company transacts during the course of its operations. For more details, please see “*Related Party Transactions*” on page 326.

Our Promoter may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as Directors on our Board. For further details, see “*Our Management*” on page 205.

Further, our Promoter may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as Directors of our Subsidiaries or Group Companies.

Our Promoter is also interested to the extent of other remuneration, commission and reimbursement of expenses, payable to him and his relatives by our Company. For further details, see “*Restated Consolidated Financial Statements*” on page 232.

Our Promoter does not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, or other such transaction.

Our Promoter does not have any direct or indirect interest in the properties that our Company has taken on lease and license. For further information please see “*Our Business- Property*” on Page 184.

Sujatha R.Thomas, member of the Promoter Group has entered into lease deed dated July 17, 2015 with Accord Estates Private Limited, Material Subsidiary of the Company for taking on lease four ground plus one upper floor row houses and having possessory rights with respect to land underneath and land appurtenant thereto in Mount Mary Hill, Bandra West for lease rent of ₹ 10,000 per month.

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 as a member, in cash or shares or otherwise by any person either to induce our individual Promoter to become, or qualify him as a director, or otherwise for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

As on December 31, 2021, our Promoter has extended an unsecured loan of ₹ 178.28 million (excluding interest) to our Company.

#### **Payment or benefits to our Promoter or our Promoter Group**

Except as disclosed herein and as stated in “*Restated Consolidated Financial Statements*” on page 232, there has been no payment or benefits by our Company to our Promoter or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

The remuneration to the Promoter is being paid in accordance with his respective terms of appointment. For further details see “*Our Management- Terms of appointment of our Managing Director and Whole-time Directors*” on page 208.

#### **Litigations involving our Promoter**

Except as disclosed under “*Outstanding Litigation and Material Developments*” on page 330, there is no litigation or legal and regulatory proceedings involving our Promoter as on the date of this Draft Red Herring Prospectus.

#### **Companies or firms with which our Promoter have disassociated in the last three years**

Except as provided below, our Promoter has not disassociated himself from any venture during the three years preceding the date of filing of this Draft Red Herring Prospectus:

<b>Date of disassociation</b>	<b>Name of the venture</b>	<b>Particulars</b>
March 30, 2020	Technica Exports	Pursuant to acquisition of complete shares by transfer to Veena

Date of disassociation	Name of the venture	Particulars
	Private Limited	Vasant Shah & Aarav Vasant Shah <i>vide</i> Share Purchase Agreements dated March 30, 2020 and June 15, 2020.
April 1, 2021	Reinaa Creations LLP	Pursuant to LLP supplementary agreement dated April 27, 2021.

### Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see “*Our Management*” on page 205.

### Material Guarantees

Other than the guarantees provided by our Promoter in relation to certain of our loans as and when required, our Promoter has not given any material guarantees to any third parties with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus. For details see, “*Financial Indebtedness*” and “*Restated Consolidated Financial Statements –Notes to the Restated Consolidated Financial Statements*” on pages 290 and 273.

### Confirmations

Our Promoter and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter is not and have never been promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### Our Promoter Group

In addition to our Promoter, individual and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

#### *Individuals forming part of the Promoter Group:*

The individuals forming a part of our Promoter Group are as follows:

Name of the Promoter	Name of relative	Relationship
	Elizabeth Thomas	Mother
	Sujatha R. Thomas	Spouse
	Paul Thomas	Brother
	Manuel George Thomas	Brother
	John Thomas	Brother
	Josy Thomas	Brother
	Annie Jacob Nee Anne Thomas	Sister
Rajan Meenathakonil Thomas	Mary Togo Kurian	Sister
	Teresa Mathews Thomas	Sister
	Rahul Rajan Jesu Thomas	Son
	Elizabeth Lavanya Rajan Thomas	Daughter
	Margaret Shewtha Thomas	Daughter
	Niranjan Nicholas Rajaratam	Spouse’s Brother
	Paul Deepak Rajaratam	Spouse’s Brother
	Sonali Menon	Spouse’s Sister

**The entities forming a part of our Promoter Group are as follows:**

**Companies**

1. Exemplica Realty Private Limited; and
2. Gratique Realty Private Limited;

**Partnership Firms**

1. Accel Transport and Logistics.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations 'group companies' of our Company shall include (i) the companies (other than our Subsidiaries) with which there were related party transactions, in accordance with Ind AS 24, as disclosed in the Restated Consolidated Financial Statements; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board has considered and adopted a policy for identifying the group companies of our Company in accordance with the SEBI ICDR Regulations and for purpose of disclosure in this Draft Red Herring Prospectus by a board resolution dated January 19, 2022 ("**Materiality Policy**").

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has the following Group Companies:

- a. Technica Exports Private Limited;
- b. Exemplica Realty Private Limited; and
- c. Gratique Realty Private Limited

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below.

### Details of Group Companies

The details of our Group Companies are provided below:

#### Technica Exports Private Limited ("TEPL")

##### Corporate information

TEPL was incorporated on November 25, 1982 under the Companies Act, 1956 as a private limited company. The registered office address of TEPL is 1801, Floor-18, Plot – 845-848, Raheja Princess Raobahadur S K Bole Road, Agar Bazar, Dadar (West) Mumbai 400028.

The CIN of TEPL is U74140MH1982PTC028772.

##### Financial information

The financial information derived from the audited financial statements of TEPL for Fiscals 2021, 2020 and 2019 as required by the SEBI ICDR Regulations, are available on <https://surajestate.com/investor-corner/>.

Our promoter has disassociated himself from Technica Exports Private Limited, pursuant to acquisition of complete shares by transfer to Veena Vasant Shah & Aarav Vasant Shah *vide* Share Purchase Agreements dated March 30, 2020 and June 15, 2020.

#### Exemplica Realty Private Limited ("ERPL")

##### Corporate information

ERPL was incorporated on December 26, 2019 under the Companies Act, 2013 as a private limited company. The registered office address of ERPL is Plot 50, Clearance Villa, Lady Jamshedji 2nd X Road, Mahim Mumbai 400016, Maharashtra, India.

The CIN of ERPL is U45309MH2019PTC335090.

## **Financial information**

The financial information derived from the audited financial statements of ERPL for Fiscals 2021, 2020 and 2019 as required by the SEBI ICDR Regulations, are available on <https://surajestate.com/investor-corner/>.

## **Gratique Realty Private Limited (“GRPL”)**

### **Corporate information**

GRPL was incorporated on December 25, 2019 under the Companies Act, 2013 as a private limited company. The registered office address of ERPL is Plot 50, Clearance Villa, Lady Jamshedji 2nd X Road, Mahim Mumbai 400016, Maharashtra, India.

The CIN of GRPL is U45500MH2019PTC335015.

### **Financial information**

The financial information derived from the audited financial statements of GRPL for Fiscals 2021, 2020 and 2019 as required by the SEBI ICDR Regulations, are available on <https://surajestate.com/investor-corner/>.

### **Nature and extent of interest of Group Companies**

#### **In the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company.

#### ***In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company***

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

#### ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

#### ***Common pursuits among the Group Companies and our Company***

Our Group Companies are engaged in business activities similar to that of our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and our Group Companies, see “*Related Party Transactions*” on page 326.

As on the date of Draft Red Herring Prospectus, our promoter has disassociated himself from Technica Exports Private Limited. For details see “*Our Promoter and Promoter Group*” on page 224.

### **Related Business Transactions within our Group Companies and significance on the financial performance of our Company**

Except as disclosed in “*Summary of Related Party Transactions*” on page 22, there are no related business transactions with the Group Companies.



**Litigation**

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

**Business interest of Group Company**

Except in the ordinary course of business and as stated in “*Summary of Related Party Transactions*” on page 22, none of our Group Companies have any business interest in our Company.

**Confirmations**

Our Group Companies does not have any securities listed on any stock exchange. Further, our Group Companies has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

It is clarified that details available on the website of our Company do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the websites of Company or our Group Companies mentioned above, would be doing so at their own risk.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board at its meeting dated January 19, 2022.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, additional investment in subsidiaries, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Our Company has not declared any dividends in: (i) the last three Fiscals; (ii) the seven months period ended October 31, 2021; and (iii) the period between October 31, 2021 and the date of filing this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid in the future. For details of risks in relation to our capability to pay dividend see *“Risk Factors –Our Company’s ability to pay dividends in the future will depend on our Company’s earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our Company’s financing arrangements”*.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of SEBI Listing Regulations and other applicable laws.

**SECTION V: FINANCIAL INFORMATION**  
**RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

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**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED  
FINANCIAL INFORMATION**

To,  
The Board of Directors  
**Suraj Estate Developers Limited**  
3rd Floor, Aman Chambers,  
Veer Savarkar Marg, Opp. Bengal Chemicals,  
Prabhadevi, Mumbai - 400025

Dear Sirs,

- 1) We have examined the attached Restated Consolidated Financial Information, of **Suraj Estate Developers Limited** (formerly known as Suraj Estate Developers Private Limited) (hereinafter referred to as the "Company" or the "Holding Company" or the "Issuer"), its subsidiaries and partnership firms (the Company, its subsidiaries and partnership firms together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 October 2021, 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for seven months period ended 31 October 2021 and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and 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 19 January 2022 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus 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, RHP and the Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the National Stock Exchange of India Limited and the BSE Limited and the Registrar of Companies 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 1 to 3 to the Restated Consolidated Financial Information.

- 3) The respective Board of Directors of the companies included in the Group has responsibility which includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
- 4) 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 01 December 2021 in connection with the proposed IPO of equity shares of the Company;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, the Guidance Note and aforesaid directions in connection with the Proposed IPO.
- 5) These Restated Consolidated Financial Information, have been compiled by the management from:
  - a) Audited interim consolidated financial statements of the Group as at and for the seven months period ended October 2021, prepared in accordance with the basis of preparation described in Note 1 to 3 to the Restated Consolidated Financial Information, which have been approved by the Board of Directors at their meeting held on 19 January 2022; and
  - b) Audited special purpose consolidated financial statements of the Group as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 prepared in accordance with the basis of preparation described in Note 1 to 3 to the Restated Consolidated Financial Information, which have been approved by the Board of Directors at their meeting held on 19 January 2022.
- 6) For the purpose of our examination, we have relied on :
  - a) Auditors' reports issued by us dated 19 January 2022 on the interim consolidated financial statements of the Group as at and for the seven months ended 31 October 2021 as referred in Paragraph 5 above.
  - b) Auditors' reports issued by us dated 19 January 2022 on the Special Purpose Ind AS Consolidated financial statements of the Group as at and for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 as referred in Paragraph 5 above.
- 7) 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 31 March 2021, 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the seven months period ended 31 October 2021; and
  - b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- 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 financial statement and special purpose consolidated financial statements mentioned in paragraph 5 above.
- 9) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 11) Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited and Registrar of Companies 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.
- 12) This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, RHP and the Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and the 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 opinion 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 prior consent in writing.

**For BHUWANIA & AGRAWAL ASSOCIATES**

(Firm Registration no. 101483W)

**N. K. Agrawal**

(Partner)

Membership No. : 034659

UDIN : 22034659AAAABA6173

Date : 19<sup>th</sup> January 2022

Place : Mumbai

## Annexure I - Restated Consolidated Statement of Assets and Liabilities

(Amount in million rupees, except share and per share data, unless otherwise stated)

Particulars	Note no.	As at			
		31st Oct., 2021	31st March, 2021	31st March, 2020	31st March, 2019
<b>ASSETS</b>					
<b>A Non-current assets</b>					
a) Property, plant and equipment	4	42.67	49.44	46.01	5.93
b) Intangible assets	5	134.91	142.12	143.09	12.10
c) Right-of-use-asset	6	15.06	20.06	28.63	37.20
d) Financial assets					
i) Investments	7	1.08	11.11	1.11	1.09
ii) Other financial assets	8	42.48	28.01	41.31	69.33
e) Deferred tax assets (Net)	9	8.47	7.51	6.96	6.95
<b>Total Non-Current Assets (A)</b>		<b>244.67</b>	<b>258.25</b>	<b>267.11</b>	<b>132.60</b>
<b>B Current assets</b>					
a) Inventories	10	6,313.65	5,652.80	5,439.69	4,518.77
b) Financial assets					
i) Trade receivables	11	746.86	806.65	422.50	293.55
ii) Cash and cash equivalent	12	84.17	122.45	24.47	40.07
iii) Bank balances other than (ii) above	13	55.04	86.08	35.10	30.96
iv) Loans	14	225.93	236.34	60.43	131.08
v) Other financial assets	15	20.05	72.93	82.46	82.48
c) Other current assets	16	661.86	682.17	757.94	733.28
d) Income tax assets (Net)	17	0.79	2.34	7.83	7.33
<b>Total Current Assets (B)</b>		<b>8,108.35</b>	<b>7,661.76</b>	<b>6,830.42</b>	<b>5,837.52</b>
<b>TOTAL ASSET (A + B)</b>		<b>8,353.02</b>	<b>7,920.01</b>	<b>7,097.53</b>	<b>5,970.12</b>
<b>EQUITY AND LIABILITIES</b>					
<b>A Equity</b>					
a) Equity share capital	18	158.75	63.50	63.50	63.50
b) Other equity	19				
- Other reserves		247.52	229.24	167.70	154.47
- Capital reserve on business combination		(161.47)	(1.27)	(1.07)	(0.99)
<b>Equity attributable to Equity Holders of the Company</b>		<b>244.80</b>	<b>291.47</b>	<b>230.13</b>	<b>216.98</b>
Non Controlling Interest		2.29	2.18	2.17	2.14
<b>Total Equity (A)</b>		<b>247.09</b>	<b>293.65</b>	<b>232.30</b>	<b>219.12</b>
<b>Liabilities</b>					
<b>B Non-current liabilities</b>					
a) Financial liabilities					
i) Borrowings	20	4,387.65	4,640.45	4,068.34	3,016.81
ii) Lease liabilities	21	8.47	15.16	23.84	30.50
iii) Other financial liabilities	22	38.83	30.38	20.58	13.35
b) Provisions	23	9.55	8.97	7.92	5.76
<b>Total Non-Current Liabilities (B)</b>		<b>4,444.50</b>	<b>4,694.96</b>	<b>4,120.68</b>	<b>3,066.42</b>
<b>C Current liabilities</b>					
a) Financial liabilities					
i) Borrowings	24	2,102.99	1,364.33	905.30	694.49
ii) Trade payables	25				
- Amount due to Micro and small enterprises		5.41	3.78	4.59	2.45
- Amount due to other than Micro and small enterprises		116.17	137.84	121.26	182.95
iii) Other financial liabilities	26	363.65	324.87	105.12	196.69
iv) Lease liabilities	27	9.77	8.02	6.66	6.02
b) Other current liabilities	28	1,012.69	1,079.82	1,598.46	1,601.14
c) Provisions	29	2.42	1.05	1.85	0.69
d) Income tax liabilities (Net)	30	48.33	11.69	1.31	0.15
<b>Total Current Liabilities (C)</b>		<b>3,661.43</b>	<b>2,931.40</b>	<b>2,744.55</b>	<b>2,684.58</b>
<b>TOTAL LIABILITIES (A+B+C)</b>		<b>8,353.02</b>	<b>7,920.01</b>	<b>7,097.53</b>	<b>5,970.12</b>

## Significant accounting policies and notes to financial statements 1 to 4

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VI.

As per our audit report of even date

**For Bhuwania & Agrawal Associates**  
Chartered Accountants  
Firm Registration No. 101483W

**For and on behalf of the Board of Directors of**  
**Suraj Estate Developers Limited (Formerly known as Suraj Estate**  
**Developers Private Limited)**

**N. K. Agrawal**  
Partner  
Membership No. : 034659

**Rajan Meenathakonil Thomas**  
Chairman & Managing  
Director  
(DIN : 00634576)

**Rahul Rajan Jesu Thomas**  
Whole Time Director  
(DIN : 00318419)

UDIN: 22034659AAAABA6173  
Place: Mumbai  
Date: 19-01-2022

**Shreepal Suresh Shah**  
Chief Financial Officer  
Place: Mumbai  
Date: 19-01-2022

**Shivil Kapoor**  
Company Secretary

Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)

CIN: U99999MH1986PLC040873

Annexure II - Restated Consolidated Statement of Profit and Loss

(Amount in million rupees, except share and per share data, unless otherwise stated)

Particulars	Note no.	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>A Income</b>					
Revenue from operations	31	1,096.24	2,399.87	869.28	345.84
Other income	32	8.05	40.11	20.16	12.25
<b>Total income (A)</b>		<b>1,104.29</b>	<b>2,439.98</b>	<b>889.44</b>	<b>358.09</b>
<b>B Expenses</b>					
Operating and project expenses	33	983.94	1,641.95	962.61	945.14
Changes in inventories of construction work in progress	34	(660.85)	(223.11)	(850.01)	(1,246.71)
Employee benefit expenses	35	56.27	76.12	64.24	50.64
Finance costs	36	509.95	792.07	644.61	528.17
Depreciation and amortisation	37	19.96	23.87	17.84	5.89
Other expenses	38	31.32	38.62	26.88	53.27
<b>Total expenses (B)</b>		<b>940.59</b>	<b>2,349.52</b>	<b>866.17</b>	<b>336.40</b>
<b>C Restated profit before tax (A - B) (C)</b>		<b>163.70</b>	<b>90.46</b>	<b>23.27</b>	<b>21.69</b>
<b>D Tax expense:</b>					
- Current tax	39	45.99	28.20	7.47	4.01
- Deferred tax charge/ (credit)	9	(1.24)	(0.51)	0.64	1.45
<b>Total tax expense (D)</b>		<b>44.75</b>	<b>27.69</b>	<b>8.11</b>	<b>5.46</b>
<b>E Restated profit after tax (C - D)(E)</b>		<b>118.95</b>	<b>62.77</b>	<b>15.16</b>	<b>16.23</b>
<b>F Restated other comprehensive income / (loss)</b>					
a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss					
- Remeasurement of defined benefit plans - gain/(loss)		1.06	(0.13)	(2.28)	0.38
(ii) Income tax relating to items that will be classified to profit or loss - (Charge)/ credit		(0.29)	0.04	0.63	(0.11)
b) (i) Items that will be reclassified subsequently to statement of Profit and Loss		-	-	-	-
(ii) Income tax relating to items that will be classified to profit or loss		-	-	-	-
<b>Other comprehensive income/ (loss) for the year (F)</b>		<b>0.77</b>	<b>(0.09)</b>	<b>(1.65)</b>	<b>0.27</b>
<b>H Restated total comprehensive income for the year (E + F)</b>		<b>119.72</b>	<b>62.68</b>	<b>13.51</b>	<b>16.50</b>
<b>Restated profit for the year attributable to:</b>					
(i) Owners of the Company		117.27	61.63	14.48	15.71
(ii) Non Controlling Interest		1.68	1.14	0.68	0.52
		<b>118.95</b>	<b>62.77</b>	<b>15.16</b>	<b>16.23</b>
Other Comprehensive Income / (Loss) for the year attributable to:					
(i) Owners of the Company		0.76	(0.09)	(1.65)	0.27
(ii) Non Controlling Interest		0.01	-	-	-
		<b>0.77</b>	<b>(0.09)</b>	<b>(1.65)</b>	<b>0.27</b>
Restated Total Comprehensive Income / (Loss) for the year attributable to:					
(i) Owners of the Company		118.03	61.54	12.83	15.98
(ii) Non Controlling Interest		1.69	1.14	0.68	0.52
		<b>119.72</b>	<b>62.68</b>	<b>13.51</b>	<b>16.50</b>
<b>Basic and diluted earnings per share</b>	45	3.75	1.98	0.48	0.51
Equity shares [Face value of Rs. 5 each]					
<b>Significant accounting policies and notes to financial statement</b>	1 to 4				

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VI.

As per our audit report of even date

**For Bhuwania & Agrawal Associates**  
Chartered Accountants  
Firm Registration No. 101483W

**For and on behalf of the Board of Directors of**  
**Suraj Estate Developers Limited (Formerly known as Suraj Estate**  
**Developers Private Limited)**

**N. K. Agrawal**  
Partner  
Membership No. : 034659  
  
UDIN.: 22034659AAAABA6173  
Place: Mumbai  
Date: 19-01-2022

**Rajan Meenathakonil Thomas**  
Chairman & Managing Director  
  
(DIN : 00634576)

**Rahul Rajan Jesu Thomas**  
Whole Time Director  
  
(DIN : 00318419)

**Shreepal Suresh Shah**  
Chief Financial Officer  
  
Place: Mumbai  
Date: 19-01-2022

**Shivil Kapoor**  
Company Secretary



## Annexure III - Restated Consolidated Statement of Changes in Equity

(Amount in million rupees, except share and per share data, unless otherwise stated)

## (a) Equity share capital

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March,	As at 31st March,
Opening balance#	63.50	63.50	63.50	63.50
Changes in equity share capital during the period/ year (Refer note 18.6) - On issue of bonus share and split of shares#	95.25	-	-	-
<b>Closing balance</b>	<b>158.75</b>	<b>63.50</b>	<b>63.50</b>	<b>63.50</b>

(Refer note 18)

# Net off elimination on consolidation due to equity shares held by subsidiary company.

## (b) Other equity

Particulars	Reserves & surplus				OCI*	Total other equity
	Capital Reserve on business combination	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Remeasurement gain/ (loss) of defined benefit plan	
<b>Balance as at 1st April, 2021</b>	(1.27)	44.76	62.96	122.99	(1.47)	227.97
Addition on business combination	(160.20)	-	-	-	-	(160.20)
Profit for the period	-	-	-	117.27	-	117.27
Other comprehensive income/ (loss) for the period	-	-	-	-	0.76	0.76
Utilized for issue of bonus shares (Refer Note 18.6)	-	-	-	(99.75)	-	(99.75)
Debenture Redemption Reserve created	-	-	15.64	(15.64)	-	-
Transfer from debenture Redemption Reserve	-	-	(6.15)	6.15	-	-
<b>Balance as at 31st Oct., 2021</b>	<b>(161.47)</b>	<b>44.76</b>	<b>72.45</b>	<b>131.02</b>	<b>(0.71)</b>	<b>86.05</b>

Particulars	Reserves & surplus				OCI*	Total other equity
	Capital Reserve on business combination	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Remeasurement gain/ (loss) of defined benefit plan	
<b>Balance as at 1st April, 2020</b>	(1.07)	44.76	103.27	21.05	(1.38)	166.63
Addition on business combination	(0.20)	-	-	-	-	(0.20)
Profit for the year	-	-	-	61.63	-	61.63
Other comprehensive income/ (loss) for the year	-	-	-	-	(0.09)	(0.09)
Debenture Redemption Reserve created	-	-	62.96	(62.96)	-	-
Transfer from debenture Redemption Reserve	-	-	(103.27)	103.27	-	-
<b>Balance as at 31st March, 2021</b>	<b>(1.27)</b>	<b>44.76</b>	<b>62.96</b>	<b>122.99</b>	<b>(1.47)</b>	<b>227.97</b>

Particulars	Reserves & surplus				OCI*	Total other equity
	Capital Reserve on business combination	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Remeasurement gain/ (loss) of defined benefit plan	
<b>Balance as at 1st April, 2019</b>	(0.99)	44.76	-	109.44	0.27	153.48
Addition on Business Combination (Net)	(0.08)	-	-	-	-	(0.08)
Transferred to Capital Reserve on Business Combination	-	-	-	0.40	-	0.40
Profit for the year	-	-	-	14.48	-	14.48
Debenture Redemption Reserve created	-	-	103.27	(103.27)	-	-
Other comprehensive income/ (loss) for the year	-	-	-	-	(1.65)	(1.65)
<b>Balance as at 31st March, 2020</b>	<b>(1.07)</b>	<b>44.76</b>	<b>103.27</b>	<b>21.05</b>	<b>(1.38)</b>	<b>166.63</b>

Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)

CIN: U99999MH1986PLC040873

**Annexure III - Restated Consolidated Statement of Changes in Equity**

(Amount in million rupees, except share and per share data, unless otherwise stated)

Particulars	Reserves & surplus				OCI*	Total other equity
	Capital Reserve on business combination	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Remeasurement gain/ (loss) of defined benefit plan	
<b>Balance as at 1st April, 2018</b>	<b>(0.99)</b>	<b>44.76</b>	<b>122.18</b>	<b>(28.45)</b>	-	<b>137.50</b>
Profit for the year	-	-	-	15.71	-	15.71
Other comprehensive income/ (loss) for the year	-	-	-	-	0.27	0.27
Transferred from Debenture Redemption Reserve	-	-	(122.18)	122.18	-	-
<b>Balance as at 31st March, 2019</b>	<b>(0.99)</b>	<b>44.76</b>	<b>-</b>	<b>109.44</b>	<b>0.27</b>	<b>153.48</b>

(Refer note 19)

\*Other comprehensive income

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VI.

As per our audit report of even date

**For Bhuwania & Agrawal Associates**

Chartered Accountants

Firm Registration No. 101483W

**For and on behalf of the Board of Directors of**

**Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)**

**N. K. Agrawal**

Partner

Membership No. : 034659

UDIN.: 22034659AAAABA6173

Place: Mumbai

Date: 19-01-2022

**Rajan Meenathakonil Thomas**

Chairman & Managing Director

(DIN : 00634576)

**Rahul Rajan Jesu Thomas**

Whole Time Director

(DIN : 00318419)

**Shreepal Suresh Shah**

Chief Financial Officer

Place: Mumbai

Date: 19-01-2022

**Shivil Kapoor**

Company Secretary

Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)

CIN: U99999MH1986PLC040873

Annexure IV - Restated Consolidated Cash Flow Statement

(Amount in million rupees, except share and per share data, unless otherwise stated)

Particulars	Note	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
Profit before taxes		163.70	90.46	23.27	21.69
<b>Adjustments for:</b>					
Interest expenses		499.79	781.46	638.92	514.38
Interest income		(1.74)	(4.27)	(2.96)	(5.20)
Depreciation, amortization and impairment		19.96	23.87	17.84	5.89
Loss on sale/ discard of property, plant and equipment		-	0.04	0.02	-
Provision for expected credit loss - Provision/(Reversal)		(5.19)	1.95	(2.08)	(3.69)
Dividend income		(0.01)	(0.00)	(0.01)	(0.01)
<b>Operating profit / (loss) before working capital changes</b>		<b>676.51</b>	<b>893.51</b>	<b>675.00</b>	<b>533.06</b>
Movements in working capital : [Including Current and Non-current]					
(Increase) / decrease in loans, trade receivable and other assets		146.03	(468.60)	(93.88)	7.46
(Increase) / decrease in inventories		(650.85)	(223.10)	(850.01)	(1,246.70)
Increase / (decrease) in trade payable, other liabilities and provisions		(37.78)	(339.20)	(41.73)	176.89
		<b>133.91</b>	<b>(137.39)</b>	<b>(310.62)</b>	<b>(529.29)</b>
Adjustment for:					
Direct taxes (paid)/ refund received (including tax deducted at source) - (Net)		(7.65)	(11.92)	(6.48)	(2.51)
<b>Net cash generated/ (used in) from operating activities...(A)</b>		<b>126.26</b>	<b>(149.31)</b>	<b>(317.10)</b>	<b>(531.80)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of property, plant and equipment		(4.73)	(24.23)	(54.19)	(5.50)
Sale of property, plant and equipment		-	0.72	0.10	-
Investment made in subsidiaries/ associate		(164.70)	(0.20)	(129.48)	-
(Investment)/ Proceeds from sale of investment		0.03	-	(0.01)	-
Interest income		1.74	4.27	2.96	3.38
Dividend income		0.01	0.00	0.01	0.01
(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)		16.24	(48.54)	34.27	(39.71)
		<b>(151.41)</b>	<b>(67.98)</b>	<b>(146.34)</b>	<b>(41.82)</b>
Adjustment for:					
Direct taxes (paid)/ refund received (including tax deducted at source) - (Net)		(0.17)	(0.43)	(0.30)	(0.34)
<b>Net cash (used in) / from investing activities...( B)</b>		<b>(151.58)</b>	<b>(68.41)</b>	<b>(146.64)</b>	<b>(42.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>					
Proceeds from long term borrowings		756.56	2,065.67	2,163.29	2,259.69
Repayment of long term borrowings		(497.16)	(1,145.93)	(885.04)	(1,422.01)
Proceeds from / (repayment) of short term borrowings (Net)		226.46	111.41	(87.13)	103.09
Interest paid		(466.43)	(761.58)	(743.00)	(348.00)
<b>Net cash (used in) / from financing activities... (C)</b>		<b>19.43</b>	<b>269.57</b>	<b>448.12</b>	<b>592.77</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+ B+C)</b>		<b>(5.89)</b>	<b>51.85</b>	<b>(15.62)</b>	<b>18.81</b>
Cash and cash equivalents at beginning of the period/ year (Refer note (ii) below)					
		75.47	23.62	39.02	20.21
Add: Acquired on acquisition of subsidiary					
		-	-	0.22	-
		75.47	23.62	39.24	20.21
Cash and cash equivalents at end of the period/ year		69.58	75.47	23.62	39.02
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(5.89)</b>	<b>51.85</b>	<b>(15.62)</b>	<b>18.81</b>

Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)

CIN: U99999MH1986PLC040873

Annexure IV - Restated Consolidated Cash Flow Statement

(Amount in million rupees, except share and per share data, unless otherwise stated)

Notes:

(i) Cash flow statement has been prepared under "indirect method" as set out in Ind AS 7 - "Cash Flow Statement".

(ii) Breakup of cash and cash equivalent is as given below:

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalent as per note 12	84.17	122.45	24.47	40.07
Less: Bank balance - book overdraft (Refer note 26)	14.59	46.98	0.85	1.05
<b>Net cash and cash equivalent</b>	<b>69.58</b>	<b>75.47</b>	<b>23.62</b>	<b>39.02</b>

(iii) Analysis of movement in borrowings

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Borrowings at the beginning of the period/ year	6,004.78	4,973.64	3,711.30	2,770.54
Movement due to cash transactions as per statement of cash flow statement	(485.86)	(1,031.14)	(1,191.12)	(940.76)
Movement due to non-cash transactions [Acquisition of subsidiary]	-	-	71.22	-
Borrowings at the end of the period/ year	6,490.64	6,004.78	4,973.64	3,711.30

(iv) The aggregate amount of outflow on account of direct taxes paid is Rs. 7.82 Mn (31st March 2021: Rs. 12.35 Mn, 31st March 2020: Rs. 6.78 Mn; 31st March 2019: Rs. 2.85 Mn).

**Significant accounting policies and notes to financial statements** 1 to 4

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VI.

As per our report of even date

**For Bhuwania & Agrawal Associates**  
Chartered Accountants  
Firm Registration No. 101483W

**For and on behalf of the Board of Directors of  
Suraj Estate Developers Limited (Formerly known as Suraj  
Estate Developers Private Limited)**

**N. K. Agrawal**  
Partner  
Membership No. : 034659

**Rajan Meenathakonil Thomas**  
Chairman & Managing  
Director  
(DIN : 00634576)

**Rahul Rajan Jesu Thomas**  
Whole Time Director  
(DIN : 00318419)

UDIN.: 22034659AAAABA6173  
Place: Mumbai  
Date: 19-01-2022

**Shreepal Suresh Shah**  
Chief Financial Officer

**Shivil Kapoor**  
Company Secretary

Place: Mumbai  
Date: 19-01-2022

## 1. Group's background

Suraj Estate Developers Limited [Formerly known as Suraj Estate Developers Private Limited] ("the Company") is a public limited company domiciled and incorporated in India under the Companies Act, 2013 vide CIN No. U99999MH1986PTC040873 and incorporated on 10<sup>th</sup> September 1986. The Company is public limited company w.e.f. 12<sup>th</sup> December 2021. The registered office of the Company is located at 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai - 400 025, India.

The Group is primarily engaged in the business of real estate development in India.

The Restated Consolidated Financial Statements comprise the financial statements of Suraj Estate Developers Limited [Formerly known as Suraj Estate Developers Private Limited] and its subsidiaries (collectively "the Group") as at and for the period ended 31<sup>st</sup> October 2021.

Restated Consolidated Financial Statements are approved by the Company's Board of Directors at its meeting held on 19<sup>th</sup> January 2022.

## 2. Basis of preparation of Restated Consolidated Financial Statements

### 2.1. Basis of preparation

Restated Consolidated Statements of Assets and Liabilities of the Group as at 31<sup>st</sup> October 2021, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019, the related Restated Consolidated Statements of Profit & Loss (including Other Comprehensive Income), the Restated Consolidated Statements of Changes in Equity, the Restated Consolidated Statements of Cash Flows for each period/ year ended on 31<sup>st</sup> October 2021, 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 and the Summary of significant accounting policies and explanatory notes (hereinafter collectively referred to as "Restated Consolidated Financial Statements" or "Statements") has been prepared under the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

These Statements have been prepared specifically for inclusion in the Draft Red Herring Prospectus ("DRHP") to be filed by the Group with the Securities and Exchange Board of India ("SEBI") in connection with equity fund raising through fresh issue of its equity shares, in accordance with the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") as issued by the Securities and Exchange Board of India ("SEBI") on 11<sup>th</sup> September 2018 as amended from time to time; and
- c. Guidance Note on Reports in Company Prospectus (Revised 2019) as issued by the Institute of Chartered Accountants of India ("ICAI")

The Restated Consolidated Financial Statement has been compiled by the Group from:

- a. The audited special purpose interim consolidated financial statements of the Group as at and for the period from 1<sup>st</sup> April 2021 to 31<sup>st</sup> October 2021, prepared in accordance with recognition and measurement principles under Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meeting held on 19<sup>th</sup> January 2022; and
- b. The audited special purpose consolidated financial statements as at and for the years ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 being prepared by the management in accordance with the Indian Accounting Standards (Ind AS) ("the Special Purpose Ind AS Consolidated Financial Statements") by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 prepared in accordance with the accounting standards notified under Section 133 of the Act ("Indian GAAP" or "Previous GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meeting held on 19<sup>th</sup> January 2022 respectively. Special Purpose Ind AS Consolidated Financial Statement as at and for the year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 are approved by the Board of Directors at their meeting held on 19<sup>th</sup> January 2022; and

The Special Purpose Ind AS Consolidated Financial Statements of the Company as at and for the years ended March 31, 2020 and March 31, 2019 prepared after incorporating Ind AS adjustments to

align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date. Also, refer to note 55.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 55 to Annexure VI).

The Restated Consolidated Financial Information has been compiled by the Company from the Audited Financial Statements and Special Purpose Ind AS Consolidated Financial Statements of the Company and its subsidiary companies and:

- a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;
- b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- c. Other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which require any corrective adjustments in the Restated Consolidated Financial Information are disclosed in Annexure VI (Note 55) of the Restated Consolidated Financial Information;
- d. adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per consolidated financial statements of the Group as at and for the period ended 31st October 2021 prepared under Ind AS and the requirements of the SEBI Regulations; and
- e. the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Restated Consolidated Financial Statements have been prepared on a historical cost basis.

## **2.2. Basis of consolidation**

The Restated Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at 31<sup>st</sup> October 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in

preparing the Restated Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary and Partnership Firms (called as "Subsidiary"), the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

The Restated Consolidated Financial Statements have been prepared on going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Statement. These financial statements are prepared under the historical cost convention unless otherwise indicated.

The restated financial statement has been prepared considering all Ind AS notified by MCA till reporting date i.e. 31<sup>st</sup> October 2021. The significant accounting policies used in preparing the Restated Consolidated Financial Statements are set out in Note no. 3 of the notes to the Restated Consolidated Financial Statements.

### **3. Significant Accounting Policies**

#### **3.1. Current and non-current classification**

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

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

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Group's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.

### **3.2. Functional and presentation of currency**

Restated Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information are presented in Indian rupee (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 1,00,000 have been rounded and are presented as INR 0.00 Millions in the Restated Consolidated Financial Information.

### **3.3. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Restated Consolidated Financial Statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".



### **3.4. Use of estimates and judgements**

The preparation of these Restated Consolidated Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Restated Consolidated Financial Statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the Restated Consolidated Financial Statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

#### **3.4.1. Significant estimates**

##### **i) Revenue recognition and construction work in progress**

- Revenue to be recognized, stage of completion, projections of cost and revenues expected from project and realization of the construction work in progress have been determined based on management estimates which are based on current market situations/ technical evaluations.
- In respect of real estate project (Construction work in progress) which are at initial preparatory stage [i.e. acquisition of land / development rights], realization of the construction work in progress have been determined based on management estimates of commercial feasibility and management expectation of future economic benefits from the projects. These estimates are reviewed periodically by management and revised whenever required.

The consequential effect of such revision in estimates is considered in the year of revision and in the balance future period of the project. These estimates are dynamic in nature and are dependent upon various factors like eligibility of the tenants, changes in the area, approval and other factors. Changes in these estimates can have significant impact on the financial results of the Company and its comparability with the previous year however quantification of the impact due to change in said estimates cannot be quantified.

##### **ii) Defined benefit obligations**

The cost of defined benefit gratuity plan and the present value of the gratuity obligation along with leave salary are determined using actuarial valuations. An actuarial valuation involves making various assumptions such as standard rates of inflation, mortality, discount rate, attrition rates and anticipation of future salary increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **iii) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in active markets since they are unquoted, their value is measured using valuation technique including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **3.4.2. Significant management judgement in applying accounting policies and estimation uncertainty**

##### **i) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

##### **ii) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company's past history, and existing market conditions as well as forward looking estimates at the end of each reporting period.

### **3.5. Property, Plant and Equipment and Depreciation**

#### **Recognition and measurement**

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

#### **Depreciation and useful lives**

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

#### **De-recognition**

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

### **3.6. Leases**

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract provide lessee, the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

The Company accounts for the lease arrangement as follows:

- (i) Where the Group entity is the lessee

The Group applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Group, in its Balance Sheet, recognize the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset is measured at cost less accumulated depreciation [calculated on straight line method] and any accumulated impairment loss. Lease liability are measured at amortised cost using the effective interest method. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of Profit and Loss.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as prepaid rent and recognised over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of Profit and Loss.

- (ii) Where the Group entity is the lessor

The lessor needs to classify its leases as either an operating lease or a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating lease. The Group has only operating lease and accounts the same as follows:

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and are measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

### **3.7. Intangible assets and amortisation**

#### **Recognition and measurement**

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

#### **Amortization and useful lives**

Computer softwares are amortized in 3 years on Written Down Value (WDV). Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

In case of Goodwill related to Business Combination, after initial recognition, goodwill is measured at cost less any accumulated impairment losses. In case such goodwill paid for acquisition is in relation to underlying real estate project, impairment co-inside with the revenue recognition from the underlying project and accordingly impairment provision is made in line with revenue recognition. Goodwill, other than related to underlying real estate project is only tested for impairment.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

### **3.8. Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

### **3.9. Inventories**

Inventory of finished units are valued at lower of cost or net realisable value.

Construction work in progress (CWIP) is valued at lower of cost or net realisable value. CWIP includes cost of land, premium or fees paid in connection with acquisition of transferable development rights, sub-development rights, initial costs for securing projects, initial premium paid on assignment/transfer of project, construction costs, cost of redevelopment, settlement of claims relating to land, and attributable borrowing cost and expenses incidental to the projects undertaken by the Company to project. In case of projects at initial stage, net realisable value is computed based on the management estimate of future realisable value.

Construction costs include all cost related to development of real estate project and exclude all costs pertaining to selling and marketing activities which are considered as indirect cost and are directly charged to the Statement of Profit and Loss.

### **3.10. Revenue recognition**

#### **(i) Revenue from contract with customer**

Revenue from contracts with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognized as follows:

##### **(a) Revenue from contract with customers**

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the Restated Consolidated Financial Statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

#### **(ii) Finance income**

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. Finance income is included in other income in the Statement of Profit and Loss.

When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### **(iii) Revenue from lease rentals and related income**

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any

**(iv) Dividend income**

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

**(v) Other income**

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Group's claim.

**3.11. Foreign currency transaction**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

**3.12. Employee benefits**

- Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long term benefits

a. Defined contribution plan

The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund Employee State Insurance Scheme, National Pension Scheme, and Employee Pension Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b. Post-employment benefit and other long term benefits

The Company has defined benefit plans comprising of gratuity and other long term benefits in the form of leave benefits. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

### **3.13. Borrowing cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

### **3.14. Taxes on income**

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allows deferred tax assets to be recovered.

### **3.15. Cash & cash equivalent**

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

### **3.16. Cash flow statement**

Cash flows are reported using the indirect method, where by net profit before tax 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. The cash flows from operating, investing and financing activities are segregated.

### **3.17. Provisions, contingent liabilities, contingent assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **3.18. Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

### **3.19. 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 assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **3.19.1. Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

#### **Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at

fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

### **Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### **Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

### **De-recognition of financial asset**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues



to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **3.19.2. Financial liability and equity instrument**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

#### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

#### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

#### **Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Reclassification**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an

extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

### **3.20. Business Combinations under common control**

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the Restated Consolidated Financial Statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the Restated Consolidated Financial Statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the standalone financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

## 4 Property, plant and equipment

Particulars	Plant & Equipment	Furniture & Fixtures	Vehicles	Computer	Office Equipments	Total
<b>Gross carrying Amount</b>						
Cost as at 1st April, 2021	21.84	48.57	15.52	3.17	8.12	97.22
Additions	0.09	-	-	0.25	0.64	0.98
Disposal / Adjustment	-	-	-	-	-	-
<b>As at 31st Oct., 2021</b>	<b>21.93</b>	<b>48.57</b>	<b>15.52</b>	<b>3.42</b>	<b>8.76</b>	<b>98.20</b>
<b>Depreciation and Impairment</b>						
As at 1st April, 2021	9.83	19.11	12.28	2.19	4.37	47.78
Depreciation charge for the period	1.29	4.46	0.53	0.64	0.83	7.75
Disposal / Adjustment	-	-	-	-	-	-
<b>As at 31st Oct., 2021</b>	<b>11.12</b>	<b>23.57</b>	<b>12.81</b>	<b>2.83</b>	<b>5.20</b>	<b>55.53</b>
<b>Net carrying amount</b>	<b>10.81</b>	<b>25.00</b>	<b>2.71</b>	<b>0.59</b>	<b>3.56</b>	<b>42.67</b>
<b>Cost as at 1st April, 2020</b>	10.74	47.46	13.03	5.05	8.83	85.11
<b>Gross carrying Amount</b>						
Cost as at 1st April, 2020	10.74	47.46	13.03	5.05	8.83	85.11
Additions	11.68	2.12	2.49	0.84	1.38	18.51
Disposal / Adjustment	0.58	1.01	-	2.72	2.09	6.40
<b>As at 31st March, 2021</b>	<b>21.84</b>	<b>48.57</b>	<b>15.52</b>	<b>3.17</b>	<b>8.12</b>	<b>97.22</b>
<b>Depreciation and Impairment</b>						
As at 1st April, 2020	9.28	10.12	11.48	4.13	4.09	39.10
Depreciation charge for the year	0.55	9.96	0.80	0.74	2.28	14.33
Disposal / Adjustment	-	0.97	-	2.68	2.00	5.65
<b>As at 31st March, 2021</b>	<b>9.83</b>	<b>19.11</b>	<b>12.28</b>	<b>2.19</b>	<b>4.37</b>	<b>47.78</b>
<b>Net carrying amount</b>	<b>12.01</b>	<b>29.46</b>	<b>3.24</b>	<b>0.98</b>	<b>3.75</b>	<b>49.44</b>
<b>Gross carrying Amount</b>						
Cost as at 01st April, 2019	10.74	5.47	13.53	4.09	3.22	37.05
Add: Addition on acquisition of subsidiary	0.18	-	-	-	-	0.18
Additions	-	41.99	-	0.96	5.61	48.56
Disposal / Adjustment	0.18	-	0.50	-	-	0.68
<b>As at 31st March, 2020</b>	<b>10.74</b>	<b>47.46</b>	<b>13.03</b>	<b>5.05</b>	<b>8.83</b>	<b>85.11</b>
<b>Depreciation and Impairment</b>						
As at 1st April, 2019	8.92	4.39	11.35	3.63	2.83	31.12
Add: Addition on acquisition of subsidiary	0.11	-	-	-	-	0.11
Depreciation charge for the year	0.37	5.73	0.57	0.50	1.26	8.43
Disposal / Adjustment	0.12	-	0.44	-	-	0.56
<b>As at 31st March, 2020</b>	<b>9.28</b>	<b>10.12</b>	<b>11.48</b>	<b>4.13</b>	<b>4.09</b>	<b>39.10</b>
<b>Net carrying amount</b>	<b>1.46</b>	<b>37.34</b>	<b>1.55</b>	<b>0.92</b>	<b>4.74</b>	<b>46.01</b>
<b>Gross carrying value</b>						
Balance as at 1st April, 2018 (Deemed cost)	10.74	5.31	13.53	3.67	3.11	36.36
Additions	-	0.16	-	0.42	0.11	0.69
Disposal / Adjustment	-	-	-	-	-	-
<b>As at 31st March, 2019</b>	<b>10.74</b>	<b>5.47</b>	<b>13.53</b>	<b>4.09</b>	<b>3.22</b>	<b>37.05</b>
<b>Depreciation and Impairment</b>						
As at 1st April, 2018	8.47	4.04	10.46	3.34	2.61	28.92
Depreciation charge for the year	0.45	0.35	0.89	0.29	0.22	2.20
Disposal / Adjustment	-	-	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>8.92</b>	<b>4.39</b>	<b>11.35</b>	<b>3.63</b>	<b>2.83</b>	<b>31.12</b>
<b>Net carrying amount (Deemed cost)</b>	<b>1.82</b>	<b>1.08</b>	<b>2.18</b>	<b>0.46</b>	<b>0.39</b>	<b>5.93</b>

## Notes:

- 4.1 The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition. Refer note 55 for exemptions and exceptions availed under Ind AS 101 - First Time Adoption of Ind AS.

- 4.2 The Company does not have any Capital Work in Progress ("CWIP") which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.
- 4.3 For details of assets given as security, refer note 20.1.

## 5 Intangible assets

Particulars	Software	Goodwill	Goodwill on consolidation	Total
<b>Gross carrying Amount</b>				
Cost as at 1st April, 2021	2.51	11.38	130.19	144.08
Additions	-	-	-	-
Disposal / Adjustment	-	-	-	-
<b>As at 31st Oct., 2021</b>	<b>2.51</b>	<b>11.38</b>	<b>130.19</b>	<b>144.08</b>
<b>Amortisation and Impairment</b>				
As at 1st April, 2021	1.96	-	-	1.96
Amortisation charge for the period	0.20	-	-	0.20
Impairment of Goodwill	-	-	7.01	7.01
Disposal / Adjustment	-	-	-	-
<b>As at 31st Oct., 2021</b>	<b>2.16</b>	<b>-</b>	<b>7.01</b>	<b>9.17</b>
<b>Net carrying amount</b>	<b>0.35</b>	<b>11.38</b>	<b>123.18</b>	<b>134.91</b>
<b>Gross carrying Amount</b>				
Cost as at 1st April, 2020	2.70	11.38	130.19	144.27
Additions	-	-	-	-
Disposal / Adjustment	0.19	-	-	0.19
<b>As at 31st March, 2021</b>	<b>2.51</b>	<b>11.38</b>	<b>130.19</b>	<b>144.08</b>
<b>Amortisation and Impairment</b>				
As at 1st April, 2020	1.18	-	-	1.18
Amortisation charge for the year	0.96	-	-	0.96
Disposal / Adjustment	0.18	-	-	0.18
<b>As at 31st March, 2021</b>	<b>1.96</b>	<b>-</b>	<b>-</b>	<b>1.96</b>
<b>Net carrying amount</b>	<b>0.55</b>	<b>11.38</b>	<b>130.19</b>	<b>142.12</b>
<b>Gross carrying Amount</b>				
Cost as at 01st April, 2019	1.06	11.38	-	12.44
Additions	1.64	-	130.19	131.83
Disposal / Adjustment	-	-	-	-
<b>As at 31st March, 2020</b>	<b>2.70</b>	<b>11.38</b>	<b>130.19</b>	<b>144.27</b>
<b>Amortisation and Impairment</b>				
As at 1st April, 2019	0.34	-	-	0.34
Amortisation charge for the year	0.84	-	-	0.84
Disposal / Adjustment	-	-	-	-
<b>As at 31st March, 2020</b>	<b>1.18</b>	<b>-</b>	<b>-</b>	<b>1.18</b>
<b>Net carrying amount</b>	<b>1.52</b>	<b>11.38</b>	<b>130.19</b>	<b>143.09</b>
<b>Gross carrying value</b>				
Balance as at 1st April, 2018 (Deemed cost)	0.31	11.38	-	11.69
Additions	0.75	-	-	0.75
Disposal / Adjustment	-	-	-	-
<b>As at 31st March, 2019</b>	<b>1.06</b>	<b>11.38</b>	<b>-</b>	<b>12.44</b>
<b>Amortisation and Impairment</b>				
As at 1st April, 2018	0.25	-	-	0.25
Amortisation charge for the year	0.09	-	-	0.09
Disposal / Adjustment	-	-	-	-
<b>As at 31st March, 2019</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>0.34</b>
<b>Net carrying amount (Deemed cost)</b>	<b>0.72</b>	<b>11.38</b>	<b>-</b>	<b>12.10</b>

- 5.1 Software is other than internally generated.
- 5.2 The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Intangible Assets as its deemed cost as at the date of transition. Refer note 55 for exemption and exceptions availed by the Company under Ind AS 101 - First Time Adoption of Ind AS.

## 6 Right of use asset

Particulars	Office premises	Total
<b>Gross carrying Amount</b>		
Cost as at 1st April, 2021	40.81	40.81
Additions	-	-
Disposal / Adjustment	-	-
<b>As at 31st Oct., 2021</b>	<b>40.81</b>	<b>40.81</b>
<b>Depreciation and Impairment</b>		
As at 1st April, 2021	20.75	20.75
Depreciation charge for the year	5.00	5.00
Disposal / Adjustment	-	-
<b>As at 31st October, 2021</b>	<b>25.75</b>	<b>25.75</b>
<b>Net carrying amount</b>	<b>15.06</b>	<b>15.06</b>
<b>Gross carrying Amount</b>		
Cost as at 1st April, 2020	40.81	40.81
Additions	-	-
Disposal / Adjustment	-	-
<b>As at 31st March, 2021</b>	<b>40.81</b>	<b>40.81</b>
<b>Depreciation and Impairment</b>		
As at 1st April, 2020	12.18	12.18
Depreciation charge for the year	8.57	8.57
Disposal / Adjustment	-	-
<b>As at 31st March, 2021</b>	<b>20.75</b>	<b>20.75</b>
<b>Net carrying amount</b>	<b>20.06</b>	<b>20.06</b>
<b>Gross carrying Amount</b>		
Cost as at 01st April, 2019	40.81	40.81
Additions	-	-
Disposal / Adjustment	-	-
<b>As at 31st March, 2020</b>	<b>40.81</b>	<b>40.81</b>
<b>Depreciation and Impairment</b>		
As at 1st April, 2019	3.61	3.61
Depreciation charge for the year	8.57	8.57
Disposal / Adjustment	-	-
<b>As at 31st March, 2020</b>	<b>12.18</b>	<b>12.18</b>
<b>Net carrying amount</b>	<b>28.63</b>	<b>28.63</b>
<b>Gross carrying value</b>		
cost as at 1st April, 2018	-	-
Additions	40.81	40.81
Disposal / Adjustment	-	-
<b>As at 31st March, 2019</b>	<b>40.81</b>	<b>40.81</b>
<b>Depreciation and Impairment</b>		
As at 1st April, 2018	-	-
Depreciation charge for the year	3.61	3.61
Disposal / Adjustment	-	-
<b>Balance as at 31st March, 2019</b>	<b>3.61</b>	<b>3.61</b>
<b>Net carrying amount</b>	<b>37.20</b>	<b>37.20</b>

7	Investments	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Trade investment</b>				
	(i) Unquoted Equity Shares, Fully paid up, at cost				
	(i) Unquoted equity shares, fully paid up, at fair value through profit and loss				
	<b>Saraswat Co-operative Bank Limited</b>				
	Number of shares [Face value of Rs. 10 each]	7,540	7,540	7,540	7,540
	Amount	0.08	0.08	0.08	0.08
	<b>Gauri Co-Op Hsg.Society Limited</b>				
	Number of shares [Face value of Rs. 10 each]	-	-	-	1,210
	Amount	-	-	-	0.01
	(ii) Investment in Limited Liability Partnership (LLP), at cost (Also refer note 7.1)				
	Reinaa Creations LLP	-	10.03	0.03	-
	- Suraj Estate Developers Private Limited				
	(iii) Other investments				
	Tenancy rights	1.00	1.00	1.00	1.00
	<b>Total</b>	<b>1.08</b>	<b>11.11</b>	<b>1.11</b>	<b>1.09</b>
	Aggregate amount of quoted investments	-	-	-	-
	Aggregate amount of unquoted investments	1.08	11.11	1.11	1.09
	Market value of Unquoted investments	1.08	11.11	1.11	1.09
	Aggregate amount of impairment in value of investments	-	-	-	-

## 7.1 Details of investment made in capital of LLP is as under:

## (a) Reinaa Creations LLP

Name of the partner and share in profit (%)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>I. Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)</b>				
% Holding	-	50%	50%	-
Capital Contribution	-	10.03	0.03	-
<b>II. Mrs. Meenal Milan Chheda</b>				
% Holding	-	50%	50%	-
Capital Contribution	-	10.03	0.03	-
<b>Total holding</b>	-	<b>100%</b>	<b>100%</b>	-
<b>Total capital contribution</b>	-	<b>20.06</b>	<b>0.06</b>	-

Note: The Company retired from limited liability partnership with effect from 27th April 2021.

8	Other financial assets (Unsecured, considered good unless otherwise stated)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Security deposits</b>				
	- With Government authorities	0.76	0.76	0.72	0.69
	- With Others	7.56	7.89	18.78	8.42
	Fixed deposit with bank with more than 12 months maturity*	34.16	19.36	21.81	60.22
	<b>Total</b>	<b>42.48</b>	<b>28.01</b>	<b>41.31</b>	<b>69.33</b>

\* Above bank deposits are held as margin money/ securities with bank.

## 9 Deferred tax Assets

Deferred income tax reflects the net tax effect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for income tax purposes. Significant component of the Group's net deferred tax are as follows:

Deferred tax assets/ (liabilities)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Significant components of net deferred tax assets and liabilities				
<b>Deferred tax assets</b>				
Carried forward losses as per Income Tax Act, 1961	0.03	0.40	0.35	0.02
Expense allowed on payment basis as per Income tax act, 1961	2.61	2.78	2.68	1.76
Depreciable asset (PPE, Intangible Asset and Right of Use Asset)	7.36	5.30	3.24	2.11
MAT credit entitlement	-	-	-	0.73
Expected Credit Losses (ECL)	1.98	3.28	2.78	3.37
<b>Sub-total (A)</b>	<b>11.98</b>	<b>11.76</b>	<b>9.05</b>	<b>7.99</b>
<b>Deferred tax liabilities</b>				
Adjustment of Effective Interest Rate (EIR) adjustments on borrowings	3.48	3.85	1.74	1.02
<b>Sub-total (B)</b>	<b>3.48</b>	<b>3.85</b>	<b>1.74</b>	<b>1.02</b>
<b>Deferred tax assets/(liability) (A-B) (C)</b>	<b>8.50</b>	<b>7.91</b>	<b>7.31</b>	<b>6.97</b>
Less: Deferred tax asset not recognized in certain subsidiaries due to uncertainty of realizability of losses (D)	0.03	0.40	0.35	0.02
<b>Deferred tax assets/(liability) - Net (C-D)</b>	<b>8.47</b>	<b>7.51</b>	<b>6.96</b>	<b>6.95</b>

## 9.1 Movement of deferred tax assets and liabilities during the period/ year ended:

(a) Particulars	As at 1st April 2021	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at 31st Oct., 2021
<u>Deferred tax asset arising on account of:</u>				
Expense allowed on payment basis as per Income tax act, 1961	2.78	0.11	0.29	2.61
Depreciable assets (PPE, Intangible Assets, ROU Assets)	5.30	2.06	-	7.36
Expected Credit Losses (ECL)	3.28	(1.30)	-	1.98
Sub-total (A)	<b>11.36</b>	<b>0.87</b>	<b>0.29</b>	<b>11.95</b>
<u>Deferred tax liabilities arising on account of:</u>				
Adjustment of Effective Interest Rate (EIR) adjustments on borrowings	3.85	(0.37)	-	3.48
Sub-total (B)	<b>3.85</b>	<b>(0.37)</b>	<b>-</b>	<b>3.48</b>
<b>Deferred tax assets (net) (A - B)</b>	<b>7.51</b>	<b>1.24</b>	<b>0.29</b>	<b>8.47</b>

(b) Particulars	As at 1st April 2020	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at 31st March 2021
<u>Deferred tax asset arising on account of:</u>				
Expense allowed on payment basis as per Income tax act, 1961	2.68	0.06	(0.04)	2.78
Depreciable assets (PPE, Intangible Assets, ROU Assets)	3.24	2.06	-	5.30
Expected Credit Losses (ECL)	2.78	0.50	-	3.28
Sub-total (A)	<b>8.70</b>	<b>2.62</b>	<b>(0.04)</b>	<b>11.36</b>
<u>Deferred tax liabilities arising on account of:</u>				
Adjustment of Effective Interest Rate (EIR) adjustments on borrowings	1.74	2.11	-	3.85
Sub-total (B)	<b>1.74</b>	<b>2.11</b>	<b>-</b>	<b>3.85</b>
<b>Deferred tax assets (net) (A - B)</b>	<b>6.96</b>	<b>0.51</b>	<b>(0.04)</b>	<b>7.51</b>

(c) Particulars	As at 1st April 2019	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at 31st March 2020
<u>Deferred tax asset arising on account of:</u>				
Expense allowed on payment basis as per Income tax act, 1961	1.76	0.28	(0.63)	2.68
Depreciable assets (PPE, Intangible Assets, ROU Assets)	2.11	1.13	-	3.24
Expected Credit Losses (ECL)	3.37	(0.60)	-	2.78
MAT Credit entitlement	0.73	(0.73)	-	-
Sub-total (A)	<b>7.97</b>	<b>0.08</b>	<b>(0.63)</b>	<b>8.70</b>
<u>Deferred tax liabilities arising on account of:</u>				
Adjustment of Effective Interest Rate (EIR) adjustments on borrowings	1.02	(0.72)	-	1.74
Sub-total (B)	<b>1.02</b>	<b>(0.72)</b>	<b>-</b>	<b>1.74</b>
<b>Deferred tax assets (net) (A - B)</b>	<b>6.95</b>	<b>(0.64)</b>	<b>(0.63)</b>	<b>6.96</b>

(d) Particulars	As at 1st April 2018	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at 31st March 2019
<u>Deferred tax asset arising on account of:</u>				
Expense allowed on payment basis as per Income tax act, 1961	2.03	(0.16)	0.11	1.76
Depreciable assets (PPE, Intangible Assets, ROU Assets)	2.00	0.11	-	2.11
Expected Credit Losses (ECL)	4.40	(1.03)	-	3.37
MAT Credit entitlement	0.08	0.65	-	0.73
Sub-total (A)	<b>8.51</b>	<b>(0.43)</b>	<b>0.11</b>	<b>7.97</b>
<u>Deferred tax liabilities arising on account of:</u>				
Adjustment of Effective Interest Rate (EIR) adjustments on borrowings	-	1.02	-	1.02
Sub-total (B)	<b>-</b>	<b>1.02</b>	<b>-</b>	<b>1.02</b>
<b>Deferred tax assets (net) (A - B)</b>	<b>8.51</b>	<b>(1.45)</b>	<b>0.11</b>	<b>6.95</b>

10 Inventories (At lower of cost or net realisable value)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Construction work-in-progress (Refer note 10.1 and 10.2)	6,313.65	5,652.80	5,439.69	4,518.77
<b>Total</b>	<b>6,313.65</b>	<b>5,652.80</b>	<b>5,439.69</b>	<b>4,518.77</b>

10.1 Mode of valuation - Refer note no. 3.9 of significant accounting policy.

10.2 Refer Note - 20 for information on hypothecation of inventories/ construction work-in-progress.



11	Trade receivable (Unsecured considered good, unless otherwise stated)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	Unsecured, considered good	753.69	818.67	432.57	305.70
	<b>Sub-total</b>	<b>753.69</b>	<b>818.67</b>	<b>432.57</b>	<b>305.70</b>
	Less: Allowance for expected credit loss (ECL) - (Refer note 11.3)	6.83	12.02	10.07	12.15
	<b>Total</b>	<b>746.86</b>	<b>806.65</b>	<b>422.50</b>	<b>293.55</b>

## 11.1 Trade receivable analysis

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>Undisputed trade receivables-considered good</b>				
- Less than 6 months	394.82	524.84	263.92	116.95
- 6 Months - 1 year	229.55	88.28	5.36	8.63
- 1-2 years	69.36	66.40	67.82	63.55
- 2-3 years	17.76	70.96	23.40	21.84
- More than 3 years	42.20	68.19	72.07	94.73
<b>Sub-total</b>	<b>753.69</b>	<b>818.67</b>	<b>432.57</b>	<b>305.70</b>
<b>Disputed trade receivables-considered good</b>				
- Less than 6 months	-	-	-	-
- 6 Months - 1 year	-	-	-	-
- 1-2 years	-	-	-	-
- 2-3 years	-	-	-	-
- More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

11.2 Of the above trade receivables Rs.10.59 Mns (31st March 2021:Rs.3.56 Mns,31st March 2020:Rs.Nil & 31st March 2019:Rs.Nil) are receivables from directors or relatives of directors - Also refer note 42.

11.3 The Group has entered into contracts for the sale of residential units on structured instalment basis. These instalments are specified in the contracts. The Company is exposed to credit risk in respect of instalments due. Generally, the legal ownership of residential units are transferred to the buyer after all/ substantial instalments are recovered. In addition, instalment dues are monitored on an ongoing basis with the result that the Company's exposure to credit risk is not significant.

On conservative basis, though no significant credit risk involved, the allowances for credit losses (ECL) is provided for trade receivables. In determining ECL provision, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The ECL is based on the ageing of the receivables that are due and rates used in the provision matrix.

Movement of expected credit loss allowances	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the period/ year	12.02	10.07	12.15	15.84
Add: Provided/ (reversal) during the period/ year (Net)	(5.19)	1.95	(2.08)	(3.69)
Less: Allowances written off	-	-	-	-
<b>Balance at the end of the period/ year</b>	<b>6.83</b>	<b>12.02</b>	<b>10.07</b>	<b>12.15</b>

11.4 Refer Note - 20.1 and 20.3 for information on hypothecation of trade receivables.

12	Cash and cash equivalent	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	Cash in hand	1.26	2.33	3.16	1.19
	Balances with bank				
	- In current accounts	82.91	120.12	19.63	38.88
	- In Fixed Deposits (With maturity of 3 months or less from reporting date)	-	-	1.68	-
	<b>Total</b>	<b>84.17</b>	<b>122.45</b>	<b>24.47</b>	<b>40.07</b>

13	Other bank balance	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Balance with bank</b>				
	(a) In current accounts [Earmarked bank balance]	40.72	55.63	6.78	9.03
	(b) In fixed deposits (Refer note 13.1)				
	- With maturity of 3 months or less from reporting date	2.65	2.57	1.68	1.58
	- With maturity of more than 3 months but less than 12 months from reporting date	11.67	27.88	26.64	20.35
	- With maturity of more than 12 months from reporting date	34.16	19.36	21.81	60.22
	<b>Sub-total</b>	<b>89.20</b>	<b>105.44</b>	<b>56.91</b>	<b>91.18</b>
	Less: Disclosed under Other financial assets - non-current	34.16	19.36	21.81	60.22
	<b>Total</b>	<b>55.04</b>	<b>86.08</b>	<b>35.10</b>	<b>30.96</b>

13.1 Fixed deposit is given as margin money to the Bank for guarantee given by bank to Government and other authorities on behalf of the Company.

14	Loans (Unsecured considered good, unless otherwise stated)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	Loans and advances to related parties (Refer note 14.1, 14.2, 14.3 and 42)				
	- Repayable on demand	20.13	46.13	41.93	37.27
	Other loans and advances	205.26	189.45	16.99	91.25
	Less: Provision for expected credit losses	0.40	0.40	-	-
		204.86	189.05	16.99	91.25
	Advances given to employees against salary and others	0.94	1.16	1.51	2.56
	<b>Total</b>	<b>225.93</b>	<b>236.34</b>	<b>60.43</b>	<b>131.08</b>

14.1 Disclosures of loans or advances in the nature of loans granted to promoters, directors, key managerial personnel (KMPs) and the related parties:

Type of borrower	Amount of loan or advance in the nature of loan outstanding			
	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Promoter	-	-	-	-
Directors	6.53	32.53	24.71	20.07
KMPs	-	-	-	-
Related parties	13.60	13.60	17.22	17.20

Type of borrower	Percentage of total loan or advances in the nature of loans			
	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Promoters	-	-	-	-
Directors	32.44	70.52	58.94	53.84
KMPs	-	-	-	-
Related parties	67.56	29.48	41.06	46.16

14.2 As required under section 186(4) of the Companies Act, 2013 loan given to the related parties (wherever applicable) is for general business purpose.

14.3 Loans given to related parties are in the nature of current account transactions, repayable on demand and in accordance with reciprocal arrangement and also interest free.

15	Other financial assets - current (Unsecured, considered good unless otherwise stated)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Security deposits given</b>				
	- With Government Authorities	-	-	2.27	2.17
	- With others	0.16	0.02	0.02	0.05
	Interest receivable	-	-	-	1.67
	Other receivable from related parties (Refer note 42)	4.78	0.02	2.59	3.41
	Current account receivable from partners of partnership firms (Refer note 42)	-	57.78	62.40	60.56
	Other receivable	15.11	15.11	15.18	14.62
	<b>Total</b>	<b>20.05</b>	<b>72.93</b>	<b>82.46</b>	<b>82.48</b>

16	Other current assets (Unsecured, considered good unless otherwise stated)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	Balances with Government authorities	12.20	29.18	88.03	90.67
	Prepaid expenses	38.22	28.86	38.59	18.81
	Advance against property	155.47	154.60	155.65	185.90
	Advances to suppliers and others	148.86	162.07	174.30	136.25
	Receivable Under Joint Development Agreement (Refer note 16.1)	301.16	301.16	301.16	301.16
	Other receivable	5.95	6.30	0.21	0.49
	<b>Total</b>	<b>661.86</b>	<b>682.17</b>	<b>757.94</b>	<b>733.28</b>

16.1 Represent amount receivable which would be adjusted against future obligations/commitments under the Joint Development Agreement.

17	Income tax assets (net)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	Income tax (net of provisions)	0.79	2.34	7.83	7.33
	<b>Total</b>	<b>0.79</b>	<b>2.34</b>	<b>7.83</b>	<b>7.33</b>

18	Equity share capital	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Authorised share capital</b>				
	<b>Equity shares (Refer note 18.5 and 18.6)</b>				
	Face value	5.00	10.00	10.00	10.00
	No. of shares	60,000,000	6,650,000	6,650,000	6,650,000
	Amount	300.00	66.50	66.50	66.50
	<b>Total</b>	<b>300.00</b>	<b>66.50</b>	<b>66.50</b>	<b>66.50</b>
	<b>Issued, subscribed and paid-up share capital</b>				
	<b>Equity shares (Refer note 18.5 and 18.6)</b>				
	Face value (In INR)	5	10	10	10
	No. of shares#	31,750,000	6,350,000	6,350,000	6,350,000
	Amount#	158.75	63.50	63.50	63.50
	<b>Total</b>	<b>158.75</b>	<b>63.50</b>	<b>63.50</b>	<b>63.50</b>

# Net off elimination on consolidation due to equity shares held by subsidiary company.

**18.1 Terms/ rights attached to equity shares :**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 5 (As at 31st March 2021, 2020 & 2019 of Rs. 10 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (after due adjustment in case shares are not fully paid up).

**18.2 Reconciliation of the number of shares outstanding is set out below:****(i) Equity shares (Issued, subscribed and paid up)**

Particulars	31st Oct., 2021		31st March 2021		31st March 2020		31st March 2019	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning#	6,350,000	63.50	6,350,000	63.50	6,350,000	63.50	6,350,000	63.50
Add: Shares issued during the year	-	-	-	-	-	-	-	-
Add: Issue of bonus shares (Refer note 18.6)#	9,525,000	95.25	-	-	-	-	-	-
Add: Increase in shares due to split of share (Refer note 18.6)#	15,875,000	-	-	-	-	-	-	-
Less: Buyback during the year	-	-	-	-	-	-	-	-
<b>Number of shares at the end</b>	<b>31,750,000</b>	<b>158.75</b>	<b>6,350,000</b>	<b>63.50</b>	<b>6,350,000</b>	<b>63.50</b>	<b>6,350,000</b>	<b>63.50</b>

# Net off elimination on consolidation due to equity shares held by subsidiary company.

**18.3 Details of shareholders holding more than 5 % shares#**

Particulars	Details	As at	As at	As at	As at
		31st Oct., 2021	31st March, 2021	31st March, 2020	31st March, 2019
Rajan Meenathakonil Thomas	Number of Shares	27,282,000	5,456,400	5,456,400	5,456,400
	Shareholders %	82.05%	82.05%	82.05%	82.05%
Sujatha R Thomas	Number of Shares	3,877,500	775,500	775,500	775,500
	Shareholders %	11.66%	11.66%	11.66%	11.66%

**18.4 Details of Promoter Shareholding in the Company**

Name of the promoter	Details	As at	As at	As at	As at
		31st Oct., 2021	31st March, 2021	31st March, 2020	31st March, 2019
Rajan Meenathakonil Thomas	Number of Shares	27,282,000	5,456,400	5,456,400	5,456,400
	Shareholders %	82.05%	82.05%	82.05%	82.05%
	% change during the period/ year	-	-	-	-

**18.5 Increase in authorized capital**

Authorized capital of the Company has been increased from existing 6,650,000 equity shares of Rs. 10 each to 30,000,000 as approved by the members at the annual general meeting held on 21st October 2021. Further, existing ordinary equity shares of Rs. 10 each has been split into 2 (two) ordinary equity shares of Rs. 5 each as approved by members at the extra ordinary general meeting held on 30th October 2021.

**18.6 Issue of bonus shares and shares split**

Pursuant to a resolution passed by the members in Annual General Meeting held on 21st October 2021, the Company has issued and allotted 9,975,000 bonus equity shares in the ratio of 1.5 (One decimal five) fully paid-up bonus share of the face value of Rs. 10 each for every existing 1 (one) fully paid-up equity share of the face value of Rs. 10 each held by the members as on 25th September 2021 (the Record Date). The bonus has been issued on 21st October 2021 by capitalizing the sum of Rs. Rs. 99.75 Mn from and out of retained earnings of the Company.

Further, pursuant to resolution passed by the Members at their meeting held on 30th October 2021, each equity share of face value of Rs. 10 each has been split into two equity shares of Rs. 5 each. Accordingly, authorized capital has been subdivided from 30,000,000 equity shares of Rs. 10 each to 60,000,000 equity shares of Rs. 5 each and issued, subscribed and paid up share capital has been subdivided from 16,625,000 equity shares of Rs. 10 each to 33,250,000 equity shares of Rs. 5 each.

19	Other equity	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Capital reserve on business combination</b>				
	Opening balance	(1.27)	(1.07)	(0.99)	(0.99)
	Add: Addition/ adjustment on acquisition/ business combination during the period/ year (Net) - Also refer note 53	(160.20)	(0.20)	(0.08)	-
	<b>Closing balance ....(A)</b>	<b>(161.47)</b>	<b>(1.27)</b>	<b>(1.07)</b>	<b>(0.99)</b>
	<b>Other reserves</b>				
	<b>Debenture redemption reserves</b>				
	Opening balance	62.96	103.27	-	122.18
	Add: Transferred from Profit and Loss (Retained earnings)	15.64	62.96	103.27	-
	Less: Transferred to Profit and Loss (Retained earnings)	(6.15)	(103.27)	-	(122.18)
	<b>Closing balance</b>	<b>72.45</b>	<b>62.96</b>	<b>103.27</b>	<b>-</b>
	<b>Securities premium reserve</b>				
	Opening Balance	44.76	44.76	44.76	44.76
	Add: Additions during the year	-	-	-	-
	Less: Deductions during the year	-	-	-	-
	<b>Closing Balance</b>	<b>44.76</b>	<b>44.76</b>	<b>44.76</b>	<b>44.76</b>
	<b>Retained earnings</b>				
	As per last balance sheet	122.99	21.05	109.44	(28.45)
	Less: Transferred to Capital Reserve on Business Combination	-	-	0.40	-
	Add: Profit for the year	117.27	61.63	14.48	15.71
	Less: Utilised for issue of bonus shares (Refer note 18.6)	(99.75)	-	-	-
	Less: Transferred to debenture redemption reserve	(15.64)	(62.96)	(103.27)	122.18
	Add: Transferred from debenture redemption reserve	6.15	103.27	-	-
	<b>Closing balance</b>	<b>131.02</b>	<b>122.99</b>	<b>21.05</b>	<b>109.44</b>
	<b>Other comprehensive income</b>				
	As per last balance sheet	(1.47)	(1.38)	0.27	-
	Add: Movement in OCI (Net) during the year	0.76	(0.09)	(1.65)	0.27
	<b>Closing balance</b>	<b>(0.71)</b>	<b>(1.47)</b>	<b>(1.38)</b>	<b>0.27</b>
	<b>Other reserves .....(B)</b>	<b>247.52</b>	<b>229.24</b>	<b>167.70</b>	<b>154.47</b>
	<b>Total (A+B)</b>	<b>86.05</b>	<b>227.97</b>	<b>166.63</b>	<b>153.48</b>

**19.1 Nature and purpose of reserves****(a) Debenture Redemption Reserve (DRR)**

The Company had issued redeemable non-convertible debentures. In terms of the provisions of Section 76, Debenture Redemption Reserve is being created for an amount equal to 10% of the value of debentures due for redemption.

**(b) Securities Premium Reserve**

Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Companies Act, 2013.

**(c) Capital Reserve on business combination**

Represents excess of cost over nominal value of shares acquired in subsidiaries acquired under common control transaction which are shown as capital reserve in accordance with Ind AS 103 - Business Combination.

20	Borrowings - Non-current	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Secured</b>				
	<b>Term loans</b>				
	- From banks (Refer note 20.1 and 20.2)	352.10	383.33	265.29	532.56
	- From Non-banking financial institutions (Refer note 20.3 and 20.4)	5,361.10	5,050.58	4,228.99	2,787.53
	<b>Sub-total</b>	<b>5,713.20</b>	<b>5,433.91</b>	<b>4,494.28</b>	<b>3,320.09</b>
	Less: Current maturities of long term loans	1,221.76	709.56	361.93	135.20
	Less: Interest accrued and due (Refer note 26)	103.79	83.90	64.01	168.08
	<b>Total</b>	<b>4,387.65</b>	<b>4,640.45</b>	<b>4,068.34</b>	<b>3,016.81</b>

**20.1 Details of security and terms of repayment on term loan from Bank [For outstanding loans]****(a) Saraswat Co-operative Bank Limited**

Total facility is of Rs. 490.00 Mn comprising of Fund Based Term loan Credit facility of Rs. 400 Mn and Non Fund based Bank Guarantee Limit of Rs. 90 Mn, of which Rs.374.00 Mn was disbursed till 31st October 2021

(i) Mortgage Charge of Rs. 330 Mn by way of legal mortgage of property located at F.P.No.964 of TPS -IV, of Mahim Kakasaheb Gadgil Marg, Prabhadevi, Mumbai.

(ii) Additional Primary Mortgage Charge of Rs. 160 Mn by way of legal mortgage of property located at C.S. No. 2035, F.P.No.638, TPS III, Mahim Division, Lady Jamshedji Road, Mahim West, Mumbai owned by Partnership Firm (M/s Mulani & Bhagat Associates)

(iii) Personal Guarantee of Directors.

**(b) Saraswat Co-operative Bank Limited**

Total facility of upto Rs.10.00 Mn, of which Rs.9.70 Mn was disbursed till 31st October 2021. This loan is secured against hypothecation of Cranes and Collateral Security by way of Legal Mortgage/Additional Primary Mortgage Charge of Rs. 160 Mn by way of legal mortgage of property located at C.S. No. 2035, F.P.No.638, TPS III, Mahim Division, Lady Jamshedji Road, Mahim West, Mumbai owned by Partnership Firm (M/s Mulani & Bhagat Associates) Personal Guarantee of Directors.

**(c) Saraswat Co-operative Bank Limited**

Total facility of upto Rs.0.96 Mn, of which Rs. 0.96 Mn was disbursed till 31st October 2021. This loan is secured against hypothecation of Car Ertiga. Personal Guarantee of the Directors.

**(d) Saraswat Co-operative Bank Limited**

Total facility of upto Rs. 1.21 Mn, of which Rs. 1.21 Mn was disbursed till 31st October 2021. Secured against hypothecation of Car KIA Seltos. Personal Guarantee of the Directors.

**(e) Saraswat Co-operative Bank Limited**

Total facility of upto Rs.0.64 Mn, of which Rs. 0.64 Mn was disbursed till 31st October 2021. Secured against hypothecation of Printer Plotter Scanner.

(f) **ICICI Bank - Term Loan and Overdraft Facilities | Accord Estate Private Limited |**

The bank has sanctioned a term loan of Rs.450.00 Mn (including sublimit of OD facility upto Rs. 200.00 Mn). Loan is secured by,

- First Exclusive charge by way of Hypothecation of receivables of project of Borrower's share of Saleable area in Project Nirvana
- First Exclusive charge by the way of equitable mortgage on Proposed Property bearing F.P. No. 702/704 situated at TPS IV, Mahim Division, Kashinath Dhuru Road.
- First Exclusive charge by way of Equitable Mortgage on proposed plot no. 702/704.
- First Exclusive charge by the way of hypothecation on F.P. No. 702/704.
- First Exclusive charge by way of registered mortgage on the Escrow Account and the DSR account along with all monies credited/deposited therein.
- First Exclusive charge by the way of hypothecation on Escrow Accounts.

**Guarantee**

- Corporate guarantee of M/S Suraj Estate Developers Ltd, [ Holding Company ]
- Unconditional and irrevocable Personal guarantee of Directors

(g) **ICICI Bank Limited- ECLGS-2 Facility - Accord Estate Private Limited**

- Extension of Second Ranking Charge on Borrower's share of Saleable Area of Accord Estates Share in Project Nirvana.b) First Exclusive charge by the way of equitable mortgage on Proposed Property bearing F.P. No. 702/704 situated at TPS IV, Mahim Division, Kashinath Dhuru Road.
- First Exclusive charge by way of Equitable Mortgage on proposed plot no. 702/704.
- First Exclusive charge by the way of hypothecation on F.P. No. 702/704.
- First Exclusive charge by way of registered mortgage on the Escrow Account and the DSR account along with all monies credited/deposited therein.
- First Exclusive charge by the way of hypothecation on Escrow Accounts.

**Guarantee**

- Corporate guarantee of M/S Suraj Estate Developers Ltd, [ Holding Company ]
- Unconditional and irrevocable Personal guarantee of Directors

**20.2 Details of repayment of term loan from Banks**

Loan Nature	Loan date	Sanction	Loan end date	Number of instalments	Monthly instalment	Rate of Interest	Remarks
(a) Term Loan		30-Dec-19	24-Apr-23	18	Rs. 22.20 Mn*17 +22.60 Mn*1	13.50%	Further, 40% of each receipt in escrow account will be recovered towards the principle repayment of term loan.
(b) Vehicle Loan		20-Aug-20	30-Sep-25	60	Rs 0.02 Mn	8.00%	
(c) Vehicle Loan		20-Aug-20	15-Aug-25	60	Rs 0.03 Mn	8.00%	
(d) Equipment Loan-I		06-Nov-20	10-Nov-25	60	Rs. 0.17 Mn* 59 + Rs. 0.15 Mn*1	13.50%	
(e) Equipment Loan-II		06-Nov-20	10-Nov-25	60	Rs 0.02 Mn	13.50%	
(f) Term Loan		15-Sep-21	15-Nov-22	15	Rs 5.90 Mn	13.25%	Term Loan- Repayment between 15th September 2021 to 15th Nov 2022 in 15 Monthly Instalments of Rs. 5.90 Mn.
(g) Term Loan - ECLGS Facility		10-Dec-20	10-Nov-25	48	Rs 0.77 Mn	8.35%	The loan is repayable in 48 Monthly Instalment post Moratorium Period of 12 Month from starting date of disbursement and Repayable in 36 Equal Monthly Instalments thereafter

**20.3 Details of security provided and terms of repayment for loans from Non Banking Financial Institutions (For outstanding loans)**

(a) **Piramal Capital & Housing Finance Limited**

- Total facility of upto Rs.2,000.00 Mn, of which Rs. 1,820.00 Mn was disbursed till 31st October 2021. Secured against First and Exclusive Charge along with Hypothecation of Receivables in respect of following Properties:
  - Palette - Located at plot bearing F.P. No. 823, TPS IV, Mahim Division, S.K. Bole Road, Near Portuguese Church, Dadar (W), Mumbai, ii) Tranquil Bay - Located at plot bearing F.P. No. 1181/82, TPS IV, Mahim Division, situated at 19th Kashinath Dhuru Road, Off Cadell Road, Dadar (W), Mumbai, iii) Mangrishi - Located at plot bearing F.P. No. 1170, Gopal Bhavan, Kashinath Dhuru Road, Dadar (W), Mumbai, iv) Lucky Chawl - Located at plot bearing F.P. No. 103, TPS III, Lady Jamshedji Road, Mahim (W), Mumbai, v) Gudekar House - Located at plot bearing F.P. No. 280, TPS IV, Mahim Division, S.K.Bhole road, Dadar (W), Mumbai, vi) Mestry House - Located at plot bearing F.P. No. 471, TPS III, Mahim Division, 12 Pitamber Lane, Mahim (W), Mumbai, vii) Ambavat Bhavan - Located at plot bearing F.P. No. 177, NM Joshi Marg, Parel, Mumbai, viii) Clerante Villa - Located at plot bearing F.P. No. 607, Near Sitladevi Temple, Mahim (W), Mumbai.
- (ii) Personal Guarantee of Directors.
- (ii) (Emergency Credit Line Guarantee Scheme - Sanction -200 Mn) Total facility of upto Rs.200.00 Mn, of which Rs. 141.00 Mn was disbursed till 31st October 2021. Security Second Exclusive Charge on Properties mentioned in - Same as above Note 4(B)(i).

(b) **IIFL Home Finance Limited**

Total facility of upto Rs.650.00 Mn, of which Rs. 511.80 Mn was disbursed till 31st October 2021.

Secured against

- Charge against project : "Luisandra" on Land admeasuring 233.22 sq Mtrs. bearing FP No. 1/274, located at TPS no. IV, G/N Ward, Dadar (W), Mumbai and all present and future construction thereon.
- Charge on all receivables /cash flows /insurance proceeds arising out of or in connection with the said project situated at above land parcel. Any other security of similar / higher value acceptable to IIFL HFL

(c) **Tata Capital Housing Finance Limited**

Term Loan I - Total facility of upto Rs. 600.00 Mn, of which Rs. 531.20 Mn was disbursed till 31st October 2021.

Term loan II - Total facility of upto Rs. 300.00 Mn, of which Rs. 146.40 Mn was disbursed till 31st October 2021.

Facility is secured by,

- Exclusive charge by way of registered mortgage on the Development rights of the Project "Ocean Star" situated at FP No 1198-99 and FP 1200 TPS IV of Mahim Division, G/N-ward situated at Kashinath Dhuru Road, Prabhadevi, Mumbai - 400025, along with any structure/future structure standing on the project land other than the tenant accommodation.
- Exclusive First charge by way of hypothecation on all the receivables including sold, unsold, insurance receipts as well as development and other charges from units and any cash flow from the project "Ocean Star"situated at FP No 1198-99 and FP 1200 TPS IV of Mahim Division, G/N-ward, Kashinath Dhuru Road, Prabhadevi, Mumbai - 400025.
- Exclusive charge on the land admeasuring 1029.28 sq mtrs along with the structure/future structure three on situated at FP No 70 (CS No 508), TPS II, Pednekarwadi, Dilip Gupte Marg, Mahim West, Mumbai - 400016 owned by Step down subsidiary( M/s Uditi Premises Private Limited.)

(d) **IIFL Home Finance Limited**

The term loan sanctioned for Rs. 750.00 Mn against property bearing CTS no 948/949. This loan is secured by:

**Security**

- a) First and exclusive charge by way of mortgage on the land admeasuring 1857.59 sq mtrs bearing CTS Nos. 948 & 949 of village Bandra Division, situate at Mount Mary Step, Bandra (W), Mumbai-400050 and development rights together with all buildings and structures thereon.  
b) First and exclusive on the Scheduled Receivables, Additional Receivables, all insurance proceeds, both present & future from the above project.  
c) Personal Guarantee of the Directors

(e) **IIFL - Debentures**

Total Facility amount of Rs. 1,950.00 Mn, disbursed upto 31st October 2021 of Rs. 1,920.00 Mn

**Security provided**

- A. First and Exclusive charge by way of registered mortgage on property bearing F.P.No. 107, TPS II, Mahim Division, L J Road, Mahim (W), Mumbai-400016 owned by the Holding Company.  
B. First and exclusive charge by registered mortgage of Property bearing F.P.No. 426-B, TPS III, Mahim Division, Tulsi pipe Road, Mahim (W), Mumbai-400016  
C. First and exclusive charge by registered mortgage of property bearing F.P.No. 846, TPS IV, Mahim Division situated at Rao Bahadur S.K Bole Road, Dadar (W), Mumbai-400028  
D. First and exclusive charge by registered mortgage on saleable carpet area in proposed building B Wing B to be developed on F.P. No. 766-B situated at TPS - IV of Mahim Division, S K Bole Road, Dadar West, Mumbai - 400028.  
E. Personal Guarantee of directors.  
F. Corporate Guarantee of Holding Company.

**20.4 Details of repayment of term loan from Non Banking Financial Institutions**

Loan nature	Sanction Date	Loan end date	Number of instalments	Monthly instalment	Rate of Interest	Remarks
(a) Term Loan	14-Aug-18	29-Nov-24	13	Refer remark	Facility wise from 16.25%, 16.50% and 19.05%	Unequal Quarterly Installments Upto 75 Months from date of disbursement of 1st Facility Upto 36 Months from date of disbursement of 2nd Facility
(b) Term Loan	14-Jan-21	25-Mar-25	60	Refer remark	13.17%	ECLGS loan is repayable in 48 Monthly Instalment post Moratorium Period from 12 months.
(c) Term Loan	31-Dec-19	05-Jan-25	60	Rs. 8.40 Mn*24 +Rs.2.27Mn*36	15.50%	Door to door tenor of 60 months from the date of disbursement with principal moratorium of 24 months. The loan is repayable including interest in 36 monthly instalments of Rs.22.70 Mn each for next 36 months starting from January 2022 to December 2024.
(d) Term Loan	11-Oct-19	31-May-25	60	Rs. 20.20 millions	14.50%	Moratorium for first 36 months TL I - The loan is repayable in 31 monthly instalments including interest of Rs. 20.20 Mn each starting from November 2022 to May 2025.
(e) Term Loan	11-Oct-19	30-Jun-25	60	Rs. 20.20 millions	14.50%	TL II - The loan is repayable in 31 monthly instalments including interest of Rs. 0.048 Mn each starting from December 2022 to June 2025.
(f) Term Loan	31-Dec-19	05-Jan-25	60	Rs 30.86 millions	17.00%	
(g) Debentures	09-May-19	30-Jun-24	30	Refer remark	20.50%	The total facility agreement of Rs 1950 Mn is repayable as under: A) For first Rs. 400 Mn - 30 months from the date of first investment B) For next Rs. 400 Mn - 42 months from the date of first investment C) For next Rs. 400 Mn - 48 months from the date of first investment D) For next Rs. 400 Mn - 54 months from the date of first investment E) For last Rs. 400 Mn - 60 months from the date of first investment

**20.5 Loans guaranteed by directors**

Particulars*	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Term loan from banks	352.10	383.33	265.29	532.56
Term loan from others	5,361.10	5,050.58	4,228.99	2,787.53
Bank Overdraft Facilities	70.48	100.95	101.03	100.97
<b>Total</b>	<b>5,783.68</b>	<b>5,534.86</b>	<b>4,595.31</b>	<b>3,421.06</b>

\*Including interest outstanding.

21 Lease liabilities (Non-current)	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Lease liabilities (Refer note 47(b))	8.47	15.16	23.84	30.50
<b>Total</b>	<b>8.47</b>	<b>15.16</b>	<b>23.84</b>	<b>30.50</b>

22 Other financial liabilities- Non Current	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Retention money payable (Refer note 22.1)	38.83	30.38	20.58	13.35
<b>Total</b>	<b>38.83</b>	<b>30.38</b>	<b>20.58</b>	<b>13.35</b>

## 22.1 Retention money payable analysis (Current and non-current)

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March 2020	As at 31st March, 2019
<b>Micro, small and medium enterprises</b>				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Others</b>				
Less than 1 year	6.50	11.16	11.54	9.36
1-2 years	10.02	11.54	7.42	4.91
2-3 years	11.44	7.42	3.53	2.82
More than 3 years	12.53	3.15	2.20	0.43
<b>Total</b>	<b>40.49</b>	<b>33.27</b>	<b>24.69</b>	<b>17.52</b>

Provisions	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>Provision for employee benefits*</b>				
- Provision for gratuity (Refer note 46(ii)(a))	7.60	7.80	7.04	5.06
- Provision for leave benefit (Refer note 46(ii)(b))	1.95	1.17	0.88	0.70
<b>Total</b>	<b>9.55</b>	<b>8.97</b>	<b>7.92</b>	<b>5.76</b>

\* The classification of provision for employee benefits into current/non current has been done by the actuary of the Company based upon estimated amount of cash outflow during the next 12 months from the balance sheet date.

Current borrowings	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>Secured</b>				
From bank and financial institutions				
- Cash credit facility (From bank)	-	-	-	88.56
- Bank Overdraft (Refer note 20.1(f))	70.48	100.95	101.03	100.97
Current maturities of long term loans				
- Loan from banks/ Non Banking financial institution (Refer note 20.1 and 20.3)	1,221.76	709.56	361.93	135.20
<b>Unsecured EBIT over interest payment and principal repayments</b>				
- From others	607.85	401.07	304.48	315.41
- From related parties (Refer note 24.1 and 42)	202.90	152.75	137.86	54.35
<b>Total</b>	<b>2,102.99</b>	<b>1,364.33</b>	<b>905.30</b>	<b>694.49</b>

24.1 Unsecured loans from related are in the nature of current account transactions, repayable on demand and in accordance with reciprocal arrangement and also interest free.

Trade payables	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Outstanding dues of micro enterprises and small enterprises (Refer note 25.1).	5.41	3.78	4.59	2.45
Outstanding dues of creditors other than micro enterprises and small enterprises	116.17	137.84	121.26	182.95
<b>Total</b>	<b>121.58</b>	<b>141.62</b>	<b>125.85</b>	<b>185.40</b>

25.1 The amount due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act (MSMED Act), 2006 has been determined to the extent such parties have been identified on the basis of information collected by the management. The disclosure relating to Micro, Small and Medium Enterprises is as under:

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Dues remaining unpaid at the year end:				
(a) The principle amount remaining unpaid to supplier as at the end of the accounting year	5.41	3.78	4.59	2.45
(b) The interest thereon remaining unpaid to supplier as at the end of the accounting year	-	-	-	-
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-	-	-
(d) Amount of interest due and payable for the year	-	-	-	-
(e) Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid	-	-	-	-

## 25.2 Trade payable analysis

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>Micro, small and medium enterprises</b>				
Less than 1 year	4.64	2.50	4.59	2.45
1-2 years	0.77	1.28	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>5.41</b>	<b>3.78</b>	<b>4.59</b>	<b>2.45</b>
<b>Others</b>				
Less than 1 year	60.45	82.01	85.35	144.65
1-2 years	12.51	26.44	13.51	6.31
2-3 years	21.99	10.89	11.40	7.52
More than 3 years	21.22	18.51	10.99	24.47
<b>Total</b>	<b>116.17</b>	<b>137.84</b>	<b>121.26</b>	<b>182.95</b>

26 Other Current financial liabilities	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Debenture Redemption Premium payable	60.26	16.32	-	-
Debenture Redemption Premium Accrued but Not Due	13.45	-	-	-
Interest accrued but not due	9.67	9.02	9.10	113.04
Interest accrued and due:				
- To banks and others	33.86	58.56	54.91	55.04
Security deposit received	-	1.36	8.96	8.20
Current account payable to partners in the firm (Refer note 42)	10.27	3.74	3.74	3.75
Bank balance - book overdraft	14.59	46.98	0.85	1.05
Retention money payable (Refer note 22.1)	1.66	2.89	4.11	4.17
Other payables*	219.31	176.57	12.06	11.23
Other payable to related parties (Refer note 42)	0.58	9.43	11.39	0.21
<b>Total</b>	<b>363.65</b>	<b>324.87</b>	<b>105.12</b>	<b>196.69</b>

\*Other payable mainly consist of employee related dues and other accrued expenses including Retention Money Payable.

27 Lease liabilities - Current	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Lease liabilities (Refer note 47(b))	9.77	8.02	6.66	6.02
<b>Total</b>	<b>9.77</b>	<b>8.02</b>	<b>6.66</b>	<b>6.02</b>

28 Other current liabilities	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Advance from customers (Refer note 28.1)	992.93	1,027.32	1,554.21	1,578.87
Statutory dues	19.76	52.50	44.25	22.27
<b>Total</b>	<b>1,012.69</b>	<b>1,079.82</b>	<b>1,598.46</b>	<b>1,601.14</b>

28.1 Of the above advance from customers Rs.Nil (31st March 2021:Rs.Nil, 31st March 2020:Rs.37.36 Mns & 31st March 2019:Rs.37.36 Mns ) are payable to directors or relatives of directors.- Also refer note 42.

29 Provision	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Provision for gratuity (Refer note 46(ii)(a))	2.19	0.92	1.57	0.60
Provision for leave benefit (Refer note 46(ii)(b))	0.23	0.13	0.28	0.09
<b>Total</b>	<b>2.42</b>	<b>1.05</b>	<b>1.85</b>	<b>0.69</b>

30 Income tax liabilities	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Provision for Income Tax (Net of Advance tax)	48.33	11.69	1.31	0.15
<b>Total</b>	<b>48.33</b>	<b>11.69</b>	<b>1.31</b>	<b>0.15</b>



31	Revenue from operations	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	<b>Income from operations</b>				
	- Revenue from projects (Refer note 31.1)	1,096.24	2,399.87	869.28	345.84
	<b>Total</b>	<b>1,096.24</b>	<b>2,399.87</b>	<b>869.28</b>	<b>345.84</b>

## 31.1 Disclosures pursuant to Ind AS 115 - "Revenue from contract with customers"

## A Nature of Goods and Services

The following is a description of principal activities separated by reportable segments from which the Company generates its revenue:

a) The Company is principally engaged in development of real estate in India which includes development and sale of residential and commercial premises.

## B Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue:

	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>I. Primary geographical markets</b>				
Within India	1,096.24	2,399.87	869.28	345.84
Outside India	-	-	-	-
<b>Total</b>	<b>1,096.24</b>	<b>2,399.87</b>	<b>869.28</b>	<b>345.84</b>
<b>II. Major products and services</b>				
Sale of Real estate	1,096.24	2,399.87	869.28	345.84

## C Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers :

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
I. Receivables, which are included in 'Trade receivables'	746.86	806.65	422.50	293.55
II. Contract assets	-	-	-	-
III. Contract liabilities (Advance from Customers - Refer Note 28)	992.93	1,027.32	1,554.21	1,578.87
<b>Total (I+II-III)</b>	<b>(246.07)</b>	<b>(220.67)</b>	<b>(1,131.71)</b>	<b>(1,285.32)</b>

32	Other income	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Interest income on financial assets at amortised cost				
	- on fixed deposit with bank	1.40	3.78	2.44	3.69
	- on others	0.34	0.49	0.52	1.51
	Dividend income	0.01	0.00	0.01	0.01
	Rent income	0.78	3.08	3.14	1.07
	Gain on sale of short term investments	-	-	0.37	-
	Reversal of provision for expected credit losses (Net)	5.19	-	2.08	3.69
	Brokerage and commission	-	-	6.00	-
	Miscellaneous income	0.33	32.76	5.60	2.28
	<b>Total</b>	<b>8.05</b>	<b>40.11</b>	<b>20.16</b>	<b>12.25</b>

33	Operating and project expenses	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Land and development right related expenses	80.27	745.53	68.13	214.28
	Cost of materials consumed	38.06	60.64	61.45	56.96
	Compensation	79.44	135.38	212.59	129.71
	Labour and contract expenses	327.87	480.85	365.88	325.47
	Professional charges	37.86	45.96	66.53	39.81
	Rates and taxes	353.24	127.05	147.65	146.89
	Other project expenses	67.20	46.54	40.38	32.02
	<b>Total</b>	<b>983.94</b>	<b>1,641.95</b>	<b>962.61</b>	<b>945.14</b>

34	Changes in inventories of construction work in progress	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Opening construction work in progress	5,652.80	5,439.69	4,518.77	3,272.06
	Add: Acquired on acquisition of subsidiary	-	-	70.91	-
	Less: Transferred to investment in Reinaa Creations LLP as capital introduced	-	10.00	-	-
		5,652.80	5,429.69	4,589.68	3,272.06
	Less: Closing construction work in progress	6,313.65	5,652.80	5,439.69	4,518.77
	<b>Decrease / (Increase) in inventories</b>	<b>(660.85)</b>	<b>(223.11)</b>	<b>(850.01)</b>	<b>(1,246.71)</b>

35	Employee benefit expenses	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Salaries, wages and bonus	51.49	71.52	60.89	47.69
	Contribution to provident and other funds	0.46	0.62	0.56	0.41
	Gratuity expenses	2.14	1.69	1.22	0.88
	Leave benefit expenses	1.31	0.34	0.77	0.81
	Staff welfare expenses	0.87	1.95	0.80	0.85
	<b>Total</b>	<b>56.27</b>	<b>76.12</b>	<b>64.24</b>	<b>50.64</b>

36	Finance costs	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Interest expense	416.22	713.74	638.92	514.38
	Premium on redemption of debentures	83.57	67.72	-	-
	Other borrowing costs	10.16	10.61	5.69	13.79
	<b>Total</b>	<b>509.95</b>	<b>792.07</b>	<b>644.61</b>	<b>528.17</b>

37	Depreciation, amortization and impairment	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Depreciation on property, plant and equipment	7.75	14.33	8.43	2.20
	Depreciation on right of use asset	5.00	8.57	8.57	3.61
	Amortization of intangible asset	0.20	0.96	0.84	0.09
	Impairment of goodwill related to Business Combination	7.01	-	-	-
	<b>Total</b>	<b>19.96</b>	<b>23.86</b>	<b>17.84</b>	<b>5.90</b>

38	Other expenses	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
	Heat, light and power	0.68	1.15	0.68	0.29
	Rent	3.41	4.75	2.98	2.99
	Licenses, rates and taxes	1.14	0.97	1.02	3.64
	Repairs expenses for				
	- Others	1.91	2.28	1.66	1.98
	Advertisement, publicity and sales promotion	9.84	6.44	3.84	15.38
	Communication expenses	0.52	0.64	0.56	0.48
	Printing and stationery	0.68	1.19	1.61	1.09
	Legal, professional and consultancy charges	6.73	5.64	4.20	13.25
	Travelling and conveyance	2.63	4.75	6.57	5.16
	Insurance	0.25	0.56	0.16	0.32
	Donations	1.00	0.42	0.39	0.84
	Corporate social responsibility expenses (Refer note 51)	0.67	-	-	-
	Provision for expected credit losses (Net)	-	1.95	-	-
	Auditors' remuneration				
	- Statutory audit fees	0.64	1.05	0.95	0.82
	- Tax audit fees	-	0.10	0.08	0.08
	- Other services	-	0.03	0.11	0.01
	Loss on sale / discard of property, plant and equipment (Net)	-	0.04	0.02	-
	Sundry balances written off	-	0.08	0.20	1.20
	Miscellaneous expenses	1.22	6.58	1.85	5.74
	<b>Total</b>	<b>31.32</b>	<b>38.62</b>	<b>26.88</b>	<b>53.27</b>

## 39 Income tax

## (a) Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate:

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit before tax (Including OCI)	164.76	90.33	20.99	22.07
Income tax liability/(asset) as per applicable tax rate	43.27	24.00	6.43	6.62
(i) Tax impact of expenses non deductible under Income Tax Act, 1961	2.70	2.59	1.22	0.56
(ii) Tax impact on exempted income	(1.14)	(0.85)	(0.53)	(0.40)
(iii) Tax impact of utilisation of brought forward losses [Unaccounted in earlier year/ periods]	(0.28)	(0.50)	(0.15)	(0.06)
(iv) Excess provision of tax for the period/ year and also impact of adoption of new tax rate as per Income-tax Act, 1961 (Refer note 39(c))	-	2.15	0.01	0.06
(v) Other (allowance)/disallowances	0.45	0.22	0.38	0.07
(vi) Deferred tax not recognised on unabsorbed losses and other items	0.04	0.04	0.12	(1.28)
<b>Tax expense reported in the Statement of Profit and Loss &amp; OCI</b>	<b>45.04</b>	<b>27.65</b>	<b>7.48</b>	<b>5.57</b>

## Note:

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

## (b) Income tax recognised in the Statement of Profit and Loss:

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>Current tax</b>				
In respect of the current year	45.99	28.20	7.47	4.01
	<b>45.99</b>	<b>28.20</b>	<b>7.47</b>	<b>4.01</b>
<b>Deferred tax</b>				
Deferred tax charge/ (Credit) - (Including in OCI)	(0.95)	(0.55)	0.01	1.56
	<b>(0.95)</b>	<b>(0.55)</b>	<b>0.01</b>	<b>1.56</b>
<b>Total tax expense recognized in current year</b>	<b>45.04</b>	<b>27.65</b>	<b>7.48</b>	<b>5.57</b>

- (c) For the Financial Year 2020-21 and for subsequent period, the Parent Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 27.82% (including surcharge and cess). Accordingly, the Parent Company and certain group entities (wherever applicable) has recognized the Provision for Income Tax for the financial year ended 31st March 2021 and subsequent period based on the rates prescribed in the aforesaid section.

**40 Capital commitments, other commitments and contingent liabilities****40.1 Capital Commitments.**

- (a) Estimated amount of capital commitments to be executed on capital accounts and not provided for is Nil, as at 31st Oct. 2021, (31st March, 2021: Nil; 31st March 2020: Nil; 31st March 2019: Nil) (Net of advances).

**40.2 Contingent liability (to the extent not provided for)**

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>(i) Claims against the Company/ disputed liabilities not acknowledged as debts</b>				
Disputed income tax demands	51.73	51.73	4.15	4.15
<b>(ii) Guarantees given by the bank on behalf of Company and group entities</b>				
Guarantee given by bank to Government Authorities on behalf of the Company	37.25	37.25	12.25	61.70

**Notes:**

- (a) In respect of (i) above, future cash outflows (including interest/ penalty, if any) are determinable on receipt of judgement from tax authorities / settlement of claims or non-fulfilment of contractual obligations. Further, the Company does not expect any reimbursement in respect of above. In respect of (ii) above, Company does not expect any cash outflow till such time contractual obligations are fulfilled for which guarantees are issued.
- (b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- (c) The Group does not have outstanding term derivative contracts as at the end of respective years / period.

**40.3 Litigations**

- (a) The Company and group entities are interse party to litigations / claims mainly related to cases filed by the tenant / occupancy/ society regarding Redevelopment Scheme to be undertaken by the Group entities like eligibility of tenants/ occupants, revocation of project or cancellation of NOC granted by MCGM etc. In the opinion of the management these cases are not tenable and it does not expect any material cash outflow on account of the said cases.
- (b) Summary suit has been filed against a subsidiary company [Accord Estate Private Limited] in the Hon'ble High Court of Bombay by the counter party to the Joint Development Agreement ["JDA"] for certain claims as per terms mentioned in the JDA. However, the Company is neither served with the Summons for Judgement nor any application for any interim relief.

In view of the management, the Company is neither disputing the validity of the JDA agreement nor its obligations under JDA. However, amounts are not in agreement with the arrangement and agreed terms. Further, the Company has counter claims/ receivables in terms of the JDA agreement. Provision has been made for undisputed liabilities as per arrangement.

Based on the grounds of the appeal and advice of the independent legal counsel, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Court. Pending the final decisions on the above matter, no further adjustment has been made in these Restated Consolidated Financial Statement.

**41 Company information**

Sr. No.	Name of the entity	Proportion of ownership (%)			
		As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
	<b>Subsidiaries</b>				
(i)	Skyline Realty Private Limited	100.00%	95.00%	95.00%	95.00%
(ii)	New Sidharth Enterprises	75.00%	75.00%	75.00%	75.00%
(iii)	S R Enterprises	80.00%	80.00%	80.00%	80.00%
(iv)	Mulani & Bhagat Associates	90.00%	90.00%	90.00%	90.00%
(v)	Accord Estate Private Limited*	98.38%	*	*	*
(vi)	Uditii Premises Private Limited**	98.53%	**	**	**
(vii)	Iconic Property Developers Private Limited***	100.00%	***	***	***
	<b>Associate</b>				
(i)	Accord Estate Developers Private Limited*	-	35.58%	35.58%	35.58%

\* Became subsidiary of the Company w.e.f. 27th October 2021.

\*\*Uditii Premises Private Limited has become step down subsidiary of the Company w.e.f. 27th October 2021 as it is subsidiary of Accord Estate Developers Private Limited and 9% is held by the Company w.e.f. this date. Proportion of ownership arrived based on effective holding directly and through Accord Estate Private Limited.

\*\*\*Became wholly owned subsidiary w.e.f. 27th October 2021.

**42 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures [After considering the effect of Consolidation]****42.1 Name and relationships of related parties:**

- (a) Subsidiaries and associate Refer note 41 above
- (b) Entities in which Director/ KMP and relatives have significant influence  
(Only where there are transactions/ balances)  
Exemeplica Realty Private Limited (w.e.f 26th December 2019)  
Gratique Realty Private Limited (w.e.f 25th December 2019)  
Technica Exports Private Limited (Upto 31st March 2020)
- (c) Key Management Personnel [KMP]:  
(Directors)  
Mr. Rajan Meenathakonil Thomas , Chairman and Managing Director  
Mr. Rahul Rajan Jesu Thomas, Whole Time Director (Son of Mr. Rajan Meenathakonil Thomas)  
Mrs. Sujatha R Thomas, Director (Spouse of Mr. Rajan Meenathakonil Thomas)
- (d) Relatives of KMP  
(Only where there are transactions)  
Ms. Shweta Thomas (Daughter of Mr. Rajan Meenathakonil Thomas)  
Ms. Lavanya Thomas (Daughter of Mr. Rajan Meenathakonil Thomas)  
Mrs. Elizabeth Thomas (Mother of Mr. Rajan Meenathakonil Thomas)  
Mr. John Thomas (Brother of Mr. Rajan Meenathakonil Thomas)
- (e) Additional related parties ('KMP's) as per Companies Act, 2013 with whom transactions have taken place during the year  
Mr. Shivil Kapoor, Company Secretary (W.e.f. 1st December 2021)  
Mr. Shreepal Suresh Shah, Chief Financial Officer (W.e.f. 10th January 2022)

**42.2 Transactions with related parties**

Nature of transaction	Name of the party	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Funds received	Rajan Meenathakonil Thomas	73.94	10.00	86.21	58.49
	Rahul Rajan Jesu Thomas	66.34	25.15	12.89	25.00
	Shweta Thomas	-	2.05	-	-
	John Thomas	-	1.50	-	-
	Sujatha R Thomas	8.85	0.07	-	5.13
Funds paid	Rahul Rajan Jesu Thomas	44.10	28.13	14.99	22.31
	Shweta Thomas	-	-	-	1.04
	Rajan Meenathakonil Thomas	33.99	1.55	2.71	11.49
	Sujatha R Thomas	0.73	-	7.89	5.13
	Elizabeth thomas	3.25	0.05	-	-
Amount paid for reimbursement of expenses	Technica Exports Private Limited	1.74	3.56	0.54	-
	Exemeplica Realty Private	0.00	0.01	-	-
	Gratique Realty Private Limited	0.00	0.01	-	-
	Rajan Meenathakonil Thomas	23.23	24.51	1.15	29.11
	Rahul Rajan Jesu Thomas	0.52	1.16	7.03	5.83
	Sujatha R Thomas	0.56	1.61	0.92	0.23
	Shweta Thomas	0.60	0.01	-	-
Amount received for reimbursement of expenses	Technica Exports Private Limited	1.74	4.10	-	-
	Rajan Meenathakonil Thomas	10.04	22.76	11.50	35.45
	Rahul Rajan Jesu Thomas	0.24	3.21	7.75	11.49
	Sujatha R Thomas	0.52	1.40	2.39	-
	Shweta Thomas	0.50	0.01	-	-
Car hiring charges	Rajan Meenathakonil Thomas	0.77	1.98	1.98	1.98
	Rahul Rajan Jesu Thomas	0.49	0.84	0.84	-
Managerial remuneration	Sujatha R Thomas	0.27	0.35	0.30	0.33
	Rajan Meenathakonil Thomas	3.72	4.76	4.08	2.21
	Rahul Rajan Jesu Thomas	3.28	4.50	3.75	1.95
Rent income	Technica Exports Private Limited	-	-	0.54	-
	Sujatha R Thomas	0.07	0.12	0.12	0.12
Purchase of tenancy right	Rajan Meenathakonil Thomas	-	-	-	29.90
Sale of flat	Rahul Rajan Jesu Thomas	1.89	10.40	-	-
	Shweta Thomas	1.89	10.40	-	-
	Lavanya Thomas	3.25	17.88	-	-
Interest expenses	Rajan Meenathakonil Thomas	9.93	16.69	10.62	8.44
	Rahul Rajan Jesu Thomas	0.24	0.22	-	-
Purchase of Equity Shares of Skyline Realtors Private Limited	Rajan Meenathakonil Thomas	1.47	-	-	-
	Rahul Rajan Jesu Thomas	1.47	-	-	-
Purchase of Equity Shares of Iconic Property Developers Private Limited	Rajan Meenathakonil Thomas	0.06	-	-	-
	Rahul Rajan Jesu Thomas	0.04	-	-	-

## Transaction with related parties (Contd.)

Nature of transaction	Name of the party	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Purchase of Equity Shares of Accord Estate Private Limited	Rajan Meenathakonil Thomas	86.80	-	-	-
	Rahul Rajan Jesu Thomas	31.79	-	-	-
	Sujatha R Thomas	35.45	-	-	-
Purchase of Equity Shares of Uditi Premises Private Limited	Rajan Meenathakonil Thomas	2.54	-	81.90	-
	Rahul Rajan Jesu Thomas	2.54	-	-	-
	Sujatha R Thomas	2.54	-	-	-

## 42.3 Related party outstanding balances:

Nature of transaction	Name of the party	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Short term borrowings	Rajan Meenathakonil Thomas	186.74	140.73	130.73	47.22
	Rahul Rajan Jesu Thomas	16.16	12.02	7.13	7.13
Salary payable	Rajan Meenathakonil Thomas	1.06	1.18	0.73	0.31
	Rahul Rajan Jesu Thomas	0.45	-	0.46	0.33
Rent Receivable	Sujatha R Thomas	0.36	0.29	0.17	0.45
Trade receivables	Rahul Rajan Jesu Thomas	2.70	0.81	-	-
	Shweta Thomas	2.77	0.88	-	-
	Lavanya Thomas	5.12	1.87	-	-
Advance from customers	Rahul Rajan Jesu Thomas	-	-	10.33	10.33
	Shweta Thomas	-	-	10.27	10.27
	Lavanya Thomas	-	-	16.75	16.75
Loans and advances	John Thomas	-	-	1.50	1.50
	Shweta Thomas	5.20	5.20	7.25	7.25
	Rahul Rajan Jesu Thomas	5.80	23.68	15.80	13.69
	Sujatha R Thomas	0.73	8.85	8.92	6.38
	Elizabeth Thomas	8.40	8.40	8.44	8.45
	Technica Exports Private Limited	-	-	0.02	-
Other Receivable from related parties	Technica Exports Private Limited	-	-	0.54	-
	Exemeplica Realty Private	0.01	0.01	-	-
	Gratique Realty Private Limited	0.01	0.01	-	-
	Rahul Rajan Jesu Thomas	0.28	-	2.05	2.77
	Sujatha R Thomas	-	-	-	0.64
	Shweta Thomas	0.10	-	-	-
Other payable to related parties	Rajan Meenathakonil Thomas	-	8.81	10.57	0.21
	Sujatha R Thomas	0.58	0.62	0.83	-
Non Controlling Interest	Rajan Meenathakonil Thomas	0.25	0.25	0.25	0.25
	Rahul Rajan Jesu Thomas	0.00	0.00	0.00	0.00
Current account payable/(receivable) to/from partners in the firm	Rajan Meenathakonil Thomas	6.53	(57.78)	(62.40)	(60.56)
	Rahul Rajan Jesu Thomas	3.74	3.74	3.74	3.75

## Notes:

- (a) Transactions with related parties and outstanding balances at the year end are disclosed at transaction value.

In addition to above transactions:

- (i) Directors of the Company have given personal guarantee's for various loans taken by the Company (Refer note 20.5)

## 43 Breakup of compensation to key managerial personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- (a) Compensation to KMP as specified in para 42.1 (c) and 42.1(e) above:

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Short term employee benefits	7.27	9.61	8.13	4.49
Post employment benefits*	-	-	-	-
<b>Total</b>	<b>7.27</b>	<b>9.61</b>	<b>8.13</b>	<b>4.49</b>

\*As the future liability for gratuity and leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

## 44 Transaction and closing with related parties which are getting eliminated

## (a) Transactions eliminated

Nature of transaction	Name of the party	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Premium Paid on Non Convertible debentures	Suraj Estate Developers Limited	54.52	43.29	-	-
	Accord Estate Private Limited	32.89	24.73	-	-
Premium Received on Non Convertible debentures	Iconic Property Developers Private Limited	87.40	68.02	-	-
Profession fees expenses	Iconic Property Developers Private Limited	-	-	4.05	-
Profession fees income	New Siddharth Enterprises	-	-	4.05	-

## (b) Closing balances eliminated

Nature of outstanding	In the books of	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Short term borrowings	Suraj Estate Developers Limited	38.58	-	398.17	378.18
	Accord Estate Private Limited	130.03	12.25	351.51	11.49
	Iconic Properties Private Limited	1.81	-	-	5.18
	Skyline Realty Private Limited	-	13.43	61.09	-
	SR Enterprises	3.60	-	-	-
	New Siddharth Enterprises	1.15	-	0.13	-
	<b>Total elimination</b>		<b>175.16</b>	<b>25.68</b>	<b>810.90</b>
Loans & Advances	Suraj Estate Developers Limited	67.11	13.43	61.09	2.49
	Accord Estate Private Limited	3.20	-	-	375.46
	Iconic Properties Private Limited	-	-	749.68	-
	Uditi Premises Private Limited	1.15	-	0.13	14.22
	Skyline Realty Private Limited	54.60	-	-	-
	New Siddharth Enterprises	49.11	12.25	-	2.69
	<b>Total elimination</b>		<b>175.16</b>	<b>25.68</b>	<b>810.90</b>
Other Receivable	Suraj Estate Developers Limited	29.37	3.39	17.87	-
	Accord Estate Private Limited	0.22	-	-	-
	Iconic Properties Private Limited	1.86	-	-	-
	Uditi Premises Private Limited	5.51	1.85	-	-
	Skyline Realty Private Limited	0.64	-	-	-
	New Siddharth Enterprises	1.58	-	-	-
	<b>Total elimination</b>		<b>39.19</b>	<b>5.25</b>	<b>17.87</b>
Other Payable	Suraj Estate Developers Limited	5.51	1.85	-	-
	Accord Estate Private Limited	30.47	3.39	17.84	-
	Iconic Properties Private Limited	3.21	-	-	-
	Uditi Premises Private Limited	-	-	0.03	-
	<b>Total elimination</b>		<b>39.19</b>	<b>5.25</b>	<b>17.87</b>
Trade Receivables	New Siddharth Enterprises	-	-	4.05	-
Trade Payables	Iconic Properties Private Limited	-	-	4.05	-
Fixed Capital with Partnership Firm	Suraj Estate Developers Limited	4.24	4.24	4.24	(4.24)
	Mulani & Bhagat Associates	(0.05)	(0.05)	(0.05)	0.05
	S R Enterprises	(2.98)	(2.98)	(2.98)	2.98
	New Siddharth Enterprises	(1.21)	(1.21)	(1.21)	1.21
Current capital with partnership firm - (Receivable)/ Payable	Suraj Estate Developers Limited	(113.33)	(128.82)	(20.34)	28.85
	Mulani & Bhagat Associates	(23.82)	(8.75)	(8.69)	5.28
	S R Enterprises	(17.71)	(15.37)	(4.16)	3.08
	New Siddharth Enterprises	154.87	152.94	33.19	(37.22)
Investment in subsidiaries	Suraj Estate Developers Limited	242.90	47.50	47.50	-
	Accord Estate Private Limited	82.10	82.10	81.90	-
Long term borrowing - Non-convertible debentures	Suraj Estate Developers Limited	(532.47)	(376.06)	-	-
	Accord Estate Private Limited	(195.28)	(257.77)	-	-
Investment in Debentures	Iconic Properties Private Limited	727.75	633.83	-	-
Redemption Premium Accrued and Due	Suraj Estate Developers Limited	(45.14)	(5.76)	-	-
	Accord Estate Private Limited	(17.15)	(2.07)	-	-
	Iconic Properties Private Limited	62.29	7.84	-	-
Redemption Premium Accrued but Not Due	Suraj Estate Developers Limited	(9.38)	-	-	-
	Accord Estate Private Limited	(5.36)	-	-	-
	Iconic Properties Private Limited	14.75	-	-	-

## 45 Earnings per share

Particulars	Period ended 31st Oct., 2021#	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Basic and diluted earning per share</b>				
Profit attributable to the equity holders of the Company	118.95	62.77	15.16	16.23
Weighted average number of equity shares (Also refer note 45.1 and 18.6)##	31,750,000	31,750,000	31,750,000	31,750,000
Face value per equity share (Rs.) (Refer note 18.6)	5	5	5	5
Basic and diluted earnings per share	3.75	1.98	0.48	0.51

# Earning per share for the period April 2021 to 31st October 2021 is not annualized.

## Net off elimination on consolidation due to equity shares held by subsidiary company.

45.1 In terms of IND AS -33, Earnings per share of current period and previous periods have been adjusted for bonus shares issued and shares split. Also refer note 18.6

## 46 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

## (i) Disclosures for defined contribution plan

The Company has certain defined contribution plans and group entities are not under obligation for defined contribution plan. The obligation of the Company is limited to the amount contributed and it has no further contractual obligation. Following are the details regarding Company's contributions made during the period/year:

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Provident fund	0.43	0.56	0.50	0.32
Employees' state insurance (ESIC)	0.03	0.06	0.06	0.09
<b>Total</b>	<b>0.46</b>	<b>0.62</b>	<b>0.56</b>	<b>0.41</b>

## (ii) Disclosures for defined benefit plans

## (a) Defined benefit obligations - Gratuity (Unfunded)

The Group has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

**Risks associated with plan provisions**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated gratuity, the Group has used following actuarial assumptions:

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Discount Rate (per annum)	6.70% - 6.86%	6.70%	6.04%	7.59% - 7.64%
Salary Escalation (per annum)	6.70% - 6.86%	6.00%	6.00%	6.00%
Attrition Rate (per annum)	5.22%	5.22%	6.96%	6.96%
Mortality Rate	As per Indian Assured lives Mortality (2006-08) Ultimate			

Changes in the present value of obligations	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Liability at the beginning of the period/ year	8.72	8.61	5.66	5.22
Interest cost	0.44	0.53	0.42	0.41
Current service cost	1.69	1.17	0.79	0.47
Benefits paid	-	(1.72)	(0.54)	(0.06)
Past service cost	-	-	-	-
Actuarial (gain)/loss on obligations	(1.06)	0.13	2.28	(0.38)
<b>Liability at the end of the period/ year</b>	<b>9.79</b>	<b>8.72</b>	<b>8.61</b>	<b>5.66</b>

Table of recognition of actuarial gain / loss	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Actuarial (gain)/ loss on obligation for the period/ year	(1.06)	0.13	2.28	(0.38)
Actuarial gain/ (loss) on assets for the period/ year	-	-	-	-
<b>Actuarial (gain)/ loss recognised in Other Comprehensive Income</b>	<b>(1.06)</b>	<b>0.13</b>	<b>2.28</b>	<b>(0.38)</b>



Breakup of actuarial (gain) /loss:	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Actuarial loss/(gain) arising from change in demographic assumption	(0.00)	0.06	-	-
Actuarial loss arising from change in financial assumption	0.03	(0.45)	0.65	0.06
Actuarial loss/(gain) arising from experience	(1.09)	0.52	1.63	(0.44)
<b>Total</b>	<b>(1.06)</b>	<b>0.13</b>	<b>2.28</b>	<b>(0.38)</b>

Amount recognized in the Balance Sheet:	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Liability at the end of the year	9.79	8.72	8.61	5.66
Fair value of plan assets at the end of the year	-	-	-	-
<b>Amount recognized in Balance Sheet</b>	<b>9.79</b>	<b>8.72</b>	<b>8.61</b>	<b>5.66</b>

Expenses recognized in the Income Statement:	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Current service cost	1.69	1.17	0.79	0.47
Interest cost	0.44	0.53	0.42	0.41
Expected return on plan assets	-	-	-	-
Past Service Cost	-	-	-	-
Actuarial (Gain)/Loss	(1.06)	0.13	2.28	(0.38)
Expense/ (income) recognized in				
- Statement of Profit and Loss	2.14	1.69	1.22	0.88
- Other comprehensive income	(1.06)	0.13	2.28	(0.38)

Balance sheet reconciliation	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Opening net liability	8.70	8.61	5.66	5.22
Expenses recognised in Statement of Profit and Loss & OCI	1.09	1.81	3.49	0.50
Benefits paid	-	(1.72)	(0.54)	(0.06)
<b>Amount recognized in Balance Sheet</b>	<b>9.79</b>	<b>8.70</b>	<b>8.61</b>	<b>5.66</b>
- Current portion of defined benefit obligation	2.19	0.92	1.57	0.60
- Non-current portion of defined benefit obligation	7.60	7.78	7.04	5.06

## Sensitivity analysis of benefit obligation (Gratuity)

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>a) Impact of change in discount rate</b>				
<b>Present value of obligation at the end of the year</b>				
a) Impact due to increase of 1%	(0.55)	(0.53)	(0.43)	(0.29)
b) Impact due to decrease of 1%	0.63	0.61	0.49	0.33
<b>b) Impact of change in salary growth</b>				
<b>Present value of obligation at the end of the year</b>				
a) Impact due to increase of 1%	0.57	0.53	0.41	0.26
b) Impact due to decrease of 1%	(0.51)	(0.48)	(0.37)	(0.24)
<b>c) Impact of change in withdrawal rate</b>				
<b>Present value of obligation at the end of the year</b>				
a) withdrawal rate Increase	0.01	(0.00)	(0.02)	0.03
b) withdrawal rate decrease	(0.02)	(0.00)	0.02	(0.03)

## Maturity profile of defined benefit obligation

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Weighted average duration of the defined benefit obligation	6 - 12	6 - 9	7	5 - 7
Projected benefit obligation	9.79	8.72	8.61	5.66
Accumulated benefit obligation	9.79	8.72	8.61	5.66

## Pay-out analysis

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
1st year	2.89	0.57	2.28	0.60
2nd year	0.63	0.09	0.48	0.69
3rd year	0.39	0.30	0.64	0.45
4th year	0.43	0.08	0.96	0.56
5th year	1.33	0.67	0.46	0.96
Next 5 year pay-out (6-10 year)	3.26	0.24	3.31	3.06
Sum of Years 11 and above	7.99	1.02	4.85	3.32

**(b) Compensated absences (non-funded)**

As per the policy of the Group, obligations on account of benefit of accumulated leave of an employee is settled only on termination / retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Project Unit Credit Method.

**47 Leases****(a) Asset given under operating lease**

The Holding Company has given office premises, pending sale which is part of inventory, under operating lease under non-cancellable operating leases. Details of rental income recognized during the year in respect of this lease is given below:

Particulars	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Rent income recognized during the period/ year	0.78	3.08	3.14	1.07

**(b) Asset taken under operating lease**

(i) The Holding Company has entered into agreements for taking on lease office on leave and licence basis. The lease term is for a period of 5 years, on fixed rental basis with escalation clauses in the lease agreement. Lease term started from October 2018.

Particulars	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Carrying value of right of use assets at the end of the reporting period (Refer Note 6)	15.06	20.06	28.63	37.20

**(ii) Analysis of Lease liability:**

Movement of lease liabilities	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Opening lease liabilities	23.18	30.50	36.52	-
Addition during the year /period	-	-	-	38.70
Ind AS transition adjustment	-	-	-	-
Accretion of interest during the period	1.48	3.27	4.06	1.89
Cash outflow towards payment of	6.41	10.59	10.09	4.07
Deletion during the year on account of termination of lease agreements	-	-	-	-
Closing lease liabilities	18.24	23.18	30.50	36.52

**(iii) Maturity analysis of lease liabilities (on undiscounted basis)**

	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Less than 1 year	9.77	8.02	6.66	6.02
Between 2-3 years	8.47	15.16	22.80	21.72
More than 3 years	-	-	1.04	8.78

**(iv) Lease liabilities included in statement of financial position**

	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Current	9.77	8.02	6.66	6.02
Non-current	8.47	15.16	23.84	30.50

**(v) Impact on statement of profit and loss**

Particulars	As at 31st Oct, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Interest on lease liabilities	1.48	3.27	4.06	1.89
Depreciation on right of use assets	5.00	8.57	8.57	3.61
Other expenses	-	-	-	-
<b>Net impact on profit before tax</b>	<b>6.48</b>	<b>11.84</b>	<b>12.63</b>	<b>5.50</b>
Deferred tax - Charge/ (credit)	1.63	2.98	3.51	1.53
<b>Net impact on profit after tax</b>	<b>4.85</b>	<b>8.86</b>	<b>9.12</b>	<b>3.97</b>

(vi) Weighted average incremental borrowing rate of 12% has been applied to lease liabilities recognized in the balance sheet.

**48 COVID-19**

The spread of COVID-19 has severely impacted businesses around the globe, including India. There has been severe disruption to regular operations due to lock-downs and other emergency measures which may have short-term impact of revenues of the Group. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables and other assets. Having regard to the above and the Group's liquidity position, there is no material uncertainty in meeting its liabilities in the foreseeable future. However, the eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these Restated Consolidated Financial Statement owing to the nature and duration of the pandemic.

49 Trade Receivable & advances include certain overdue and unconfirmed balances. However in the opinion of management, these current asset would, in the ordinary course of business, realize the value stated in the accounts.

**50 Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments**

There are no reportable segments under Ind AS-108 'Operating Segments' as the Group operates in a single business and geographical segment viz., development of real estate in India. Therefore, disclosures of segment wise information is not applicable. Further, no single customer represents 10% or more of the Group's total revenue during the period/ year ended 31st October 2021, 31st March 2021, 31st March 2020 and 31st March 2019.

## 51 Disclosures of Corporate Social Responsibility (CSR) expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities"

Particulars	Period ended 31st Oct., 2021	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
(i) Amount of CSR expenditure to be incurred during the period/ year	0.67	-	-	-
(ii) CSR expenditure incurred during	-	-	-	-
(iii) Shortfall at the end of period/ year	0.67	-	-	-
(iv) Total of Previous period/ years	-	-	-	-
(v) Reason for Shortfall	To be spent in rest of the year	-	-	-
(vi) Related party transaction as per Ind AS 24 in relation to CSR expenditure	-	-	-	-
(vii) Where provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the period/ year	-	-	-	-
(viii) Nature of CSR activities :	Amount unspent	-	-	-

## 52 Ratios

Financial ratios	Methodology	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
(a) Current ratio	Current Assets divided by Current Liabilities	2.21	2.61	2.49	2.17
(b) Debt Equity Ratio	Debt over total shareholders' equity	26.51	20.60	21.61	17.10
(c) Debt Service coverage ratio	Earnings available for debt service (restated profit after tax + finance costs) over finance costs and principal repayments	0.66	0.43	0.40	0.28
(d) Return on Equity (%)	Restated profit after tax over total average equity (excluding non controlling interest)	43.73%	23.62%	6.48%	7.52%
(e) Inventory Turnover Ratio	Operating and project expenses divided by average inventory	0.16	0.30	0.19	0.24
(f) Trade receivable Turnover ratio	Revenue from operations over average trade receivables	1.41	3.90	2.43	1.15
(g) Trade payable Turnover ratio	Operating and project expenses over average trade payables	7.48	12.28	6.19	5.14
(h) Net capital turnover ratio	Revenue from operations over average working capital (current assets - current liabilities)	0.24	0.54	0.24	0.12
(i) Net profit (%)	Restated profit after tax over revenue from operations	10.85%	2.62%	1.75%	4.70%
(j) EBITDA Margin (%)	EBITDA over Revenue from Operations	63.27%	37.77%	78.88%	160.70%
(k) Return on capital employed (%)	EBIT (restated profit before tax + finance costs - other income) over average capital employed (total assets - current liabilities excluding borrowings)	10.13%	14.51%	14.02%	15.43%
(l) Return on investment (%)	Restated profit after tax over average cost of investment (total equity - other comprehensive income/ (loss) for the year)	44.05%	23.79%	6.70%	7.71%

\* The numbers for Seven months period ended 31st Oct 2021 are not comparable to that of the year ended 31 March 2021 and hence not explained.

Reason for change more than 25%	% change from 31 March 2021 to October 2021	% change from 31 March 2020 to 31 March 2021	% change from 31 March 2019 to 31 March 2020
(a) Current ratio	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(b) Debt Equity Ratio	NA*	Change in ratio is not more than 25%	Change is positive, due to increase in debt for increasing operation activity on ongoing project
(c) Debt Service coverage ratio	NA*	Change in ratio is not more than 25%	change is positive, due to increase in revenue
(d) Return on Equity (%)	NA*	change is positive, due to increase in revenue and profit	Change in ratio is not more than 25%
(e) Inventory Turnover Ratio	NA*	change is positive, due to increase in cost of goods sold	Change in ratio is not more than 25%
(f) Trade receivable Turnover ratio	NA*	change is positive, due to better realisation from customers	change is positive, due to better realisation from customers
(g) Trade payable Turnover ratio	NA*	change is positive, due to higher project expenses	Change in ratio is not more than 25%
(h) Net capital turnover ratio	NA*	change is positive, due to increase in revenue	change is positive, due to increase in revenue
(i) Net profit (%)	NA*	change is positive, due to increase in revenue and profit	change is negative, due to increase in finance cost
(j) EBITDA	NA*	change is negative, due to decrease in margin, covid impact	change is negative, due to decrease in margin, covid impact
(k) Return on capital employed	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(l) Return on investment	NA*	change is positive, due to increase in revenue and profit	Change in ratio is not more than 25%

\* The numbers for Seven months period ended 31st Oct 2021 are not comparable to that of the year ended 31 March 2021 and hence not explained.

Notes:-

EBIT - Earnings before interest and taxes.

EBITDA - Profit before tax plus finance cost & depreciation and amortization

PAT - Profit after taxes

Capital employed refers to Total Assets less Current Liabilities as at close of period/year.

The above ratios have been computed on the basis of the Restated Consolidated Financial Information and ratios for current period are not annualised.

### 53 Business combination

During the period, the Company has made investment in following entities. These all entities are involved in the business of Real Estate Development in India.

Sr. No.	Name of the entity	Date of acquisition	Under Common Management Control	Nature of business activities
1	Accord Estate Private Limited*	27th October 2021	Prior to 1st April 2018	Real Estate Development
2	Iconic Property Developers Private Limited***	27th October 2021	Prior to 1st April 2018	Real Estate Development
3	Uditi Premises Private Limited**	27th October 2021	Prior to 1st April 2018	Real Estate Development

\* Became subsidiary of the Company w.e.f. 27th October 2021.

\*\*Uditi Premises Private Limited has become step down subsidiary of the Company w.e.f. 27th October 2021 as it is subsidiary of Accord Estate Developers Private Limited and 9% is held by the Company w.e.f. this date. Proportion of ownership arrived based on effective holding directly and through Accord Estate Private Limited.

\*\*\* Became wholly owned subsidiary w.e.f. 27th October 2021.

This is a common control transaction as all the entities were under the control of the Promoter of the Company. Accordingly, the Restated Consolidated Financial Statement has been accounted using the 'pooling of interest' method and figures for the previous periods have been recast as if the business combination had occurred from the beginning of the preceding period in accordance with the requirements of Appendix C of Ind AS 103 on Business Combinations, specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

**54 Conversion of the Company from Private Limited to Public Limited**

Pursuant to resolution passed by the Members in the Extraordinary General Meeting dated 30th October 2021 and as approved by the Registrar of the Companies w.e.f. 9th December 2021, the Company has been converted from Private Limited Company into a Public Limited Company including adoption of new Memorandum of Association and new Articles of Association as applicable to the Public Company in place of existing Memorandum of Association and Articles of Association of the Company.

**55 First time adoption of Ind AS**

The Restated Consolidated Statement of Assets and Liabilities of the Group as at 31st October 2021 and the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement to Changes in Equity and the Restated Consolidated Statement of Cash Flows for the period ended 31st October 2021 and Restated Other Financial Information has been prepared under Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

These Restated Ind AS Financial Statements, for the period ended 31st October 2021, are the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended 31st March 2021, the Group entities prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "Previous GAAP").

The information for the years ended 31st March 2021, 31st March 2020 and 31st March 2019 included in this Restated Consolidated Financial Statements have been compiled from special purpose Consolidated Financial Statements of respective years being prepared by the management in accordance with the Indian Accounting Standard (Ind AS) (the "Special Purpose Ind AS Consolidated Financial Statements") by making Ind AS adjustments to the audited Consolidated Financial Statements of the Company as at and for the year ended 31st March 2021, 31st March 2020 and 31st March 2019 prepared in accordance with previous GAAP. For the purpose of Special Purpose Ind AS standalone Financial Statements for the years ended 31st March 2020 and 31st March 2019, the Group has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 01, 2020. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Special Purpose Ind AS Consolidated Financial Statements as of and for the years ended 31st March 2020 and 31st March 2019 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition (1st April 2018) to Ind AS used for Restated Consolidated financial Statement prepared.

In addition to the adjustments carried herein, the Group has also made material restatement adjustments in accordance with SEBI Circular and Guidance Note. Together these constitute the Restated Consolidated Financial Information.

**(a) Exemptions and Exceptions Availed**

The accounting policies set out in Note 3 have been applied in preparing the Restated Consolidated Financial Information. Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**(i) Ind AS optional exemptions**

**A. Deemed cost for property, plant and equipment and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 01st April 2020. For the purpose of Restated Consolidated Financial Information for the year ended 31st March 2021, 31st March 2020 and 31st March 2019, the Group has provided the depreciation based on the estimated useful life of respective years.

The Group has elected to measure intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

**B. Business Combination**

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the transition Date.

**C. Fair value measurement of financial assets or financial liabilities at initial recognition**

Ind AS 101 provides the option to apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Group elected to apply the Ind AS 109 prospectively to financial assets and financial liabilities after its transition date.

**(b) Ind AS mandatory exceptions**

**A. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**B. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**C. Estimates**

On assessment of the estimates made under the previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL
- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

**(c) Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**(i) Reconciliation of total equity between previous GAAP and Ind AS**

Particulars	Notes to first time adoption of Ind AS	As at	As at	As at
		31st March, 2021	31st March, 2020	31st March, 2019
Total Equity (shareholders funds) as per previous GAAP		296.45	244.18	230.69
Adjustments:				
(i) Actuarial valuation impact on employee benefits	(d)(i)			
- Gratuity		2.17	8.78	5.80
- Leave benefits		-	1.00	0.65
(ii) Leases [Right of Use Asset]	(d)(iii)	4.30	3.46	1.29
(iii) Allowance for expected credit loss (ECL)	(d)(iv)	15.66	13.71	15.79
(iv) Interest expenses on borrowings using EIR	(d)(ii)	(14.62)	(6.27)	(3.68)
(v) Prior period adjustment	(d)(v)(b)	-	(0.41)	-
(vi) Tax adjustments of above adjustment	(d)(vi)	(4.86)	(8.30)	(8.11)
(vii) Tax adjustment [earlier year tax expenses]	(d)(v)(a)	(1.12)	(1.16)	(1.16)
(viii) Capital reserve on business combination	(d)(vii)	1.27	1.07	0.99
(ix) Interest expenses/ (reversal) related to qualified opinion	(d)(vii)(II)(A)	-	(112.50)	112.50
(x) (Increase)/Decrease in construction work in progress	(d)(vii)(II)(A)	-	112.50	(112.50)
<b>Total impact on adjustments</b>		<b>2.80</b>	<b>11.88</b>	<b>11.57</b>
Total equity as per restated statement of assets and liabilities		293.65	232.30	219.12

**(ii) Reconciliation of total comprehensive income between previous GAAP and Ind AS**

Particulars	Notes to first time adoption of Ind AS	As at	As at	As at
		31st March, 2021	31st March, 2020	31st March, 2019
Profit after tax (as per audited financial statements)		53.40	13.74	12.04
Restatement adjustments				
(i) Actuarial valuation impact on employee benefits	(d)(i)			
- Gratuity		(6.61)	2.98	0.58
- Leave benefits		(1.00)	0.35	0.65
(ii) Leases [Right of Use Asset]	(d)(iii)	0.83	2.18	1.29
(iii) Allowance for expected credit loss (ECL)	(d)(iv)	1.95	(2.08)	(3.69)
(iv) Interest Expenses on borrowings using EIR	(d)(ii)	(8.35)	(2.59)	(3.68)
(v) Prior period adjustment	(d)(v)	0.41	(0.41)	-
(vi) Tax impact of above adjustments	(d)(vi)	3.46	(0.21)	1.35
(vii) Tax adjustment [earlier year tax expenses]	(d)(v)	0.04	-	(0.99)
(viii) Interest expenses/ (reversal) related to qualified opinion	(d)(vii)(II)(A)	-	(112.50)	112.50
(ix) (Increase)/Decrease in construction work in progress	(d)(vii)(II)(A)	-	112.50	(112.50)
<b>Total impact on adjustments</b>		<b>(9.27)</b>	<b>0.22</b>	<b>(4.49)</b>
Restated profit after tax for the period / year		62.68	13.51	16.50

**(iii) Impact of Ind AS adoption on the Restated Summary Statement of Cash Flows**

There were no material differences between the restated summary statement of cash flow and cash flow statement under previous GAAP.

**(d) Notes to First Time Adoption:****(i) Actuarial valuation impact on employee benefits**

Upto the year ended 31st March 2021 the Group did not make provision for gratuity and leave encashment in accordance with the requirement of applicable accounting standard. Accordingly, provision for gratuity and leave encashment has been restated by the Group for the year ended 31st March 2019, 31st March 2020 and 31st March 2021 in accordance with Ind AS 19. Further, provision for gratuity and leave encashment upto year ended 31st March 2018 which were not booked earlier as per applicable accounting standard, is debited/credited to retained earning as at April 01, 2018.

Under the previous GAAP, the remeasurements of the defined benefit plans were forming part of the profit or loss for the year. Under Ind AS, these remeasurements of the defined benefit plans i.e. actuarial gains and losses on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

**(ii) Interest Expenses on borrowings using EIR**

Under the previous GAAP, the processing fees for borrowings was charged off as finance cost during the year it was incurred. Under Ind AS, the processing fees has been recognised based on the Effective Interest Rate (EIR) method over the period of loan. Accordingly processing fees has been recognised as prepaid expenses in the year in which it was incurred and amortised over the period of the loan based on the EIR method.

**(iii) Lease asset**

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the Consolidated Statement of Profit and Loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

**(iv) Allowance for expected credit losses**

As per Ind AS 109 requirement, expected credit loss impact on Trade receivable has been worked out for the purpose of restated financial statement and shown as adjustments.

**(v) Other restated adjustments**

(a) The Group had recognized prior period expense such as income tax related to earlier years. Such tax expenses pertaining to respective years are adjusted to retained earning as at 01 April 2018 as same are pertaining to earlier years and accordingly prior period expense booked in the respective years are reversed.

(b) During the year ended 31st March 2021, the Holding Company has recognised prior period expense pertaining to year ended 31st March 2020. Hence, this expense is debited to retained earning as at 31st March 2020 and prior period expense booked in year ended 31st March 2021 is reversed. Also, the income tax provisions and actual income tax paid being not material restated in respective year.

**(vi) Deferred tax assets (net)**

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary difference between the carrying value of assets and liabilities and their respective tax bases. Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated consolidated financial information.

**(vii) Other Restated Adjustments**

(I) For the purpose of Special Purpose Ind AS Consolidated Financial Statements for the years ended 31st March 2021, 31st March 2020 and 31st March 2019, the Group has followed the same accounting policy and accounting policy choices as initially adopted on transition date i.e. 01st April 2020. Accordingly, suitable restatement adjustments in the accounting heads are made to the Special Purpose Ind AS Consolidated Financial Statements as of and for the years ended 31st March 2021, 31st March 2020 and 31st March 2019.

**(II) Modification / Qualification and Emphasis of Matter in the Audit Reports:****A) Audit modification/ qualifications requiring adjustments in the Restated Consolidated Financial Statement are as follows:**

1. Qualification given in standalone IGAAP Financial Statement of one of the subsidiary entity (M/s Accord Estates Private Limited) for the year ended 31st March 2019, "the Company has not provided interest on term loan taken from India Infoline Limited amounting to Rs. 112.50 million and to that extent financial statement will undergo change".

Management comment: Restatement has been made in these Restated Consolidated Financial Statement for the respective financial year.

There are no other modification/ qualification other than as stated above.

**B) Emphasis of matters not requiring adjustments to restated consolidated financial information:**

1) Emphasis of matter for the year ended 31st March, 2021

There are no emphasis of matters in auditor's report for the period ended 31st October 2021 and financial year ended 31st March 2021.

2) Emphasis of matter for the period ended 31st March, 2020 in standalone IGAAP financials of Suraj Estate Developers Limited and Accord Estates Private Limited [Subsidiary]: Company's policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 - Employee Benefits. Auditors opinion is not qualified in respect of this matter.

3) Emphasis of matter for the period ended 31st March, 2019 in standalone IGAAP financials of Suraj Estate Developers Limited and Accord Estates Private Limited [Subsidiary]: Company's policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 - Employee Benefits. Auditors opinion is not qualified in respect of this matter.

Management comment:

Actuarial valuation has been carried for all the reported period and appropriate adjustment has been made in Restated Consolidated Financial Statement. Refer note 55(d)(i) above

**56 Additional information as required under schedule III to the Companies Act, 2013****Statement of Net Assets and Profit and Loss and Other Comprehensive Income attributable to Owners and Non-controlling Interest.**

Name of the Entity	Relationship	Net Assets##		Share in profit and loss##	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
<b>Suraj Estate Developers Limited</b>	Holding Company				
31st March 2019		62.81%	136.29	84.14%	13.48
31st March 2020		63.97%	147.22	77.62%	9.99
31st March 2021		71.49%	208.37	99.72%	61.38
31st October 2021		35.07%	85.84	35.78%	42.27
<b>Skyline Realty Private Limited</b>	Subsidiary				
31st March 2019		0.00%	-	0.00%	-
31st March 2020		-0.41%	(0.95)	-2.18%	(0.28)
31st March 2021		-0.36%	(1.05)	-0.16%	(0.10)
31st October 2021		28.15%	68.90	59.21%	69.95
<b>Accord Estate Developers Private Limited</b>	Subsidiary				
31st March 2019		39.69%	86.12	16.35%	2.62
31st March 2020		38.48%	88.55	18.80%	2.42
31st March 2021		30.61%	89.22	1.09%	0.67
31st October 2021		39.02%	95.51	5.32%	6.29
<b>Iconic Property Developers Private Limited</b>	Subsidiary				
31st March 2019		-2.27%	(4.93)	-0.06%	(0.01)
31st March 2020		-1.77%	(4.07)	6.68%	0.86
31st March 2021		-1.51%	(4.40)	-0.55%	(0.34)
31st October 2021		-1.93%	(4.73)	-0.28%	(0.33)
<b>Uditi Premises Private Limited</b>	Step down subsidiary				
31st March 2019		-0.23%	(0.50)	-0.44%	(0.07)
31st March 2020		-0.27%	(0.62)	-0.93%	(0.12)
31st March 2021		-0.23%	(0.67)	-0.10%	(0.06)
31st October 2021		-0.29%	(0.72)	-0.04%	(0.05)
<b>Non-controlling interest</b>					
31st March 2019			2.14		0.04
31st March 2020			2.17		0.04
31st March 2021			2.18		0.01
31st October 2021			2.29		0.10
<b>31st March 2019</b>	Total	<b>100.00%</b>	<b>219.12</b>	<b>100.00%</b>	<b>15.98</b>
<b>31st March 2020</b>		<b>100.00%</b>	<b>232.30</b>	<b>100.00%</b>	<b>12.83</b>
<b>31st March 2021</b>		<b>100.00%</b>	<b>293.65</b>	<b>100.00%</b>	<b>61.54</b>
<b>31st October 2021</b>		<b>100.00%</b>	<b>247.09</b>	<b>100.00%</b>	<b>118.03</b>

## After effect of consolidation elimination and consolidation adjustments.

## 2 Disclosure of Financial Instruments

## (a) Financial asset and liabilities (Non-current and Current)

Sr. No.	Particulars	31st Oct., 2021		31st March, 2021		31st March, 2020		31st March, 2019	
		Amortised Cost	Carrying value	Amortised Cost	Carrying value	Amortised Cost	Carrying value	Amortised Cost	Carrying value
<b>A</b>	<b>Financial assets</b>								
(i)	Non-current investments	1.08	1.08	11.11	11.11	1.11	1.11	1.09	1.09
(ii)	Other Non-current financial asset	42.48	42.48	28.01	28.01	41.31	41.31	69.33	69.33
(iii)	Trade receivables (net)	746.86	746.86	806.65	806.65	422.50	422.50	293.55	293.55
(iv)	Cash and cash equivalents	84.17	84.17	122.45	122.45	24.47	24.47	40.07	40.07
(v)	Other bank balances	55.04	55.04	86.08	86.08	35.10	35.10	30.96	30.96
(vi)	Loans	225.93	225.93	236.34	236.34	60.43	60.43	131.08	131.08
(vi)	Other Current financial asset	20.05	20.05	72.93	72.93	82.46	82.46	82.48	82.48
	<b>Total financial assets</b>	<b>1,175.61</b>	<b>1,175.61</b>	<b>1,363.57</b>	<b>1,363.57</b>	<b>667.38</b>	<b>667.38</b>	<b>648.56</b>	<b>648.56</b>
<b>B</b>	<b>Financial liabilities</b>								
(i)	Non-Current Borrowings	4,387.65	4,387.65	4,640.45	4,640.45	4,068.34	4,068.34	3,016.81	3,016.81
(ii)	Other financial liabilities - Non-current	38.83	38.83	30.38	30.38	20.58	20.58	13.35	13.35
(iii)	Current Borrowings	2,102.99	2,102.99	1,364.33	1,364.33	905.30	905.30	694.49	694.49
(iv)	Trade payables	121.58	121.58	141.62	141.62	125.85	125.85	185.40	185.40
(v)	Other Current financial liabilities	363.65	363.65	324.87	324.87	105.12	105.12	196.69	196.69
(vi)	Lease Liabilities	18.24	18.24	23.18	23.18	30.50	30.50	36.52	36.52
	<b>Total financial liabilities</b>	<b>7,032.94</b>	<b>7,032.94</b>	<b>6,524.83</b>	<b>6,524.83</b>	<b>5,255.69</b>	<b>5,255.69</b>	<b>4,143.26</b>	<b>4,143.26</b>

Note:

(i) Since there is no Financial Asset/Financial Liability which is measured at fair value through Profit &amp; Loss or Fair value through Other Comprehensive Income, no separate disclosure has been made for the same in the above table.

## (b) Fair valuation techniques

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The management assessed that fair value of Trade receivables (net), Cash and cash equivalents, Other bank balances, Loans, Other Current financial asset, Current Borrowings, Trade payables, Other Current financial liabilities and Lease Liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

## (c) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



**3 Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Company's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

**(a) Credit risk :**

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Group considers factors such as track record, size of institutions, market reputation and service standards to select banks with which balances and deposits are maintained. The balances and fixed deposits are generally maintained with the banks with whom the Group has regular transactions. Further, the Group does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Group is not exposed to expected credit loss of cash and cash equivalent and bank balances.

The Group has entered into contracts for the sale of residential units on structured instalment basis. The instalments are specified in the contracts. The Group is exposed to credit risk in respect of instalments due. Generally the legal ownership of residential units are transferred to the buyer only after all/ significant instalments are recovered. In addition, instalment dues are monitored on an ongoing basis with the result that the Group's exposure to credit risk is not significant. The Group evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the year end.

**(b) Liquidity risk :**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

**(i) Maturities of financial liabilities:**

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
<b>As at 31st Oct. 2021</b>				
Borrowings (Current & Non-current)	2,102.99	4,387.65	-	6,490.64
Trade payables	121.58	-	-	121.58
Other financial liabilities (Current & Non-current)	363.65	38.83	-	402.48
Lease liabilities (Current & Non-current)	9.77	8.47	-	18.24
<b>As at 31st March 2021</b>				
Borrowings (Current & Non-current)	1,364.33	4,640.45	-	6,004.78
Trade payables	141.62	-	-	141.62
Other financial liabilities (Current & Non-current)	324.87	30.38	-	355.25
Lease liabilities (Current & Non-current)	8.02	15.16	-	23.18
<b>As at 31st April 2020</b>				
Borrowings (Current & Non-current)	905.30	4,068.34	-	4,973.64
Trade payables	125.85	-	-	125.85
Other financial liabilities (Current & Non-current)	105.12	20.58	-	125.70
Lease liabilities (Current & Non-current)	6.66	23.84	-	30.50
<b>As at 31st April 2019</b>				
Borrowings (Current & Non-current)	694.49	3,016.81	-	3,711.30
Trade payables	185.40	-	-	185.40
Other financial liabilities (Current & Non-current)	196.69	13.35	-	210.04
Lease liabilities (Current & Non-current)	6.02	30.50	-	36.52

**(c) Market risk**

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The pre dominant currency of the Group's revenue and operating cash flows is Indian Rupees (INR). There is no foreign currency risk as there is no outstanding foreign currency exposure at the year end.

**(d) Interest Rate Risk**

The Group has taken term loans and working capital loans from bank and financial institutions. The Group does not expose to the risk of changes in market interest rates as Group's long and short term debt obligations are of fixed interest rate. Therefore, there are no interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

**4 Capital risk management**

The Group manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns to shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Group manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current) as shown in the balance sheet

The Company monitors capital using 'Total Debt' to 'Equity'. The Company's Total Debt to Equity Ratio are as tabulated below:

Particulars	As at 31st Oct., 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Total debt*	6,490.64	6,004.78	4,973.64	3,711.30
Total capital (total equity shareholder's fund)	244.80	291.47	230.13	216.98
Total debt to equity ratio	26.51	20.60	21.61	17.10

\* Total debt = Non-current borrowings + current borrowings

As per our audit report of even date

**For Bhuwania & Agrawal Associates**

Chartered Accountants  
Firm Registration No. 101483W

**N. K. Agrawal**

Partner  
Membership No. : 034659

UDIN.: 22034659AAAABA6173

Place: Mumbai  
Date: 19-01-2022

**For and on behalf of the Board of Directors of**

**Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited)**

**Rajan Meenathakonil Thomas**

Chairman & Managing Director  
(DIN : 00634576)

**Rahul Rajan Jesu Thomas**

Whole Time Director  
(DIN : 00318419)

**Shreepal Suresh Shah**

Chief Financial Officer

**Shivil Kapoor**

Company Secretary

Place: Mumbai  
Date: 19-01-2022

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr No	Particulars	October 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
1	Basic EPS (in ₹)	3.75	1.98	0.48	0.51
2	Diluted EPS (in ₹)	3.75	1.98	0.48	0.51
3	Return on net worth (in %)	48.59	21.54	6.59	7.48
4	Net asset value per Equity Share (in ₹)	7.71	45.90	36.25	34.17
5	EBITDA (in ₹ million)	685.56	866.29	665.56	543.50

### Notes

1. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
2. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
3. Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended)
4. Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year/ period.
5. Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period.
6. Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") = Profit Before tax + Depreciation and Amortisation Expense + Finance Cost - Other Income.

In accordance with the SEBI ICDR Regulations the audited financial statements of the Company and our Material Subsidiary for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 (collectively, the "**Audited Financial Statements**") are available on our website at [www.surajestate.com](http://www.surajestate.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus (ii) Red Herring Prospectus; or (iii) 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 Statements should not be considered as part of information that any investor should consider for subscription to or purchase of any securities of our Company and should not be relied upon or used as a basis for any investment decision. 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 Audited Financial Statements, or the opinions expressed therein.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at October 31, 2021, on the basis of our Restated Consolidated Financial Statements, and as adjusted for the proposed Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Consolidated Financial Statements” beginning on pages 293 and 232, respectively.

*(in ₹ million, except ratios)*

Particulars		Pre-Issue as at 31 October 2021	As adjusted for the Issue*
<b>Borrowings:</b>			
Current borrowings (Including current maturity)		2,102.99	[●]
Non-current borrowings	(A)	4,387.65	[●]
<b>Total borrowings</b>	<b>(B)</b>	<b>6,490.64</b>	<b>[●]</b>
<b>Shareholders' funds:</b>			
Share capital		158.75	[●]
Other equity		86.05	[●]
<b>Total Equity</b>	<b>(C)</b>	<b>244.80</b>	<b>[●]</b>
<b>Ratio: Non-Current borrowings / Total equity</b>	<b>(A)/(C)</b>	<b>17.92</b>	<b>[●]</b>
<b>Ratio: Total borrowings / Total equity</b>	<b>(B)/(C)</b>	<b>26.51</b>	<b>[●]</b>

*\*The corresponding post Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence, the same have not been provided in this statement.*

## FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, see “*Our Management – Borrowing Powers*” on page 210.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of the Promoter and members of the promoter group, expansion of business of the Company, effecting changes in the Company’s management including key managerial personnel, ownership capital structure, shareholding pattern, constitutional documents and Board’s composition.

As on December 31, 2021, the aggregate outstanding borrowings (including fund based and non-fund based borrowings) of our Company, on a consolidated basis, as certified by our Statutory Auditors vide certificate dated March 4, 2022, are as follows:

Category of Borrowing	Sanctioned amount	Principal Amount Outstanding as of 31 December 2021
<i>(in ₹ million)</i>		
<b>Secured Loans</b>		
<i>Fund based facilities</i>		
(i) Term loans	5,447.64	3,716.10
(ii) Working capital facilities	200.00	59.49
(iii) Vehicle Loans	2.17	1.64
(iv) Debenture	2,650.00	2,074.28
<i>Non fund based facilities</i>		
(v) Bank Guarantee	90.00	39.75
<b>Total Secured Loans (A)</b>	<b>8,389.81</b>	<b>5,891.26</b>
<b>Unsecured Loans</b>		
Working capital facilities	-	793.64
<b>Total Unsecured Loans (B)</b>	<b>-</b>	<b>793.64</b>
<b>Grand Total (A + B)</b>	<b>8,389.81</b>	<b>6,684.90</b>

For further details of our outstanding borrowings as on October 31, 2021, see “*Restated Consolidated Financial Statements*” on page 232.

### Principal terms of the borrowings currently availed by our Company and our Subsidiaries:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to our indebtedness.

1. **Interest:** In terms of facilities availed by us, the interest rate is typically the base rate of a specified lender and spread per annum. The spreads are different for different facilities. In terms of the borrowings availed by us, the interest rate is typically dependent on the guidelines of RBI and lenders and ranges from 8.00% per annum to 19.05% per annum either on a floating rate or linked to base rate, as specified by respective lenders. With respect to our non-convertible debentures (“NCDs”), the fixed coupon rate ranges from 17.25% to 20.50% p.a.
2. **Tenor:** The credit facilities availed by us are available for up to a period of 60 months. The tenor of the term loans availed by us are typically for a tenor of 60 months.
3. **Security:** Under our financing arrangements for secured borrowings, we are typically required to create security by way of, among others, charge over mortgaged properties of our Company, hypothecation of receivables both present and future in respect of certain projects of our Company, movable property, vehicles, demand promissory notes executed by our Company for the loan amount and interest thereon along with letters of continuity and guarantee deeds including personal guarantee deeds entered into by the directors of

our Company for the borrowing availed by our Company. Further, there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. **Re-payment:** The credit facilities are typically repayable within a period of up to 60 months. The term loans are typically repayable in structured monthly instalments.
5. **Pre-payment:** The terms of facilities availed by us typically have prepayment provisions which allow for prepayment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements. The prepayment premium for the facilities availed by us, where specified, is typically 2.00% to 5.00% of the sanctioned amount or principal outstanding amount.
6. **Default Interest:** The terms of certain financing facilities availed by our Company prescribe penalties for non-compliance of certain obligations by our Company. These include, inter alia, overdues/ delays/ default in payment of monies. Further, the default interest payable on the facilities availed by us typically ranges up to 36% per annum.
7. **Restrictive Covenants:** Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:
  - a. prepayment of the outstanding principal amounts of the facilities availed by our Company;
  - b. any amalgamation, demerger, merger, acquisition, corporate or debt restructuring;
  - c. any change in the constitution, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company;
  - d. entering any borrowing arrangement either secured or unsecured with any other bank or financial institution or any other person or accept deposits which increases our borrowing above limits stipulated by our lenders;
  - e. change in nature of business;
  - f. declaration or payment of dividend;
  - g. undertake any guarantee obligation on behalf of any third party or any other company;
  - h. invest by way of share capital or lend funds or place deposits with any other entity;
  - i. acquire any new property from receivables from certain projects of our Company or sale, transfer or otherwise dispose of receivables from certain projects of our Company;
  - j. significant change in the debt-equity ratio/current ratio of our Company.
  - k. undertaking any new project or expansion of the project from funds envisaged for the project by certain lenders to our Company or bidding for new projects by our Company.
  - l. amending of any constitutional documents, including the memorandum of association and articles of association and any organizational documents or trust deed by our Company.
8. **Events of Default:** The term loan and other facilities availed by us contain certain standard events of default, including:
  - a. change in the constitution, control, management, majority directors or in the shareholding pattern or profit sharing of our Company without the consent of the lenders to our Company;
  - b. failure or inability by our Company to repay any amount due under principal amount or interest;
  - c. shareholding of the promoters of our Company falling below 51% of the total issues and paid up equity share and the failure of our Company and/or promoter to retain management;
  - d. failure to rectify any claim or defect in title of the mortgaged properties within the time specified in some of the facility agreements entered into by our Company;
  - e. reasonable apprehension of the projects for which certain facilities have been availed not being completed in the time limit or application made by the promoter of our Company for extension of time period for completion of such projects;
  - f. failure to comply with any provision of the financing documents;
  - g. breach of any covenants, conditions, representations or warranties of financial documents;
  - h. any misstatement, misrepresentation or misleading information in financing documents;
  - i. cross default under any arrangement for the facilities extended by any other lender;
  - j. entering into any arrangement or composition creditors or the committing any act of insolvency or any act the consequence of which may lead to the insolvency or winding up;

- k. repudiation of a financing document or evidencing an intention to repudiate a finance document;
- l. cessation/ suspension or threatens to suspend or cease to carry on the business and
- m. occurrence or existence of such events or circumstances, which in the opinion of the lender, could have a material adverse effect.

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

*You should read the following discussion in conjunction with our Restated Consolidated Financial Statements for the seven months ended October 31, 2021, and for Fiscals 2021, 2020 and 2019, including the related notes, schedules and annexures. Our restated consolidated financial information for the seven months ended October 31, 2021, and for Fiscal 2021, 2020 and 2019 has been prepared under Indian Accounting Standards (“Ind AS”), the Companies Act and the SEBI Regulations.*

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” on page 18 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Factors Affecting our Results of Operations and Financial Conditions” on pages 27 and 297, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Consolidated Financial Statements for the seven months ended October 31, 2021, and for Fiscal 2021, 2020 and 2019 and included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 232. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year. We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. 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 Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Suraj Estate Developers Limited on a consolidated basis and references to “the Company” or “our Company” refers to Suraj Developers Limited on a standalone basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report “Real Estate Industry Report for Suraj Estate Developer Limited” dated March 4, 2022 prepared and issued by Anarock Property Consultants Private Limited commissioned by us (the “Company Commissioned Anarock Report”). Unless otherwise indicated, all financial, operational, industry and other related information derived from the Company Commissioned Anarock Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### OVERVIEW

We are among the top two developers with 15% market share as per supply (in number of units) and rank third with 14% market share as per absorption (in number of units) in the residential sub-markets of Mahim, Matunga, Dadar, Prabhadevi, and Parel in South Central Mumbai region for calendar years 2016 to 2021 (till Q3). (Source: Company Commissioned Anarock Report). We have been involved in the real estate business since 1986, and develop real estate across the residential and commercial sectors in the South Central Mumbai region.

In our residential portfolio, we are present across the “value luxury” and “luxury” segments across multiple price points with unit values ranging from ₹10.00 million to ₹130.00 million. In our commercial portfolio, we have constructed and sold built-to-suit corporate headquarters to our institutional clientele namely, Saraswat Co-operative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar). To cater to the increasing need for smaller independent offices in the commercial segment, we plan to foray into developing boutique office spaces on Tulsi Pipe Road, Mahim.



We have a longstanding presence of over thirty five (35) years in the real estate market in Mumbai. Our customer-centric business model focuses on addressing customer requirements in various locations, ticket sizes and configurations. Our ability to deliver differentiated product offerings through our deep understanding of the real estate market coupled with design and execution capabilities, strong brand presence and extensive marketing initiatives has helped us to successfully grow our business. We have established a strong brand and a successful track record in the real estate industry through our emphasis on contemporary architecture, strong project execution capabilities and quality construction. Our strong presence in the South Central Mumbai region has generated significant brand recall in sub markets in this region and substantial sales referrals from existing customers. Our brand name, longstanding operations and extensive experience in South Central Mumbai region provides us with significant opportunities in this fast-growing redevelopment sub-markets in the region.

We are one of the market leaders in the redevelopment projects in South Central Mumbai sub markets. From 2016 to 2021(till Q3), we had launched 14 residential projects out of which 12 projects (~86%) are redevelopment projects. (Source: *Company Commissioned Anarock Report*). We have over the years earned our reputation in South Central Mumbai region through quality-conscious development and specialization in the redevelopment of tenanted properties. Majority of our projects executed by us are on land owned by us or through development agreements with land-owners. Since most of the land parcels in the South Central Mumbai market are in the nature of redevelopment projects, our core competence lies in tenant settlement which is a key element for unlocking value on such land parcels. We identify cessed/ non-cessed properties with existing tenants, and tie up with the landlords of such tenanted properties by entering into a development agreement or on outright purchase basis through conveyance deed. We have over the years provided good quality housing free-of-cost to the existing tenants/ occupants of redevelopment properties. As on December 31, 2021, we have redeveloped houses for more than 1,011 tenants free-of-cost under regulation 33(7) of the Development Control and Promotion Regulation, 2034 (“**DCP Regulations**”). Compliance of Regulation 33(7) of the DCP Regulations enables sanction of more than FSI - 3.00 for development by the regulatory authorities. As on the date of DRHP, there are 14,207 number of cessed properties in the island city of Mumbai which are yet to be redeveloped.

To bring to life our vision of creating contemporary, sustainable and quality construction, we work with a host of leading architects, namely Sanjay Puri Architects and Vivek Bhole Architects Private Limited for our projects. Almost all aspects of our real estate development business are conducted through in-house capabilities, including acquisition of suitable land and delivering a project from conceptualization to completion. We have also set up an integrated in-house project management team to focus on procurement efficiencies, vendor selection and construction activities. Our in-house sales team is supported by a distribution network of multiple non-exclusive and select channel partners across India which cater to key high networth individuals and non returning Indians. We also have a full-fledged in-house customer relationship team and after-sales team which supports customers from the property booking stage till the final delivery of the property.

Our Company was founded by our Promoter, Rajan Meenathakonil Thomas, who is the Chairperson and Managing Director with over thirty five (35) years of experience in various aspects of real estate business. The leadership team also consists of Rahul Rajan Jesu Thomas, Whole-time Director with over fifteen (15) years of experience in various aspects of real estate business along with other professionals, each having vast experience across different industries and who are instrumental in implementing our business strategies. We have completed forty two (42) projects with a developed area of more than 1,046,543 square feet in the South Central Mumbai region. In addition to the Completed Projects, we have nine (09) Ongoing Project with a developable area of 1,970,445 square feet and saleable RERA carpet area 442,616 square feet and twenty one (21) Upcoming Projects with an estimated carpet area of 928,400 square feet.

We are amongst the prominent real estate developers, focused primarily on value luxury and luxury segments and commercial segment through:

- construction and development of high quality 1 BHK flats and compact 2 BHK flats, catering to aspirational buyers and provide value for money residential projects, in premium locations (“**Value Luxury Segment**”);
- construction and development of high quality 2 BHK flats, 3 BHK flats and 4 BHK flats, catering to ultra-high net worth and high net worth individual buyers in the South Central Mumbai region (“**Luxury Segment**”); and

- construction and development of commercial offices on a built-to-suit model for select clientele and boutique offices (“**Commercial Segment**”).

The details of our Value Luxury and Luxury Segments in the residential projects are stated as below:

### ***Value Luxury Segment***

We are one of the market leaders in terms of Supply of 1BHK and 2BHK units in the South Central Mumbai. (Source: Company Commissioned Anarock Report). In this segment, we provide 1BHK flats ranging from 300 to 500 square feet carpet area and compact 2BHK flats ranging from 500 to 800 square feet carpet area which have witnessed a robust demand in the South Central Mumbai region. Recently, in this segment we have completed projects namely, St. Anthony Apartments (Mahim), Lumiere (Dadar) and Elizabeth Apartment (Dadar). We are an early entrant in this segment by providing spacious 1BHK flats and compact 2BHK flats with sea views, banquets, parking space, gymnasium and premium quality amenities. The table below demonstrates the high demand of Value Luxury Segment of our projects in the South Central Mumbai region:

<b>Project Name</b>	<b>Expected Completion Date as filed with RERA#</b>	<b>Total number of units for sale</b>	<b>Units sold as of December 31, 2021</b>	<b>% of units sold</b>
Emmanuel (Dadar)	December 2025	59	45	76.27
Lousiandra (Dadar)	June 2022	60	59	96.67

To cater to the high demand of 1 BHK flats and compact 2 BHK flats in the South Central Mumbai region, we are developing projects such as Ave Maria (Dadar), Vitalis (Mahim) and Suraj Eterna (Mahim).

### ***Luxury Segment***

Our ability to design high-quality differentiated products and strategic positioning, coupled with limited land availability in the South Central Mumbai micro-market have been key to our success in the Luxury Segment. We provide 2 BHK flats ranging from 800 to 950 square feet carpet area and 3 BHK flats ranging from 1,000 to 1,500 square feet carpet area and 4 BHK flats ranging from 1,800 to 2,200 square feet carpet area which have witnessed robust demand in the South Central Mumbai region. Recently, in this segment we have Completed Projects namely Mangirish (Dadar) and Tranquil Bay (Dadar) which are located in close proximity to the Arabian Sea. We are currently developing projects i.e. Palette (Dadar) and Ocean Star (Dadar), both designed by the leading architect Sanjay Puri Architects. These prime projects offer sea view, a distinguishing feature of floor to floor height of 12 ft. 6 inches, double glazing windows which provides insulation from sound and weather, swimming pool, multi-level podium parking, walking track, club house, kids play area, gymnasium, luxury fitting and fixtures, amongst other amenities. Since both the projects are high rise residential towers, we have awarded the contract to a civil contractor.

In addition to the above, we have also constructed and sold residential buildings for our institutional clientele such Clearing Corporation of India Limited (Dadar) and other financial institutions.

### ***Commercial Segment***

We have also developed many commercial real estate projects and mixed-use developments around our core residential projects. We have constructed and sold corporate offices to institutional clientele such as Saraswat Co-operative Bank Limited (Prabhadevi) and Clearing Corporation of India Limited (Dadar). To cater to the increasing need for smaller independent offices in the commercial segment, we are currently, proposing a 31 storey commercial building situated in Tulsi Pipe Road, Mahim comprising of self-contained independent offices with toilet and pantry ranging from 200.00 to 750.00 square feet carpet area.

### ***Land Reserves***

We have certain land parcels located at Bandra (West) and Santacruz (East) for future development. As of December 31, 2021, we have Land Reserves of 10,359.77 square meters, which we intend to develop in future by

utilizing the entire FSI potential of more than index 2.0, subject to various factors including marketability and receipt of regulatory clearances.

The below table sets forth certain key operational information relating to our projects as of December 31, 2021

#### Completed Projects

Number of Projects	Developed Area
	(square feet)
42	1,046,543.20

#### Ongoing Projects

Number of Projects*	Developable Area	Saleable RERA Carpet Area
	(square feet)	(square feet)
09	19,70,445.02	442,616

\*Information provided in respect of our Ongoing Projects are based on our current management plans and subject to change.

#### Upcoming Projects

Number of Projects*	Estimated Carpet Area for Sale <sup>(1)</sup>
	(square feet)
21	928,400

<sup>(1)</sup> Estimated Carpet Area for Sale has been calculated based on certain assumptions and estimates made and certified by the independent architect namely, Priyanka Rajaram Rahate in her certificate dated March 2, 2022. The actual Estimated Sale Carpet Area may vary from the estimated Carpet Area for Sale presented herein on the basis of plans approved by the Municipal Corporation of Greater Mumbai (MCGM).

\*Information provided in respect of our Upcoming Projects are based on our current management plans and subject to change.

#### Land Reserves

Owned/ Development Rights	Plot Area
	(square meters)
Owned – [1]	364.21
Leased – [1]	1,173.57
Development Rights – [5]	8,821.99
<b>Total [7]</b>	<b>10,359.77</b>

#### Financial Performance

The financial performance of our Company for the seven months period ended October 31, 2021 and Fiscals 2021, 2020 and 2019, are as follows:

(₹ in million, except for percentage)

Particulars	For the seven months ended October 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations	1,096.24	2,399.87	869.28	345.84
EBITDA <sup>(1)</sup>	685.56	866.29	665.56	543.50
EBITDA margin as of revenue from operations (%) <sup>(2)</sup>	62.54	36.10	76.56	157.15
PAT	118.95	62.77	15.16	16.23
PAT Margin (%)	10.85	2.62	1.74	4.69
Net Debt <sup>(3)</sup>	6,351.43	5,796.25	4,914.07	3,640.27
Total Equity	244.80	291.47	230.13	216.98
Inventories	6,313.65	5,652.80	5,439.69	4,518.77

Particulars	For the seven months ended October 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Trade Receivables	746.86	806.65	422.50	293.55
ROE (%) <sup>(4)</sup>	48.14	21.37	6.53	7.41
ROCE (%) <sup>(5)</sup>	48.59	21.54	6.59	7.48

<sup>(1)</sup>EBITDA = Profit before tax + Depreciation & Amortization Expense + Finance Cost – Other Income.

<sup>(2)</sup>EBITDA Margin = EBITDA/ Revenue from operations.

<sup>(3)</sup>Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, and Investment in Mutual Funds.

<sup>(4)</sup>ROE = Net profit after tax /Total equity.

<sup>(5)</sup>ROCE = Earnings before interest and taxes (EBIT) / Capital employed.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

Our business, results of operations and financial condition are affected by a number of factors, some of which are beyond our control. This section sets out certain key factors that we believe have affected our business, results of operations and financial condition in the past or which we expect will affect our business, results of operations or financial condition in the future. For a detailed discussion of certain factors that may adversely affect our business, results of operations and financial condition, see “Risk Factors” beginning on page 27.

### COVID-19 Pandemic

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices.

The lockdown led to a closure of our offices and we moved to a work-from-home model. We resumed operations at our offices in a staggered manner in compliance with the lockdown restrictions and government guidelines. The COVID-19 pandemic caused a material decline in general business activity and consequently a slowdown in the sale and construction of units at our residential developments and in obtaining or renewing lease commitments for our commercial developments. Further, the RBI issued guidelines relating to COVID-19 providing moratorium of three months on the payment of all principal amounts and interest falling due between March 1, 2020 and May 31, 2020. It thereafter extended the moratorium on loan instalments by another three months, i.e., from May 1, 2020 to August 31, 2020. We have availed moratorium for a period of six months (i.e. the months of March to August 2020) with respect to our financial commitments to maintain sufficient liquidity to satisfy our operational needs.

Our Auditors in their examination report have drawn attention to the effect of COVID-19 on our business and operations: We draw attention to Note 48 to the Special Purpose Interim Ind AS Consolidated Financial Statements which describes the management’s assessment of the COVID-19 pandemic on the Group’s results and the extent to which it will impact the Group’s operations is dependent upon future developments, which remain uncertain. Our opinion is not modified in respect of this matter.

We have used the principles of prudence in applying judgments, estimates and assumptions based on the current conditions. In assessing the liquidity position and recoverability of assets such as goodwill, inventories, financial assets and other assets, based on current indicators of future economic conditions, we expect to recover the carrying amounts of our assets. However, the actual impact of COVID-19 pandemic on our consolidated results

remain uncertain and dependent on spread of COVID-19 and steps taken by the Government to mitigate the economic impact and may differ from our estimates. We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of the below mentioned factors affecting our results of operations. See “*Risk Factors - The COVID-19 pandemic adversely affects our business, financial condition, results of operations, cash flows, liquidity and performance, and it may reduce the demand for our projects in future*” on page 27.

### ***Sales of our project in timely manner***

We typically commence sale of units along with the construction of projects. In the seven months ended October 31, 2021, Fiscal 2021, 2020 and 2019, revenue from sale of projects was ₹1,096.24 million, ₹2,399.87 million, ₹869.28 million, and ₹345.84 million, respectively, representing 99.27%, 98.36%, 97.73% and 96.58% of our total income in such periods, respectively.

Our revenues and costs may fluctuate from period to period due to a combination of factors beyond our control, including registration of sale deeds in a particular period and volatility in expenses such as costs to acquire land or development rights and construction costs. The volume of bookings depends on our ability to design projects that will meet customer preferences and market trends, and to timely market and pre-sell our projects, the willingness of customers to pay for the projects or enter into sale agreements well in advance of receiving possession of the projects and general market conditions. We market and pre-sell our projects in phases from the date of launch of the project after receiving requisite approvals, including those required under the RERA, which is typically after acquisition of the land or land development rights and during the process of planning and designing the project, up until the time we complete our project, depending on market conditions. As of October 31, 2021, we have nine (9) Ongoing Projects and twenty one (21) Upcoming Projects. We cannot predict with certainty when our projects will be completed and sold as our project timetables are occasionally disrupted by and subject to unforeseen circumstances at different stages of planning and execution. For instance, construction at our work sites were adversely impacted due to the onset of the COVID-19 pandemic and related government measures such as the nation-wide lockdown. As a result, project timetables have been rescheduled significantly. For further information on the impact of COVID-19 on our operations, see “*Our Business – Business continuity during COVID-19 times*” on page 182. This may lead to large fluctuation in financial result for any financial period depending on work completed in that period and possessions given during that period. Therefore, our results of operations will significantly depend upon the size and number of completed projects which are ready to be sold or have been sold to customers in each financial period as our revenue from sales depends upon the volume of bookings we are able to obtain for our developments as well as the rate of progress of construction of our projects.

### ***Cost of construction and development***

Our cost of construction includes the cost of raw materials such as steel, cement, ready mix concrete, wood, flooring, sanitary fittings, electrical fittings, plumbing and other building materials and labour costs. Raw material prices, particularly those of steel, ready mix concrete cement, may be affected by price volatility caused by various factors that affect the Indian and international commodity markets. If there are extraordinary price increases in construction materials due to increases in demand for cement and steel, or shortages in supply, the contractors we hire for construction or development work may be unable to fulfil their contractual obligations and may therefore be compelled to increase their contract prices. In the seven months ended October 31, 2021 and in Fiscal 2021, 2020 and 2019, operating cost which comprises cost of land and development rights, cost of material consumed, compensation, labour and contract expenses, professional charges, rates and taxes and other project expenses represent 61.44%, 63.82%, 52.64% and 64.27%, respectively, of our total expenses excluding the impact of change in inventories. As a result, increases in costs for any construction materials may affect our construction costs, and consequently our margins unless we are able to pass on such costs by increasing the sales price for our projects. Further, certain approval costs and premiums payable to Government authorities are linked to the ready reckoner rates announced by the relevant government authorities periodically. Any increase in the ready reckoner rates increases our approval costs. In addition, the timing and quality of construction of the projects we develop depends on the availability and skill of our contractors and consultants, as well as contingencies affecting them, including labour and industrial actions, such as strikes and lockouts. Such labour and industrial actions may cause significant delays to the construction timetables for our projects and we may therefore be required to find

replacement contractors and consultants at higher cost. As a result, any increase in prices resulting from higher construction costs could adversely affect demand for our projects and our profit margins.

#### ***Availability of financing on favourable terms***

We fund our property development activities through a combination of medium and long-term debt and internal accruals. Accordingly, our ability to obtain financing, as well as the cost of such financing, affects our business. Though we believe we are able to obtain funding at competitive interest rates, cost of financing is material for us. Our total outstanding indebtedness, on a consolidated basis was ₹6,490.64 million, ₹6,004.78 million, ₹4,973.64 million and ₹3,711.30 million as of October 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, respectively, and our finance costs before allocating to cost of projects were ₹509.95 million for the seven months ended October 31, 2021, and ₹792.07 million, ₹644.61 million and ₹528.17 million for the financial years 2021, 2020 and 2019, respectively. Major drivers behind the growth of demand for housing units are nuclearization of families, increasing in working population, rising disposable income, availability of housing loans at affordable interest rates. Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly customers for our residential properties, to obtain financing for their purchase of our developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the market demand for, our residential real estate developments.

#### ***General Economic Condition and the Condition and Performance of the Real Estate Market in India***

We derive a substantial part of our revenue from our real estate activities in South Central Mumbai Region in Mumbai. Accordingly, we are heavily dependent on the state of the Indian the South Central Mumbai real estate sector in particular economy and real estate sector in general. As demand for new residential and commercial properties is driven by increased employment and increasing disposable income, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business and financial performance.

#### ***Regulatory framework***

The real estate sector in India is highly regulated. Our operations, the acquisition of land and land development rights, and the implementation of our projects require us to obtain regulatory approvals and licenses and require us to comply with the land acquisition and conversion rules and regulations of a variety of regulatory authorities. We are also subject to local and municipal laws relating to real estate development activities such as Maharashtra Regional and Town Planning Act, 1966, and the relevant development control regulations. These require approvals for construction and development of real estate projects including approvals for the ratio of built-up area to land area, plans for road access, community facilities, open spaces, water supply, sewage disposal systems, electricity supply, environmental suitability, zoning regulations and size of the project. Any delay or failure in getting any of these approvals for our Ongoing Projects and Upcoming Projects may affect our business and result of operations.

Further, the Central Government notified the RERA on March 26, 2016 and has enforced RERA with effect from May 1, 2017. The RERA has been introduced to regulate the real estate industry and ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. RERA requires the mandatory registration of real estate projects and developers are not permitted to issue advertisements or accept advances unless real estate projects are registered. The RERA also imposes restrictions on use of funds received from customers prior to project completion and taking customer approval for major changes in sanction plan. In addition, with the introduction of RERA we have to comply with specific legislations enacted by respective State Governments, where our Ongoing Projects, Upcoming Projects, or future projects may be located. While most of the State Governments in India have notified rules in relation to RERA, including Maharashtra where all our projects are located, other states are in the process of doing so. Accordingly, our Company is currently required to comply with rules, regulations, circulars and orders passed by the Maharashtra government pursuant to RERA. Our results of operation may, therefore, be impacted on account of the significant resources and management time we expend to ensure compliance with the RERA and other regulatory requirements.

In addition, one of the major factors that influence our project costs and customer buying decisions are taxes, cess,

fees, charges and premiums payable for a particular project. We benefit from certain tax regulations and incentives that accord favourable treatment with respect to certain of our projects and therefore translate in benefits for our customers as well. Any newly introduced or revised policies in relation to the tax, duties or other such levies issued by relevant tax authorities may deprive us of our existing benefits which may adversely affect our results of operations. The reduction or termination of our tax incentives, or inability to satisfy the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business results of operations and financial condition.

### ***Availability of Future Growth Opportunities***

Our growth is linked to the availability of land in areas where we intend to develop projects either by ourselves or under joint development or joint venture arrangements. Suitable land parcels are severely limited in South Central Mumbai region, our primary market. We believe that we have been successful in obtaining some of the land parcels at reasonable cost, but are not able to predict our ability to do so in the future. The cost of acquiring land, which includes the amounts paid for freehold rights, leasehold rights, the cost of registration and stamp duty, represents a substantial part of our project cost, and may sometimes determine whether we are able to acquire certain parcels of land at all. We enter into a deed of conveyance or a lease deed transferring title or leasehold rights in our favour. The registration charges and stamp duty are payable by us. Additional costs include those incurred in complying with regulatory formalities, such as fees paid for change of land use, infrastructure and development charges and premium.

### ***Competition***

We compete for land, sale of projects, manpower resources and skilled personnel with other private developers. We face competition from various national and regional real estate developers. Moreover, as we seek to diversify our operations in other micro-markets of the MMR region, we face the risk that some of our competitors have a wider geographical reach while some other competitors have a strong presence in regional markets. Some of our competitors may have greater resources (including financial, land resources, and other types of infrastructure) to take advantage of efficiencies created by size, and access to capital at lower costs, have a better brand recall, and established relationships with homeowners. For example, we face competition from listed developers including Marcotech Developers (Lodha Group), Oberoi Realty, Hubtown Developers and D B Realty that have real estate projects in SCM region (*Source: Company Commissioned Anarock Report*). Our success in the future will depend significantly on our ability to maintain and increase market share in the face of such competition. Our inability to compete successfully with the existing players in the industry, may affect our business prospects and financial condition.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Group's background**

Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited) (“the **Company**”) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN No. U99999MH1986PLC040873 and incorporated on September 10, 1986. The Company is public limited company w.e.f. December 9, 2021. The registered office of the Company is located at 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi Mumbai 400 025, Maharashtra, India.

The Group is primarily engaged in the business of real estate development in India.

The Restated Consolidated Financial Statements comprise the financial statements of Suraj Estate Developers Limited (Formerly known as Suraj Estate Developers Private Limited) and its subsidiaries (collectively “the **Group**”) as at and for seven months period ended October 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019.

Restated Ind AS Consolidated Financial Statements are approved by the Company's Board of Directors at its meeting held on January 19, 2022.

### **2. Basis of preparation of Restated Consolidated Financial Statements**

## 2.1. Basis of preparation

The Restated Consolidated Financial Statements of the Group comprise of the restated consolidated statement of assets and liabilities as at October 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for seven months period ended October 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the summary statement of significant accounting policies, and other explanatory information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.

These Statements have been prepared specifically for inclusion in the Draft Red Herring Prospectus (“DRHP”) to be filed by the Group with the Securities and Exchange Board of India (“SEBI”) in connection with equity fund raised through fresh issue of its equity shares, in accordance with the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) as issued by the Securities and Exchange Board of India (“SEBI”) on 11th September 2018 as amended from time to time; and
- c. Guidance Note on Reports in Company Prospectus (Revised 2019) as issued by the ICAI.

The Restated Consolidated Financial Statement has been compiled from:

- a. Audited special purpose interim financial statements of the Company as at and for the period from April 1, 2021 to October 31, 2021 which is prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by our Board of Directors at their meeting held on January 19, 2022; and
- b. Audited Special purpose consolidated financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 being prepared by the management in accordance with the Indian Accounting Standard (Ind AS) (the “Special Purpose Ind AS Consolidated Financial Statements”) by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with the accounting standards notified under the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by our Board of Directors at their meeting held on January 19, 2022, and respectively. Special Purpose Ind AS Consolidated Financial Statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are approved by our Board of directors at their meeting held on January 19, 2022.

The Special Purpose Ind AS Consolidated Financial Statements of the Company as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date. Also, refer to note 55.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 55 to Annexure VI).

The Restated Consolidated Financial Information has been compiled by the Company from the Audited Financial Statements and Special Purpose Ind AS Consolidated Financial Statements of the Company and its subsidiary companies and:



- a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;
- b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- c. Other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which require any corrective adjustments in the Restated Consolidated Financial Information are disclosed in Annexure VI (Note 55) of the Restated Consolidated Financial Information;
- d. adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per consolidated financial statements of the Group as at and for the period ended October 31, 2021 prepared under Ind AS and the requirements of the SEBI Regulations; and
- e. the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Restated Consolidated Financial Statements have been prepared on a historical cost basis.

The Restated Consolidated Financial Statements are presented in Indian Rupees "INR" and all values are stated as INR million, except when otherwise indicated.

## **2.2. Basis of consolidation**

The Restated Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at October 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the

Restated Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary and Partnership Firms (called as “**Subsidiary**”), the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind AS as would be required if the Group had directly disposed of the related assets or liabilities

The Restated Consolidated Financial Statements have been prepared on going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Statement. These financial statements are prepared under the historical cost convention unless otherwise indicated.

The restated financial statement has been prepared considering all Ind AS notified by MCA till reporting date i.e. October 31, 2021. The significant accounting policies used in preparing the Restated Consolidated Financial Statements are set out in Note no. 3 of the notes to the Restated Consolidated Financial Statements.

### **3. Significant Accounting Policies**

#### **3.1. Current and non-current classification**

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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:

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

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Group's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.

### **3.2. Functional and presentation of currency**

The restated financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees in Millions.

### **3.3. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

### Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Restated Consolidated Financial Statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in “Ind AS 113 Fair Value Measurement”.

### **3.4. Use of estimates and judgements**

The preparation of these Restated Consolidated Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Restated Consolidated Financial Statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the Restated Consolidated Financial Statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

#### **3.4.1. Significant estimates**

##### **i) Revenue recognition and construction work in progress**

- Revenue to be recognized, stage of completion, projections of cost and revenues expected from project and realization of the construction work in progress have been determined based on management estimates which are based on current market situations/ technical evaluations.
- In respect of real estate project (Construction work in progress) which are at initial preparatory stage i.e. acquisition of land / development rights, realization of the construction work in progress have been determined based on management estimates of commercial feasibility and management expectation of future economic benefits from the projects. These estimates are reviewed periodically by management and revised whenever required.

The consequential effect of such revision in estimates is considered in the year of revision and in the balance future period of the project. These estimates are dynamic in nature and are dependent upon various factors like eligibility of the tenants, changes in the area, approval and other factors. Changes in these estimates can have significant impact on the financial results of the Company and its comparability with the previous year however quantification of the impact due to change in said estimates cannot be quantified.

##### **ii) Defined benefit obligations**

The cost of defined benefit gratuity plan and the present value of the gratuity obligation along with leave salary are determined using actuarial valuations. An actuarial valuation involves making various assumptions such as standard rates of inflation, mortality, discount rate, attrition rates and anticipation of future salary increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **iii) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in active markets since they are unquoted, their value is measured using valuation technique including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **3.4.2. Significant management judgement in applying accounting policies and estimation uncertainty**

##### **i) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

##### **ii) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company's past history, and existing market conditions as well as forward looking estimates at the end of each reporting period.

### **3.5. Property, Plant and Equipment and Depreciation**

#### **Recognition and measurement**

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

#### **Depreciation and useful lives**

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

#### **De-recognition**

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

### **3.6. Leases**

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract provide lessee, the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

The Company accounts for the lease arrangement as follows:

**(i) Where the Group entity is the lessee**

The Group applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Group, in its Balance Sheet, recognize the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset are measured at cost less accumulated depreciation calculated on straight line method and any accumulated impairment loss. Lease liability are measured at amortised cost using the effective interest method. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of Profit and Loss.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as prepaid rent and recognised over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of Profit and Loss.

**(ii) Where the Group entity is the lessor**

The lessor needs to classify its leases as either an operating lease or a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating lease. The Group has only operating lease and accounts the same as follows:

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and are measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

**3.7. Intangible assets and amortisation**

**Recognition and measurement**

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

### **Amortization and useful lives**

Computer softwares are amortized in 3 years on Written Down Value (WDV). Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

In case of Goodwill related to Business Combination, after initial recognition, goodwill is measured at cost less any accumulated impairment losses. In case such goodwill paid for acquisition is in relation to underlying real estate project, impairment co-inside with the revenue recognition from the underlying project and accordingly impairment provision is made in line with revenue recognition. Goodwill, other than related to underlying real estate project is only tested impairment.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

### **3.8. Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

### **3.9. Inventories**

Inventory of finished units are valued at lower of cost or net realisable value.

Construction work in progress (CWIP) is valued at lower of cost or net realisable value. CWIP includes cost of land, premium or fees paid in connection with acquisition of transferable development rights, sub-development rights, initial costs for securing projects, initial premium paid on assignment/transfer of project, construction costs, cost of redevelopment, settlement of claims relating to land, and attributable borrowing cost and expenses incidental to the projects undertaken by the Company to project. In case of projects at initial stage, net realisable value is computed based on the management estimate of future realisable value.

Construction costs include all cost related to development of real estate project and exclude all costs pertaining to selling and marketing activities which are considered as indirect cost and are directly charged to the Statement of Profit and Loss.

### **3.10. Revenue recognition**

#### **(i) Revenue from contract with customer**

Revenue from contracts with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognized as follows:

**(a) Revenue from contract with customers**

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

The Group has applied model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the Restated Consolidated Financial Statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

**(ii) Finance income**

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. Finance income is included in other income in the Statement of Profit and Loss.

When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**(iii) Revenue from lease rentals and related income**

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any

**(iv) Dividend income**

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

**(v) Other income**

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Group's claim.



### **3.11. Foreign currency transaction**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

### **3.12. Employee benefits**

- Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long term benefits

#### **a. Defined contribution plan**

The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund Employee State Insurance Scheme, National Pension Scheme, and Employee Pension Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

#### **b. Post-employment benefit and other long term benefits**

The Company has defined benefit plans comprising of gratuity and other long term benefits in the form of leave benefits. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for employee benefit plan other than gratuity are recognized immediately in the Statement of Profit and Loss as income or expense.

### **3.13. Borrowing cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which

they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

### **3.14. Taxes on income**

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

### **3.15. Cash & cash equivalent**

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

### **3.16. Cash flow statement**

Cash flows are reported using the indirect method, where by net profit before tax 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. The cash flows from operating, investing and financing activities are segregated.

### **3.17. Provisions, contingent liabilities, contingent assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may,

but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **3.18. Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

### **3.19. 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 assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **3.19.1. Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified

as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

### **Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the ‘Other income’ line item.

### **Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### **Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model based on ‘simplified approach’ for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

### **De-recognition of financial asset**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also

recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **3.19.2. Financial liability and equity instrument**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the

Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

#### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

#### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

#### **Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any

directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Reclassification**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

### **3.20. Business Combinations under common control**

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the Restated Consolidated Financial Statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the Restated Consolidated Financial Statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the standalone financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

## **PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE**

### **Income**

Our income comprises of revenue from operations and other income.

### ***Revenue from operations***

Revenue from operation comprises revenue received from the sale of units in the projects developed by us as well as other operating revenue.

#### ***Other Income***

Other income comprises primarily interest income on financial assets at amortised cost on fixed deposit with bank and others, dividend income, rent income, gain on sale of short term investments reversal of provision for expected credit losses (net) brokerage and commission and miscellaneous income.

#### **Expenses**

Our expenses comprises of operating and project expense, changes in inventories of construction work in progress, employee benefit expenses, finance costs, depreciation and amortisation and other expenses.

#### ***Operating and project expenses***

Operating and project expenses include expenses towards land and development right related expenses, cost of material consumed, compensation, labour and contract expenses, professional charges, rates and taxes and other project expenses.

#### ***Changes in inventories of construction work in progress***

Changes in inventories of construction work in progress includes opening and closing of construction work in progress

#### ***Employee benefit expenses***

Employee benefit expenses include expenses towards salaries, wages and bonus, contribution to provide and other funds, gratuity expenses, leave benefit expenses and staff welfare expenses.

#### ***Finance costs***

Finance costs includes interest expenses, other borrowing costs and premium on redemption of debentures.

#### ***Depreciation and amortisation***

Depreciation and amortisation includes depreciation on property, plant and equipment, depreciation on right of use asset, software, amortisation of intangible cost and impairment of goodwill related to business combination.

#### **Other expenses**

Other expenses primarily includes rent, repair expenses, advertisement, communication, licenses, rates and taxes, publicity and sales promotion, legal, professional and consultancy charges, travelling and conveyance and miscellaneous expenses.



## RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our consolidated results of operations for the periods indicated:

(₹ in million, except unless stated otherwise)

Particulars	For the period ended October 31, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)
<b>INCOME</b>								
Revenue from operations	1,096.24	99.27	2,399.87	98.36	869.28	97.73	345.84	96.58
Other income	8.05	0.73	40.11	1.64	20.16	2.27	12.25	3.42
<b>Total income</b>	<b>1,104.29</b>	<b>100.00</b>	<b>2,439.98</b>	<b>100.00</b>	<b>889.44</b>	<b>100.00</b>	<b>358.09</b>	<b>100.00</b>
<b>Expenses</b>								
Operating and project expenses	983.94	89.10	1,641.95	67.29	962.61	108.23	945.14	263.94
Changes in inventories of construction work in progress	(660.85)	(59.84)	(223.11)	(9.14)	(850.01)	(95.57)	(1,246.71)	(348.15)
Employee benefit expenses	56.27	5.10	76.12	3.12	64.24	7.22	50.64	14.14
Finance costs	509.95	46.18	792.07	32.46	644.61	72.47	528.17	147.50
Depreciation and amortisation	19.96	1.81	23.87	0.98	17.84	2.01	5.89	1.64
Other expenses	31.32	2.84	38.62	1.58	26.88	3.02	53.27	14.88
<b>Total expenses</b>	<b>940.59</b>	<b>85.18</b>	<b>2,349.52</b>	<b>96.29</b>	<b>866.17</b>	<b>97.38</b>	<b>336.40</b>	<b>93.94</b>
<b>Profit before tax</b>	<b>163.70</b>	<b>14.82</b>	<b>90.46</b>	<b>3.71</b>	<b>23.27</b>	<b>2.62</b>	<b>21.69</b>	<b>6.06</b>
Tax expense								
- Current tax	45.99	4.16	28.20	1.16	7.47	0.84	4.01	1.12
- Deferred tax charge/ (credit)	(1.24)	(0.11)	(0.51)	(0.02)	0.64	0.07	1.45	0.40
<b>Total tax expense</b>	<b>44.75</b>	<b>4.05</b>	<b>27.69</b>	<b>1.13</b>	<b>8.11</b>	<b>0.91</b>	<b>5.46</b>	<b>1.52</b>
<b>Profit after tax</b>	<b>118.95</b>	<b>10.77</b>	<b>62.77</b>	<b>2.57</b>	<b>15.16</b>	<b>1.70</b>	<b>16.23</b>	<b>4.53</b>

## **Seven months period ended October 31, 2021**

### **Income**

Our total income was ₹ 1,104.29 million in the seven months period ended October 31, 2021.

#### *Revenue from operations*

Revenue from operations was ₹1,096.24 million in the seven months period ended October 31, 2021. As percentage of total income, revenue from projects was 99.27% in seven months period ended October 31, 2021. Our revenue from operations in the seven months period ended October 31, 2021, included revenue from sales of units in our projects.

#### *Other Income*

Other income was ₹8.05 million in the seven months period ended October 31, 2021. Our other income in the seven months period ended October 31, 2021, consisted of interest income on financial assets at amortised cost on fixed deposit with bank of ₹ 1.40 million and on other of ₹ 0.34 million, dividend income of ₹ 0.01 million, rent income of ₹ 0.78 million, reversal of provision for expected credit losses (net) of ₹ 5.19 million and miscellaneous income of ₹ 0.33 million. As a percentage of total income, other income was 0.73% in seven months period ended October 31, 2021.

### **Expenses**

Total expenses were ₹940.59 million in seven months period ended October 31, 2021. As a percentage of total income, total expenses were 85.17% in the seven months period ended October 31, 2021.

#### *Operating and project Expenses*

Operating and project expenses was 983.94 million in seven months period ended October 31, 2021. Our operating and project expenses in the seven months period ended October 31, 2021, consisted of land and development right related expenses of ₹80.27 million, cost of material consumed of ₹38.06, compensation of ₹79.44 million, labour and contract expenses of ₹327.87 million, professional charges of ₹37.86 million, rates and taxes of ₹353.24 million and other project expenses of ₹67.20 million. As a percentage of total income, operating and project expenses was 89.10% in the seven months period ended October 31, 2021.

#### *Changes in inventories of construction work in progress*

Expenses relating to changes in inventories of construction work in progress were (₹660.85) million in the seven months period ended October 31, 2021. As a percentage of total income, changes in inventories of construction work in progress were (59.84)% in the seven months period ended October 31, 2021.

#### *Employee benefits expense*

Employee benefit expenses were ₹56.27 million in the seven months period ended October 31, 2021. As a percentage of total income, employee benefit expenses were 5.10% in the seven months period ended October 31, 2021. Salary, wages and bonus were ₹51.49 million, gratuity expenses were ₹2.14 million, other employee costs of ₹2.64 million in the seven months period ended October 31, 2021.

#### *Finance Cost*

Finance costs were ₹509.95 million in the seven months period ended October 31, 2021. Interest expenses was ₹416.22 million, other borrowing costs were ₹10.16 million and premium on redemption of debentures were ₹83.57 million in the seven months period ended October 31, 2021. As a percentage of total income, finance costs were 46.18% in the seven months period ended October 31, 2021.

#### *Depreciation and amortisation*

Depreciation and amortisation expenses were ₹19.96 million in the seven months period ended October 31, 2021. As a percentage of total income, depreciation and amortisation expenses were 1.81% in the seven months period ended October 31, 2021.

#### *Other Expenses*

Other expenses were ₹31.32 million in the seven months period ended October 31, 2021. As a percentage of total income, other expenses were 2.84% in the seven months period ended October 31, 2021. Other expenses in the seven months period ended October 31, 2021 primarily consisted of rent of ₹3.41 million, advertisement, publicity and sales promotion of ₹9.84 million, legal, professional and consultancy charges of ₹6.73 million, travelling and conveyance of ₹2.63 million and miscellaneous expenses of ₹1.22 million.

#### **Profit before Tax**

For the reasons discussed above, profit before tax was ₹163.70 million in the seven months period ended October 31, 2021.

#### *Tax Expense*

Our tax expenses in the seven months period ended October 31, 2021 were ₹44.75 million, including ₹45.99 million of current tax. In addition, there was a deferred tax expenses of (₹1.24) million in the seven months period ended October 31, 2021.

#### **Profit after tax for the period**

Profit for the period was ₹118.95 million in the seven months period ended October 31, 2021 resulting in a profit margin of 10.77%.

#### **Fiscal 2021 compared to Fiscal 2020**

##### **Income**

Our total income for Fiscal 2021 was ₹2,439.98 million as compared to ₹889.44 million for Fiscal 2020, representing an increase of 174.33%.

##### *Revenue from operations*

Our revenue from operations for the Fiscal 2021 was ₹2,399.87 million as compared to ₹869.28 million for the Fiscal 2020, representing an increase of 176.08%. This was primarily due to increase in sales on account of increase in sale volume of our projects namely, Palette (Dadar) and Ocean Star (Prabhadevi) and reduction of stamp duty from 5% to 2%.

##### *Other Income*

Other income for the Fiscal 2021 was ₹40.11 million as compared to ₹20.16 million for Fiscal 2020, representing an increase of 98.96%.

##### **Expenses**

The total expenses incurred by our Company in the Fiscal 2021 was ₹2,349.52 million as compared to ₹866.17 million for the Fiscal 2020, representing an increase of 171.25%. Our total expenditure comprises of operating and project expenses, changes in inventories of construction work in progress, employee benefit expenses, finance costs, depreciation and amortisation and other expenses.

##### *Operating and project expenses*

Operating and project expenses for Fiscal 2021 was ₹1,641.95 million as compared to ₹962.61 million for Fiscal 2020, representing an increase of 70.57%. The increase was primarily due to increase in development of new projects.

#### *Changes in inventories of construction work in progress*

Changes in inventories of construction work in progress for Fiscal 2021 was (₹223.11) million as compared to (₹850.01) million for Fiscal 2020, representing an decrease of 73.75%. The decrease was primarily due to increase in sales on account of reduction in sharp stamp duty in Maharashtra.

#### *Employee benefit expenses*

Our employee benefit expenses for the Fiscal 2021 was ₹76.12 million as compared to ₹64.24 million during the Fiscal 2020, representing an increase of 18.49%. This was primarily due to increase in hiring of manpower for upcoming projects.

#### *Financial costs*

Our finance cost for the Fiscal 2021 was ₹792.07 million as compared to ₹644.61 million during the Fiscal 2020, representing an increase of 22.88%. This was primarily due to increase in drawdown of existing sanction limits for construction and development of Ongoing Projects.

#### *Depreciation and amortisation expenses*

Our depreciation and amortisation expense for the Fiscal 2021 was ₹23.87 million as compared to ₹17.84 million during the Fiscal 2020, representing an increase of 33.80%. This increase was primarily due to purchase of fixed assets such as property, plant and equipment.

#### *Other expenses*

Other expenses for the Fiscal 2021 was ₹38.62 million as compared to ₹26.88 million for the Fiscal 2020, representing an increase of 43.68%. The increase was mainly due to increase in rent, legal and professional charges, and other miscellaneous expenses.

#### *Profit before Tax*

For the reasons discussed above our profit/(loss) before tax for the Fiscal 2021 was ₹90.46 million as compared to ₹23.27 million for the Fiscal 2020, representing an increase of 288.74%.

#### *Tax expense*

Total tax expense for the Fiscal 2021 was ₹27.69 million as compared to ₹8.11 million for the Fiscal 2020. The increase in tax expense is due to increase in our profit before tax during the Fiscal 2021.

#### *Profit / (loss) for the period*

As a result of the above, our restated profit/ (loss) for the Fiscal 2021 was ₹62.77 million as compared to ₹15.16 million for the Fiscal 2020. Our profit margin increased from 1.70% in Fiscal 2020 to 2.57% in Fiscal 2021.

### **Fiscal 2020 compared to Fiscal 2019**

#### **Income**

Our total income for Fiscal 2020 was ₹889.44 million as compared to ₹358.09 million for Fiscal 2019, representing an increase of 151.38%.

### *Revenue from operations*

Our revenue from operations for the Fiscal 2020 was ₹869.28 million as compared to ₹345.84 million for the Fiscal 2019, representing an increase of 151.35%. This was primarily due to increase in sales on account of increase in sale volume of our projects namely, Palette Project (Dadar) and Louisandra (Prabhadevi).

### *Other Income*

Other income for the Fiscal 2020 was ₹20.16 million as compared to ₹12.25 million for Fiscal 2019, representing an increase of 64.54%.

### **Expenses**

The total expenses incurred by our Company in the Fiscal 2020 was ₹866.17 million as compared to ₹336.40 million for the Fiscal 2019, representing an increase of 157.48%. Our total expenditure comprises of operating and project expenses, changes in inventories of construction work in progress, employee benefit expenses, finance costs, depreciation and amortisation and other expenses.

### *Operating and project expenses*

Operating and project expenses for Fiscal 2020 was ₹962.61 million as compared to ₹945.14 million for Fiscal 2019, representing an increase of 1.85%. The increase was primarily due to increase in compensation and professional charges incurred towards development of Ongoing Project.

### *Changes in inventories of construction work in progress*

Changes in inventories of construction work in progress for Fiscal 2020 was (₹850.01) million as compared to (₹1,246.71) million for Fiscal 2019, representing a decrease of 31.82%. The decrease was primarily on account of sales of our projects namely, Palette (Dadar) and Louisandra (Prabhadevi).

### *Employee benefit expenses*

Our employee benefit expenses for the Fiscal 2020 was ₹64.24 million as compared to ₹50.64 million during the Fiscal 2019, representing an increase of 26.86%. This was primarily due to increase in hiring of manpower for Upcoming Projects.

### *Financial costs*

Our finance cost for the Fiscal 2020 was ₹644.61 million as compared to ₹528.17 million during the Fiscal 2019, representing an increase of 22.05%. This was primarily due to increase in debt for land acquisition and construction of Ongoing Projects.

### *Depreciation and amortisation expenses*

Our depreciation and amortisation expense for the Fiscal 2020 was ₹17.84 million as compared to ₹5.89 million during the Fiscal 2019, representing an increase of 202.89%. This increase was primarily due to set up of new registered and corporate office and furniture and fixtures.

### *Other expenses*

Other expenses for the Fiscal 2020 was ₹26.88 million as compared to ₹53.27 million for the Fiscal 2019, representing a decrease of 49.54%. The increase was mainly due to decrease in rent, legal and professional charges and other miscellaneous expenses.

### *Profit before Tax*

For the reasons discussed above our profit/(loss) before tax for the Fiscal 2020 was ₹23.27 million as compared to ₹21.69 million for the Fiscal 2019, representing an increase of 7.27%.

#### *Tax expense*

Total tax expense for the Fiscal 2020 was ₹8.11 million as compared to ₹5.46 million for the Fiscal 2019. The increase in tax expense is due to increase in profit before tax in Fiscal 2020.

#### *Profit / (loss) for the period*

As a result of the above, our restated profit/ (loss) for the Fiscal 2020 was ₹15.16 million as compared to ₹16.23 million for the Fiscal 2019. Our profit margin decreased from 4.53% in Fiscal 2019 to 1.70% in Fiscal 2020.

## **LIQUIDITY AND CAPITAL RESOURCES**

We have historically financed our working capital requirements and the expansion of our business and operations primarily through funds generated from our operations and borrowings. From time to time, we may obtain loan facilities to finance our working capital requirements.

### **Cash Flows**

The following table sets forth certain information relating to our cash flows in the periods indicated:

	<i>(₹ in million)</i>			
<b>Particulars</b>	<b>As on October 31, 2021</b>	<b>Fiscal 2021</b>	<b>Fiscal 2020</b>	<b>Fiscal 2019</b>
Net cash generated / (used in) from operating activities	126.26	(149.31)	(317.10)	(531.80)
Net cash (used in)/ from investing activities	(151.58)	(68.41)	(146.64)	(42.16)
Net cash (used in)/ from financing activities	19.43	269.57	448.12	592.77
Net increase/ (decrease) in cash and cash equivalents	(5.89)	51.85	(15.62)	18.81

### **Operating Activities**

#### ***Seven months period ended October 31, 2021***

In the seven months period ended October 31, 2021, net cash generated/ (used in) operating activities was ₹126.26 million and the operating profit before working capital changes was ₹676.51 million. The change in working capital was primarily due to decrease in loans, trade receivable and other assets of ₹146.03 million, increase in inventories of (₹650.85) million and decrease in trade payable, other liabilities and provisions of (₹37.78) million.

#### ***Fiscal 2021***

In the Fiscal 2021, net cash generated/ (used in) operating activities was (₹149.31) million and the operating profit before working capital changes was ₹893.51 million. The change in working capital was primarily due to increase in loans, trade receivable and other assets of (₹468.60) million, increase in inventories of (₹223.10) million and decrease in trade payable, other liabilities and provisions of (₹339.20) million.

#### ***Fiscal 2020***

In the Fiscal 2020, net cash generated/ (used in) operating activities was (₹317.10) million and the operating profit before working capital changes was ₹675.00 million. The change in working capital was primarily due to increase in loans, trade receivable and other assets of (₹93.88) million, increase in inventories of (₹850.01) million and decrease

in trade payable, other liabilities and provisions of (₹41.73) million.

### ***Fiscal 2019***

In the Fiscal 2019, net cash generated/ (used in) operating activities was (₹531.80) million and the operating profit before working capital changes was ₹533.06 million. The change in working capital was primarily due to decrease in loans, trade receivable and other assets of (₹7.46) million, increase in inventories of (₹1,246.70) million and increase in trade payable, other liabilities and provisions of ₹176.89 million.

### **Investing Activities**

#### ***Seven months period ended October 31, 2021***

In seven months period ended October 31, 2021, net cash (used in)/ from investing activities was (₹151.58) million primarily on account of purchase of property, plant and equipment of (₹4.73) million, investment made in subsidiary/ associate of (₹164.70) million, proceeds from sale of investment of ₹0.03 million, interest income of ₹1.74, dividend income of ₹0.01 million and decrease in bank balances of ₹16.24 million.

#### ***Fiscal 2021***

In Fiscal 2021, net cash (used in)/ from investing activities was (₹68.41) million primarily on account of purchase of property, plant and equipment of (₹24.23) million, sale of property, plant and equipment of ₹0.72 million, investment made in subsidiary/ associate of (₹0.20) million, proceeds from sale/ redemption of investment of ₹4.27 million and increase in bank balances of (₹48.54) million.

#### ***Fiscal 2020***

In Fiscal 2020, net cash (used in)/ from investing activities was (₹146.64) million primarily on account of purchase of property, plant and equipment of (₹54.19) million, sale of property, plant and equipment of ₹0.10 million, investment made in subsidiaries/ associate of (₹129.40) million, proceeds from sale of investment of (₹0.01) million, proceeds from sale/ redemption of investment of ₹2.96 million, dividend income of ₹0.01 million and decrease in bank balance of ₹34.27 million.

#### ***Fiscal 2019***

In Fiscal 2019, net cash (used in)/ from investing activities was (₹42.16) million primarily on account of purchase of property, plant and equipment of (₹5.50) million, interest income of ₹3.38, dividend income of ₹0.01 million and increase in bank balances of (₹39.71) million.

### **Financing Activities**

#### ***Seven months period ended October 31, 2021***

In seven months period ended October 31, 2021, net cash (used in)/ from investing activities was (₹19.43) million primarily on account of proceeds from long term borrowings (net) of ₹756.56 million, repayment of long term borrowings of (₹497.16) million, proceeds from / (repayment) of short term borrowings of ₹226.46 million and interest paid of (₹466.43) million.

#### ***Fiscal 2021***

In Fiscal 2021, net cash (used in)/ from investing activities was ₹269.57 million primarily on account of proceeds from long term borrowings (net) of ₹2,065.67 million, repayment of long term borrowings of (₹1,145.93) million, proceeds from / (repayment) of short term borrowings of ₹111.41 million and interest paid of (₹761.58) million.

#### ***Fiscal 2020***

In Fiscal 2020, net cash (used in)/ from investing activities was ₹448.12 million primarily on account of proceeds from long term borrowings (net) of ₹2,163.29 million, repayment of long term borrowings of (₹885.04) million, proceeds from / (repayment) of short term borrowings of (₹87.13) million and interest paid of (₹743.00) million.

### **Fiscal 2019**

In Fiscal 2019, net cash (used in)/ from investing activities was ₹592.77 million primarily on account of proceeds from long term borrowings (net) of ₹2,259.69 million, repayment of long term borrowings of (₹1,422.01) million, proceeds from / (repayment) of short term borrowings of ₹103.09 million and interest paid of (₹348.00) million.

### **FINANCIAL INDEBTEDNESS**

As of December 31, 2021, we had outstanding indebtedness of ₹ 6,684.89 million. The following table sets forth certain information relating to our outstanding indebtedness as of December 31, 2021:

Category of Borrowing	Sanctioned amount (₹ in Millions)	Principal Amount as of 31 December 2021 (₹ in million)	Outstanding
<b>Secured Loans</b>			
<i>Fund based facilities</i>			
(i) Term loans	5,447.64		3,716.10
(ii) Working capital facilities	200.00		59.49
(iii) Vehicle Loans	2.17		1.64
(iv) Debenture	2,650.00		2,074.28
<i>Non fund based facilities</i>			
(v) Bank Guarantee	90.00		39.75
<b>Total Secured Loans (A)</b>	<b>8,389.81</b>		<b>5,891.26</b>
<b>Unsecured Loans</b>			
Working capital facilities	-		793.64
<b>Total Unsecured Loans (B)</b>	<b>-</b>		<b>793.64</b>
<b>Grand Total (A + B)</b>	<b>8,389.81</b>		<b>6,684.90</b>

For further details, see “Financial Indebtedness” on page 290.

### **CAPITAL COMMITMENT AND CONTINGENT LIABILITIES**

#### **Capital Commitment**

The estimated amount of capital commitments to be executed on capital accounts and not provided for is Nil, as at October 31, 2021, March 31, 2021, 2020 and 2019 (Net of advances).

#### **Contingent Liabilities**

The following table sets forth certain information relating to our contingent liabilities:

Particulars	(₹ in million)			
	As at October 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>(i) Claims against the Company/ disputed liabilities not acknowledged as debts</b>				
Disputed income tax demands	51.73	51.73	4.15	4.15
<b>(ii) Guarantee given by the bank on behalf</b>				



Particulars	As at October 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>of Company and group entities</b>				
Guarantee given by bank to Government Authorities of on behalf of the Company	37.25	37.25	12.25	61.70

Notes:

- (a) In respect of (i) above, future cash outflows (including interest/ penalty, if any) are determinable on receipt of judgement from tax authorities/ settlement of claims or non-fulfilment of contractual obligations. Further, the Company does not expect any reimbursement in respect of above. In respect of (ii) above, Company does not expect any cash outflow till such time contractual obligations are fulfilled by the companies for which guarantees are issued.
- (b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- (c) The Company does not have outstanding term derivative contracts as at the end of respective years / period.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

Except as disclosed in our Restated Consolidated Financial Information or otherwise in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

#### **RELATED PARTY TRANSACTIONS**

We enter into various transactions with related parties in the ordinary course of business. For further details relating to our related party transactions, see "*Financial Statements – Restated Consolidated Financial Statements – Note 42 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures After considering the effect of Consolidation*" on page 273.

#### **QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

##### ***Market Risk***

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The predominant currency of the Group's revenue and operating cash flows is Indian Rupees (INR). There is no foreign currency risk as there is no outstanding foreign currency exposure at the year end. Our risk management approach seeks to manage and control market risk exposures within acceptable parameters, while optimising the return. The predominant currency of the company's revenue and operating cash flows is Indian Rupees (INR).

##### ***Interest Rate Risk***

Interest rate risk is a risk that primarily arises from floating rate that we pay on our borrowings with banks and financial institutions. We are exposed to the effects of fluctuations in the prevailing levels of market rates on our financial position. The Company has taken term loans from bank and financial institutions. The Company does not expose to the risk of changes in market interest rates as Company's long and short term debt obligations are of fixed interest rate. Therefore, there are no interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

##### ***Credit Risk***

Credit risk arises from the possibility that customers or counter party to financial instruments may not be able to meet their obligations. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and

others, as well as credit exposures to customers, including outstanding receivables. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable.

### ***Liquidity Risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation. Our management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets

## **OTHER QUALITATIVE FACTORS**

### ***Unusual or Infrequent Events or Transactions***

To our knowledge there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

### ***Significant Dependence on a single or few suppliers or customers***

Other than as described in this Draft Red Herring Prospectus particularly in "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 27 and 293, respectively, there is no dependence on a single or few customers or suppliers.

### ***Known Trends or Uncertainties***

Our business has been impacted and we expect will continue to be impacted by the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*" beginning on pages 297 and 27, respectively. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors that we expect to have a material adverse impact on our revenues or income from operations.

### ***Total Turnover of Each Major Industry Segment***

For the seven months ended October 31, 2021 and Financial Years 2021, 2020 and 2019, we have one primary business activity and operate in one industry segment, which is development of real estate.

### ***Significant Economic Changes that Materially Affected or are likely to Affect Income from Operations***

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "*Risk Factors*" and "*Industry Overview*" on pages 27 and 112, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

### ***Future relationship between Cost and Income***

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages on pages 27, 159 and 293, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition

### ***Status of any publicly announced new products or business segment, if applicable***

Except as disclosed in "*Our Business*" on page 159, we have not announced and do not expect to announce in the

near future any new products or business segments.

### **Competitive Conditions**

We operate in a competitive environment. See “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 159, 112 and 27, respectively, for further details on competitive conditions that we face in our business.

### **Seasonality of Business**

Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities to some extent and fully utilize our resources. Our sales may also increase during the last quarter of every Fiscal. Otherwise, we generally do not believe that our business is seasonal.

## **SUMMARY OF RESERVATION, QUALIFICATIONS, ADVERSE REMARKS AND EMPHASIS OF MATTERS BY AUDITORS**

Except as stated below our Statutory Auditors has not provided or highlighted any reservations/ qualifications/ adverse remarks/ emphasis of matters in their audit reports on the audited consolidated financial statements for the seven months period ended October 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019:

<b>Period</b>	<b>Reservations/ Adverse Remarks/ Matter</b>	<b>Qualifications/ Emphasis of</b>	<b>Particulars</b>
Fiscal year 2019	Audit modification/ requiring adjustments in the Restated Consolidated Financial Statement are as follows: Qualification given in standalone IGAAP Financial Statement of one of the subsidiary of the Company (M/s Accord Estates Private Limited) for the financial year ended 31 <sup>st</sup> March 2019,	Qualifications/	<p>The Subsidiary has not provided interest on term loan taken from India Infoline Limited amounting to ₹ 112.50 million and to that extent financial statement will undergo change”.</p> <p>Management comment: Restatement has been made in the Restated Consolidated Financial Statement for the respective financial year. (Refer Note 55 (d) (vii) (II)</p> <p>There are no other modification/ qualification other than as stated above.</p>
Fiscal year 2021, 2020 and 2019	Emphasis of matters not requiring adjustments to Restated Consolidated Financial Statement		<p>1) Emphasis of matter for the financial year ended 31<sup>st</sup> March, 2021 in standalone IGAAP financials of subsidiary of the Company, Accord Estates Private Limited: its policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 – Employee Benefits. However, Statutory Auditor’s opinion is not qualified in respect of this matter.</p> <p>2) Emphasis of matter for the period ended 31<sup>st</sup> March, 2020 in standalone IGAAP financials of Suraj Estate Developers Limited and subsidiary of the Company, Accord Estates Private Limited: Company’s policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 – Employee Benefits. However, Statutory Auditor’s opinion is not qualified in respect of this matter.</p> <p>3) Emphasis of matter for the period ended 31<sup>st</sup> March, 2019 in standalone IGAAP financials of Suraj Estate Developers Limited and subsidiary of the Company, Accord Estates Private Limited: Company’s policy of providing for gratuity on the payment basis and not on actuarial valuation as per AS 15 - Employee Benefits. However, Statutory Auditor’s opinion is not qualified in respect of this matter.</p>

Period	Reservations/ Adverse Remarks/ Matter	Qualifications/ Emphasis of	Particulars
			<p>Management comment: Actuarial valuation has been carried for all the reported period and appropriate adjustment has been made in Restated Consolidated Financial Statement. Refer note 55(d)(i).</p>

## SIGNIFICANT DEVELOPMENTS AFTER OCTOBER 31, 2021

Other than as disclosed below and in this Draft Red Herring Prospectus, including under “*Our Business*”, “*Risk Factors*” on pages 159 and 27 and in this section, to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

### 1. Details of Secured Borrowings availed by our Company and our Subsidiaries:

Suraj Estate Developers Limited has availed borrowing in the form of Secured Non - Convertible Debentures from India Real Estate Investment Fund C/o ICICI Ventures Funds Management Company Limited on 16.11.2021 of Rs. 400.00 at Rate of Interest at 17.25% p.a. for term of 3 years and 1 Month for the purpose of Part Financing for Development of Project and Refinancing of Loan, out of which 300.00 Million is outstanding as on December 31, 2021.

Skyline Realty Private Limited has availed borrowing in the form of Secured Non - Convertible Debentures from Nippon India Yield Plus AIF Scheme II C/o. Nippon Life India AIF Management Limited on 08.11.2021 of Rs. 300.00 at Rate of Interest at 18.25% p.a. for term of 3 years and 10 months for the purpose of Part Financing for Development of Project. Out of which 125.00 Million is outstanding as on December 31, 2021.

### 2. Details of Change in Profit Sharing Ratio in Subsidiaries as per IND AS 110:

#### a. M/s. S.R. Enterprises

Rajan Meenathakonil Thomas and our Company entered into an addendum to the partnership agreement dated November 10, 2021 pursuant to which our Company holds a 95% in profit and sharing ratio each in the Firm.

#### b. M/s New Siddharth Enterprises

Rajan Meenathakonil Thomas and our Company entered into an Addendum to the Partnership Deed dated November 10, 2021 pursuant to which our Company holds a 95% in profit and loss sharing ratio each in the Firm.

#### c. M/s Mulani and Bhagat Associates

Rajan Meenathakonil Thomas, Rahul Rajan Jesu Thomas and our Company entered into an addendum to the partnership deed dated November 10, 2021 pursuant to which our Company holds a 95% in profit and loss sharing ratio each in the Firm.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Subsidiaries, Promoter or our Directors (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Financial Years including any outstanding action.

In terms of the Materiality Policy, any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 1% of the total revenue from operations and other income, on a consolidated basis, as per the Restated Consolidated Financial Statements for the Financial Year 2021 would be considered material for our Company. For the Financial Year 2021, our total revenue from operations and other income as per the Restated Consolidated Financial Statements is ₹2,439.98 million. Accordingly, the following types of litigations involving the Relevant Parties have been considered as 'material', and accordingly disclosed in this Draft Red Herring Prospectus, as applicable:

- a) pending civil litigations involving the Relevant Parties which involve an amount of or equal to more than the monetary amount of ₹24.40 million; or
- b) other than the litigations covered in (a) above, pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed ₹24.40 million; or
- c) where the monetary liability in the pending civil litigations is not quantifiable or doesn't meet the monetary threshold as provided in (a) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, not be considered as 'material' until such time that the Relevant Parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial/arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 7.08 million, which is 5% of the total outstanding dues (trade payables) as per the latest fiscal in the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on October 31, 2021, any outstanding dues exceeding ₹ 7.08 million have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended..

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

#### I. LITIGATIONS INVOLVING OUR COMPANY

##### A. Outstanding criminal litigations involving our Company

###### *Criminal litigation against our Company*

A Criminal Revision Application No. 982 of 2019 was filed by Vincent D'souza ("**Petitioner**") against Our Company ("**Accused No. 1**") and the Superintendent of City Survey Land Records Department ("**Accused No. 2**") (collectively, "**Accused**") challenging the order dated June 26, 2019 ("**Order**") passed by 5<sup>th</sup> Metropolitan Magistrates Court, Dadar dismissing the criminal complaint bearing C.C. No. 102/SW/2018 filed by the Complainant (said,

**“Complaint”**). The Complainant claims that the said complaint was filed against the Accused for offence of forgery along with other offences under section 34, 406, 417, 420, 462, 463, 467 and 471 of the Indian Penal Code, 1860 allegedly committed by the Accused relating to the Survey Records pertaining final plot no. 888 of Mahim Division Town Planning Scheme No. IV in the Registration District and Sub District of Bombay and previously bearing Survey No. 1763 (part) and Cadastral Survey No. 2/1261 of Mahim Division situate, lying and being at Gokhale Road, Dadar West, Mumbai 400028. The Complainant has prayed to set aside the said Order passed by the 5<sup>th</sup> Metropolitan Magistrates Court, Dadar. The matter is currently pending.

#### ***Criminal litigations initiated by our Company***

There are 2 complaints initiated by our Company against different parties for alleged violation of Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881 (**“NI Act”**) for dishonour of cheques. These are complaints initiated under the NI Act, in the ordinary course of its business, where cheques issued by various parties in favour of our Company were dishonoured due to insufficient funds in parties’ accounts. The aggregate amount involved in these complaints is ₹ 7.98 million and our Company has sought for appropriate reliefs under the NI Act. These complaints are currently pending.

#### **B. Other outstanding Material litigation involving our Company**

##### ***Civil litigations against our Company***

1. A suit no. 875 of 2011 was filed by Our Lady of Vailankanni and Perpetual Succour Co-Operative Housing Society Limited (**“Plaintiff”**) against St. Michaels Church (**“Defendant No. 1”**), Rev. Fr. Salvadore Rodrigues being the sole trustee of Defendant No. 1 (**“Defendant No. 2”**) and our Company (**“Defendant No. 3”**), collectively, **“Defendants”**) before the City Civil Court Bombay for injunction on the illegal activities carried out by our Company on the property situated at Cadastral Survey No. 1208 and 1/1208 of Mahim Division Final Plot No. 557 of Town Planning Scheme, Bombay City No. III, Mahim Area admeasuring about 14,850 square yards with the building and structures standing thereon (**“Suit Property”**). The Plaintiff claims that as per the original sanction plan approved by Municipal Corporation of Greater Bombay (**“MCGM”**), the Plaintiff has been allotted area for construction of the redeveloped building along with a sanctioned area for three garden spaces. The Plaintiff has alleged that our Company has without the consent of the Plaintiff got another plan sanctioned from the MCGM for construction of additional two buildings on the said Suit Property on the area which was earmarked for aforesaid three garden spaces in the original plan sanctioned by the MCGM. The Plaintiff has further alleged that, our Company is not entitled to construct any building on the said Suit Property where in the gardens are already sanctioned as per the subsequent plan sanctioned by MCGM. The Plaintiff has sought for an injunction restraining the Defendant No. 3 their agents, servants, contractors, representative or any other person claiming through Defendant No. 3 from carrying on any activity on the Suit Property and a direction to the Defendants to comply with the statutory obligations under the Maharashtra Ownership Flats Act, 1963 and all benefits arisen thereon. The matter is currently pending.
2. A writ petition no. 1638 of 2016 was filed by Our Lady of Vailankanni and Perpetual Succour Co-Operative Housing Society Limited and Others (collectively, **“Petitioners”**) against our Company, Rajan Meenathakonil Thomas (**“Our Promoter”**), Sujatha R. Thomas (**“Our Non-Executive Director”**) and Others (collectively, **“Respondents”**) before the Bombay High Court for challenging the No Objection Certificate no. R/NOC/F-64SI3301/MBRRB dated June 25, 2012 issued by the Maharashtra Housing and Area Development Authority (**“MHADA”**) and Mumbai Building Repairs and Reconstruction Board (**“MBRRB”**) to our Company. MHADA and MBRRB have issued a No Objection Certificate to our Company on January 1, 2008 (**“NOC”**) whereby our Company was granted an FSI of 2.5 and which was increased to FSI of 3 vide a letter dated June 25, 2012 for the property situated at plot of land bearing Final Plot No. 557 of Town Planning Scheme No. III, Mahim C.T.S. No. 1208, 1208/1 at Mahim (**“Suit Property”**). The Petitioners have alleged that the NOC was issued to our Company for construction of two high rise buildings on the said Suit Property which were originally reserved for recreational gardens and the same is in violation of provisions of law and breach of fundamental rights of the Petitioners and other occupants of the Suit Property. The Petitioners have *inter alia* prayed to issue a writ declaring NoC and aforesaid letter dated June 25, 2012 be cancelled as void, illegal and arbitrary, and to restrain our Company

from carrying out any construction activities on the Suit Property till the disposal of the petition. The matter is currently pending.

***Civil litigations initiated by our Company***

As on the date of this Draft Red herring Prospectus, there are no outstanding Civil Litigations initiated by our Company.

**C. Outstanding Consumer Litigations involving our Company**

***Consumer Litigations against our Company***

There are 25 consumer complaints initiated by Vincent D’souza against our Company under the Consumer Protection Act, 2019 challenging various NOCs issued by various government authorities in favour of our Company, development agreement executed between our Company and Hilda D’souza, deed of conveyance executed between our Company and Hilda D’souza and Power of Attorneys of late Hilda D’souza, Fr. Roque Lobo, Elizabeth and Diago Lobo with respect to redevelopment of final plot no. 888 of Mahim Division Town Planning Scheme No. IV in the Registration District and Sub District of Bombay and previously bearing Survey No. 1763 (part) and Cadastral Survey No. 2/1261 of Mahim Division situate, lying and being at Gokhale Road, Dadar West, Mumbai 400028. The aggregate consolidated amount involved in such complaints is ₹ 13.19 million. The complaints are currently pending.

***Consumer Litigations initiated by our Company***

As on the date of this Draft Red Herring Prospectus, there are no outstanding Consumer Litigations initiated by our Company.

**D. Outstanding actions 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.

**E. Outstanding tax proceedings involving our Company**

Particulars	No. of Cases	Amount Involved (₹ in million)
Direct Tax	5	10.08*
Indirect Tax	Nil	Nil
<b>Total</b>	<b>5</b>	<b>10.08*</b>

\*Includes an amount of Rs. 1.10 million paid under Vivad se Vishwas (VSV) scheme.

**II. LITIGATIONS INVOLVING OUR SUBSIDIARIES**

**A. Outstanding Criminal Litigations involving our Subsidiaries**

***Criminal litigation against our Subsidiaries.***

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Subsidiaries.

**Criminal litigation initiated by our Subsidiaries.**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Subsidiaries.

**B. Outstanding Material Litigations initiated by our Subsidiaries**

### *Civil litigations against our Subsidiaries*

1. A writ petition (stamp no.) 15503 of 2021 has been filed by Dilip Vithal Narvekar (“**Petitioner**”) against Municipal Corporation of Greater Mumbai (“**Respondent No. 1**”), The Assistant Commissioner, G North Ward (“**Respondent No. 2**”), Skyline Realty Private Limited (“**Skyline Realty/ Respondent No. 3**”) and Lawoo Vithal Narvekar (“**Respondent No. 4**”, collectively, “**Respondents**”) challenging the Order dated May 14, 2021 (said “**Order**”) passed by Respondent No. 2 cancelling the NOC issued u/no. ACGN/339/AETP(I) dated December 29, 2020 (“**NOC**”) granted to Skyline Realty for rehabilitation of the Petitioner, who is the occupant of the Contravening Structure as defined in Development Control & Promotion Regulation – 2034 (DCPR 2034) in the redevelopment project being constructed on final plot No. 751 – 752 and part of final plot bearing no. 753 of the Town Planning Scheme No. IV of Mahim area admeasuring about 664.72 sq. meters bearing C.S. No. 109 of Mahim Division situated at MTNL Lane, Dadar West, Mumbai (said “**Property**”). The Petitioner claims to be an occupant of Room No. 10 of one of the contravening structure stood on the said Property and has executed and registered a Permanent Alternate Accommodation Agreement with Skyline Realty after receiving the NOC by Skyline Realty from Respondent No. 2. The Petitioner further claims to have handed over the possession of the aforesaid contravening structure pursuant to Skyline Realty receiving necessary permissions from the statutory authorities. The Petitioner has alleged that being jealous of newly constructed property being allotted to the Petitioner, Respondent No. 4 (being a part of the extended family of the Petitioner) filed a false and frivolous complaint before the Respondent No. 2 challenging the demolition of contravening structure of said Property by Respondent no. 3. The Plaintiff has further alleged that Respondent No. 2 without providing an opportunity to Petitioner and Skyline Realty has passed the said Order cancelling the NOC granted to Respondent No. 3. The Petitioner has prayed for setting aside the said Order passed by Respondent No. 2. The matter is currently pending.
2. A Commercial Suit No. 55 of 2021 has been filed by Umesh Moroba Sanzgiri and others (collectively, “**Plaintiffs**”) against Accord (“**Accord**”) (“**Defendant**”) before the Bombay High Court for specific performance of Development Agreement dated November 5, 2002 read with Supplementary Agreement dated August 25, 2009 and Supplementary Agreement dated July 25, 2017 (“**Suit Contracts**”) executed between the Plaintiffs and Accord wherein Accord agreed to develop a piece of land admeasuring 785.59 square mts. bearing Cadastral Survey No. 5/78 corresponding to Final Plot No. 1170 Town Planning Scheme -IV at Mahim Division, Kashinath Dhuru Road, Dadar (West), Mumbai – 400 028 (“**Suit Property**”) owned by the Plaintiffs in exchange for monetary consideration along with four flats being Flat Nos. 1001, 1101, 1201 and 1301 on 10<sup>th</sup> to 13<sup>th</sup> Floors respectively along with 4 car parking spaces in the stilt and 4 parking spaces (“**said Parking Spaces**”) of the Plaintiff’s choice (“**Suit Flats**”) in open in the building known as ‘Mangirish Apartments’ (“**Suit Building**”) constructed by Accord on the said Suit Property. The Plaintiffs have alleged that Accord has breached the terms of the Suit Contracts by having failed to provide possession of the Suit Flats, said Parking Spaces in the Suit Building amongst other obligations under the Suit Contracts. The Plaintiffs have inter alia prayed for a decree directing Accord to specifically perform its obligations under the Suit Contracts, to make payments to the Plaintiffs towards its obligations under the Suit Contracts and to handover possession of the Suit Flats along with the said Parking Spaces to the Plaintiffs. Accord has handed over the quiet and peaceful possession of the Suit Flats and complied with the terms of the Suit Contracts. The matter is currently pending.
3. A Commercial Suit No. 89 of 2021 has been filed by Runwal Developers Private Limited (“**Plaintiff**”) against Accord (“**Accord / Defendant**”) before Bombay High Court for a direction to Accord to pay to the Plaintiff the outstanding amount of its share of the construction costs under the Joint Development Agreement dated June 10, 2016 read with the Supplemental Agreement dated June 10, 2016, along with all other transaction documents (“**Suit Agreements**”). The Plaintiff claims that the Defendant is the owner of land admeasuring 8628 square meters or thereabouts registered in the books of the Collector of land revenue under new no. 14264 bearing a new survey no. 3/2468, Cadastral Survey No. 662 of Parel – Sewri Division, situated at G.D. Ambedkar Road, within the registration district of Mumbai City (“**larger property**”). The Plaintiff further claims to have executed the Suit Agreements with Accord to jointly develop a part of the land owned by Accord admeasuring 5045.96 square meters, out of the larger property, wherein the development was to be carried out by utilizing the FSI emanating the larger property and developing new buildings thereon, one of which is to be a free-sale building and the other to be handed over to the MHADA (“**Suit Property**”). The Plaintiff has alleged that Accord has failed to pay an aggregate amount of ₹428.05 million towards construction costs for



the redevelopment of the Suit Property under the Suit Agreements. The Plaintiff has prayed for an order directing Accord to pay to the Plaintiff an amount of ₹428.05 million towards Accord's share of construction costs under clause 6 of the Joint Development Agreement read with Annexure 'D' of the Suit Agreements. The matter is currently pending.

4. Writ Petition (Stamp) No. 23117 of 2021 has been filed by Samad Aziz Khan (“**Petitioner**”) against the Municipal Corporation of Greater Mumbai (“**MCGM**”/“**Respondent No. 1**”), Maharashtra Housing and Area Development Authority (“**MHADA**”/“**Respondent No. 2**”), Accord Estates Private Limited (“**Accord/ Respondent No. 3**”), and Others. (collectively, "**Respondents**") before the Bombay High Court for seeking restoration of the property of Aisubai Haji Mahmud Saleh Haji Zakeria Patel Wakf Alal Aulad Trust, bearing no. 14264, New Survey No. 3/2468, Cadastral Survey No. 662 admeasuring about 8268 square meter situated at Parel Sewree Division, Mahadevchi Wadi, G.D. Ambedkar Marg (Old Name Parel Tank Road) Parel Mumbai 400012 (“**Subject Property**”). The Chief Executive Officer (“**CEO**”) of the Maharashtra State Waqf Board (“**Waqf Board**”) initiated an enquiry under section 51 r/w Section 25 of the Waqf Act, 1995, on basis a complaint filed by one of the tenants, by issuing a notice dated January 11, 2010 (“**Notice**”). Accord replied to the said notice inter-alia contending that the Subject Property purchased by it by a deed of Conveyance dated February 6, 1988 was not a Waqf Property (i.e. a property given in the name of God for religious and charitable purposes) and as such the provisions of the Waqf Act, 1995 did not apply to the Subject Property purchased by it and challenged the notice by filing a Writ Petition No. 449 of 2010 before the Bombay High Court. The CEO of Waqf Board by an order dated March 11, 2010 (“**Order**”) withdrew the notice dated January 11, 2010. The Petitioner in this writ petition claims that Subject Property has been recorded and registered as a Waqf Property. The Petitioner has alleged that Mutavallis being the trustee of the Waqf Board in spite of knowing the Subject Property to be Waqf Property had executed an Agreement of Sale dated September 17, 1981 in favour of Amar Shanbag and pursuant to that Accord and Amar Shanbag and Mutavallis entered into a deed of conveyance on February 6, 1988 for the Subject Property. The Petitioner has relied on an order dated May 11, 2012 passed by the Supreme Court (“**Order 2**”) directing to maintain status quo and to restrain all those in the management of Waqf Properties from alienating and or encumbering Waqf Properties till the disposal of SLP No. 31288 – 31290 of 2011. However, the Subject Property being purchased by us from Wakf Alal Aulad (Private Waqf) the Order 2 shall not be binding on Accord. The Petitioner has alleged that in spite of the directions passed by the Supreme Court, Accord has continued its illegal construction on the Subject Property. The Petitioner has accordingly sought for directions to maintain status quo on constructions on the Subject Property as stated in the order dated May 11, 2012 passed by the Supreme Court and for appointment of court receiver/ commissioner on the Subject Property and accordingly direct Respondent No. 1 to 3 to cancel all development permissions, by removing all constructions done on the said Waqf Property.
5. A Writ Petition No. 7564 of 2021 has been filed by Vasundhara Janardhan Wadekar (“**Petitioner**”) against Vilas Vikram Nangare (“**Respondent No. 1**”), Accord Estates Private Limited (“**Accord/ Respondent No. 2**”), Competent Authority – Konkan Division (“**Respondent No. 3**”), Additional Commissioner – Konkan Division (“**Respondent No. 4**”) and State of Maharashtra through its Principal Secretary, Revenue Department (“**Respondent No. 5**” together with Respondent Nos. 1 to 4 referred to as “**Respondents**”) before the Bombay High Court challenging the order dated October 25, 2021 passed by the Respondent No. 4 in Revision Application No. 486 of 2021 (“**Impugned Order**”) *inter alia* refusing to stay the orders dated April 6, 2021 passed in Eviction Application No. 25 of 2020 wherein the Petitioner and Accord were directed to handover the possession of Flat No. 406, 4<sup>th</sup> Floor, A – Wing, Shiweree Azad Nagar, Co-operative Housing Society Ltd, Aacharya Donde Marg, Azad Nagar Shiweree, Mumbai 400 015 (“**said Property**”) to Respondent No. 1. The Petitioner has further challenged the order dated October 18, 2021 in Execution Application No. 69 of 2021 wherein Superintendent was appointed as Execution Officer to execute the warrant of possession in respect of the said Property with permission to breakdown of lock if found at the time of execution, both passed by the Respondent No. 3 under section 24 of the Maharashtra Rent Control Act, 1999. The Petitioner has sought an order quashing and setting aside the Impugned Order dated October 25, 2021 passed by Respondent No. 4 in Revision Application No. 486 of 2021 and an order staying the effect, implementation and operation of the Impugned Order dated October 25, 2021 passed by the Respondent No. 4 in Revision Application No. 486 of 2021.
6. A Writ Petition No. 7566 of 2021 has been filed by Praveen Janardhan Wadekar (“**Petitioner**”) against Munnidevi Gangaprasad Gupta aka Munni Gangaram Gupta (“**Respondent No. 1**”), Accord Estates Private

Limited (“**Accord/ Our Subsidiary Company**”) (“**Respondent No. 2**”), Competent Authority – Konkan Division (“**Respondent No. 3**”), Additional Commissioner – Konkan Division (“**Respondent No. 4**”) and State of Maharashtra through its Principal Secretary, Revenue Department (“**Respondent No. 5**” together with Respondent Nos. 1 to 4 referred to as “**Respondents**”) before the Bombay High Court challenging the order dated October 25, 2021 passed by the Respondent No. 4 in Revision Application No. 487 of 2021 *inter alia* refusing to stay the orders dated April 6, 2021 in Application No. 24 of 2020 wherein the Petitioner and Accord were directed to handover the possession of Flat No. 405, 4<sup>th</sup> Floor, B – Wing, Shiweree Azad Nagar, Co-operative Housing Society Ltd, Acharya Donde Marg, Azad Nagar Shiweree, Mumbai 400 015 (“**Property**”) to Respondent No. 1 and order dated October 18, 2021 in Execution Application No. 70 of 2021 (“**Impugned Order**”) wherein Superintendent was appointed as Execution Officer to execute the warrant of possession in respect of the said Property with permission to breakdown of lock if found at the time of execution, both passed by the Respondent No. 3 under section 24 of the Maharashtra Rent Control Act, 1999. The Petitioner has sought an order quashing and setting aside the Impugned Order dated October 25, 2021 passed by Respondent No. 4 in Revision Application No. 487 of 2021 and an order staying the effect, implementation and operation of the Impugned Order dated October 25, 2021 passed by the Respondent No. 4 in Revision Application No. 487 of 2021. The matter is currently pending.

#### *Civil litigations initiated by our Subsidiaries.*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Subsidiaries.

#### **C. Outstanding Consumer Litigations involving our Subsidiaries**

##### *Consumer litigations against our Subsidiaries*

A consumer case no. 22/3 was filed by Laxmi Janardhan Solakar since deceased through Mangesh Janardhan Solakar (“**Complainant**”) against Accord Estates Private Limited (“**Accord**”) (“**Respondent No. 1**”), Rajan Meenathakonil Thomas (“**Our Promoter**”) (“**Respondent No. 2**”) and Rahul Jesu Thomas (“**Our Whole-time Director**”) (“**Respondent No. 3**” collectively, “**Respondents**”) under section 35 of the Consumer Protection Act, 2019 for deficiency in service and unfair trade practices. The Complainant has claimed to be the owner of premises no. 15, in chawl no. 2, admeasuring 265 square feet in the building known as Mahadevachi Wadi, G.D. Ambedkar Marg, Parel, Mumbai – 400 012 (“**Suit Property**”). The Complainant had entered into a redevelopment agreement with the Respondents on March 19, 2007 and revised agreement dated April 20, 2012 where Accord agreed to provide a flat of 300 square feet carpet area to each and every member of the society in the redeveloped building. The possession of the flat no. 402 was handed over by Accord on January 15, 2015 in the redeveloped building. The Complainant has alleged that pursuant to the handover of the flat by the Accord, the Complainant found out that there were irregularities in the flat no. 402, Wing No. 3, Mahadevachiwadi, G.D. Ambedkar Marg, Parel Mumbai – 400 012 handed over to the Complainant and accordingly, the Complainant vide various letters brought the irregularities of Accord in the notice of the MHADA. MHADA appointed an architect to measure the area of each and every flat of the redeveloped building on the Suit Property. The Complainant has further alleged that as per the report of the architect there was a difference of 7.46 square feet in the flat owned by the Complainant and approximately 7 to 8 square feet in every flat of the redeveloped building on the suit property. The Complainant has prayed for a direction against Accord to hand over possession of additional 7.46 square feet or to pay the Complainants an aggregate amount of ₹ 0.29 million as compensation for the difference of 7.64 square feet towards the flat owned by the Complainant. The Complainant has also prayed for an additional compensation for ₹ 0.5 million from the Respondents. The matter is currently pending.

##### *Consumer Litigations initiated by our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding consumer litigations initiated by our Subsidiaries.

#### **D. Outstanding actions by Statutory or Regulatory Authorities against our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Subsidiaries.

#### **E. Outstanding Tax proceedings involving our Subsidiaries**

(₹ in million)

<b>Particulars</b>	<b>No. of Cases</b>	<b>Amount Involved</b>
Direct Tax	2	39.16*
Indirect Tax	Nil	Nil
<b>Total</b>	<b>2</b>	<b>39.16*</b>

\*M/s. New Siddhartha Enterprises: Amount not ascertainable. Income tax authorities made an addition of Rs. 22.58 million as 'Income from other sources' to the Total income of M/s. New Siddhartha Enterprises for Assessment Year 2018-19 vide its Assessment Order dated August 27, 2021 under Section 143(3) read with Section 144B of the Income Tax Act, 1961. Further, the M/s. New Siddhartha Enterprises has filed an Appeal filed with CIT(A) against the said Assessment Order.

### **III. LITIGATIONS INVOLVING OUR PROMOTER**

#### **A. Outstanding criminal litigations involving our Promoter**

##### *Criminal litigations against our Promoter*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoter.

##### *Criminal litigations initiated by our Promoter*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoter.

#### **B. Other outstanding litigations involving our Promoter**

##### *Civil litigations against our Promoter*

Except as disclosed in "Civil Litigations against our Company" above on page 331 and "Consumer litigations against our Subsidiaries" above on page 335, there are no outstanding civil litigations against our Promoter.

##### *Civil litigations initiated by our Promoter*

Except as disclosed in "Civil Litigation initiated by our Company" above on page 332, there are no outstanding civil litigations initiated by our Promoter.

#### **C. Outstanding actions by Statutory or Regulatory authorities against our Promoter**

As on the date of this Draft Red Herring Prospectus, there are no outstanding action initiated by Statutory or Regulatory authorities against our Promoter.

#### **D. Outstanding tax proceedings against our Promoter**

Except as disclosed in "Outstanding Litigation involving Directors" on page 330, there are no outstanding tax proceedings against our Promoter.

### **IV. LITIGATIONS INVOLVING OUR DIRECTORS**

#### **A. Criminal litigations involving our Directors**

##### *Criminal litigations against our Directors*

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Directors.

***Criminal litigations initiated by our Directors***

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Directors.

**B. Other outstanding litigations involving our Directors.**

***Civil litigations against our Directors***

Except as disclosed in “Civil Litigations against our Company” above on page 331 and “Consumer litigations against our Subsidiaries” above on page 335, there are no outstanding civil litigations against our Directors.

***Civil litigations initiated by our Directors***

Except as disclosed in “Civil litigations initiated by our Company” above on page 332, there are no outstanding civil litigations initiated by our Directors.

**C. Outstanding actions by Statutory or Regulatory Authorities against any of our Directors**

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

**D. Outstanding tax proceedings involving our Directors**

Particulars	No. of Cases	Amount Involved
Direct Tax	2	4.70*
Indirect Tax	Not applicable	Not applicable
<b>Total</b>	2	4.70*

\*Rs. 4.07 million paid by the Promoter, Rajan Meenathakonil Thomas and Rs. 0.63 million paid by the Non-Executive Director of our Company, Sujatha Thomas under Vivad se Vishwas (VSV) Scheme.

**Outstanding dues to creditors**

Our Board, in its meeting held on January 19, 2022 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company on consolidated basis, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest Restated Consolidated Financial Statements was outstanding, were considered ‘material’ creditors.

As per the latest Restated Consolidated Financial Statements, our total trade payables as on March 31, 2021 was ₹ 141.62 million and accordingly, creditors to whom outstanding dues exceed ₹ 7.08 million have been considered as ‘material’ creditors’ for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as on October 31, 2021 by our Company on consolidated basis are set out below:

Types of Creditors	Number of Creditors	Amount involved* (in ₹ million)
Micro, small and medium enterprises	9	5.41
Material Creditors	1	15.13
Other Creditors	229	101.04
<b>Total</b>	<b>239</b>	<b>121.58</b>

\*All the Figures of creditors have been rounded off to the nearest Million (with two places of decimal)

The details pertaining to net outstanding dues towards our material creditors as on October 31, 2021 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.surajestates.com](http://www.surajestates.com). It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

### **Material Developments**

Except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation – Material developments since the last balance sheet date*” on page 293, no circumstances have arisen since October 31, 2021, the date of the last Restated Consolidated Financial Statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in “Risk Factors” on page 27, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental, statutory and regulatory authorities in India, which are material and necessary for undertaking our current business activities and operations. Except as disclosed below, no further key approvals are required for carrying on the present business activities and operations of our Company and our Material Subsidiary. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Further, unless otherwise stated, these approvals are in respect of business and operations of our Company and our Material Subsidiary. For details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” on page 185.

In view of the key approvals listed below, our Company can undertake this Issue and our Company and Material Subsidiary can undertake their respective current business activities and operations.

### I. Approvals in relation to the Issue

For the approvals and authorisations obtained by our Company in relation to the Issue, see “Other Regulatory and Statutory Disclosures – Authority for the Issue” on page 341.

### II. Corporate approvals

For details regarding the approvals and authorisations obtained by our Company and our Material Subsidiary, in relation to their incorporation, see “History and Certain Corporate Matters” and “Our Subsidiaries” on pages 193 and 199, respectively.

### III. Tax related approvals of our Company

1. Permanent account number AAACS8375H issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
2. Tax deduction account number MUMS42876B issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
3. GST registration number 27AAACS8375H1Z0 issued for the State of Maharashtra.
4. Profession tax registration issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

### IV. Business related key approvals

We are required to obtain approvals at various stages of each of our projects, including upon completion of the respective projects or phases thereof. Such approvals typically include, *inter alia*, layout plan approval from the Municipal Corporation, commencement certificate, intimation of disapproval, occupancy certificate from the municipal corporation, RERA registration certificate and other applicable project specific approvals. The requirement for such approvals for a particular project may vary depending on factors including the scale of the project, type of project, i.e., residential or commercial and the region where the project is located. Further, our obligation to obtain such approvals arises as we progress through different stages of construction and we make applications for such approvals at the appropriate stages. For details of our Projects, see “Our Business –Business Operations” on page 167.

#### A. List of key approvals for the completed projects of our Company and our Material Subsidiary:

Occupancy certificates and part occupancy certificates.

#### B. List of key approvals for the ongoing projects of our Company and our Material Subsidiary:

1. Commencement certificates issued by the Municipal Corporation of Greater Mumbai.


2. Intimation of Disapproval issued by the Municipal Corporation of Greater Mumbai.
3. Consent to establish issued by Maharashtra Pollution Control Board, wherever applicable.
4. Environmental clearances issued by Government of Maharashtra, wherever applicable.
5. Amended plan approval letters issued by the Municipal Corporation of Greater Mumbai.
6. Registrations under the RERA obtained from the Maharashtra Real Estate Regulatory Authority.

**V. Other approvals of our Company and our Material Subsidiary, as applicable**

1. Shops and establishments registrations under the applicable provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2017, for our offices, issued by the ministry or department of labour of relevant State Government. These licenses are periodically renewed, whenever applicable.
2. Employees State Insurance registrations issued by the Employees' State Insurance Corporation under the Employees' State Insurance Act, 1948.
3. Provident Fund registrations issued by the Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

**VI. Intellectual property rights related approvals of our Company**

As on the date of this Draft Red Herring Prospectus, the following trademark application made by our Company under the Trade Marks Act, 1999, has been objected:

Sr. No.	Particulars of the mark	Application Number	Class	Date of Application
1.	 <p>SURAJ ESTATE DEVELOPERS PVT LIMITED</p>	4890467	37	March 4, 2021

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Issue has been authorized by a resolution of our Board dated January 19, 2022, and the Issue has been authorized by a special resolution of our Shareholders, dated January 25, 2022 in terms of Section 23, 62(1)(c) and all other applicable provisions, if any of the Companies Act.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on February 21, 2022 and by our IPO Committee on March 4, 2022.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoter, members of the promoter group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Directors and Promoter are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI nor declared as fraudulent borrower.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### **Confirmation under Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### **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 THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, CENTRUM CAPITAL LIMITED AND ANAND RATHI ADVISORS 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 ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs**



**HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 4, 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 THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

**Disclaimer from our Company, our Promoter, our Directors and the BRLMs**

Our Company, our Promoter our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.surajestates.com](http://www.surajestates.com), or respective websites of any of the members of our Promoter Group, Group Companies, any affiliate of our Company or our Subsidiaries would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company (to the extent of themselves and their Issued Shares) and the BRLMs to the Bidders and public at large and no selective or additional information would be made 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.

Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

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, our Promoter, members of the Promoter Group, Subsidiaries and their respective affiliates or associates 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 or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders will be required to confirm, and will be deemed to have represented to our Company, the Underwriters 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 applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLMs and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

**Disclaimer in respect of jurisdiction**

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Issue 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, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), 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, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform 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 the 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.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India.

**No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

#### **Directors associated with the Securities Market**

None of the Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

#### **Eligibility and Transfer Restrictions**

Our Company is eligible for the Issue in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

*“Any 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 issue 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 Issue to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000 failing which, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other 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 compliances 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 make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of SEBI ICDR Regulations area as follows:

- a. None of our Company, our Promoter, members of our promoter group or our Directors are debarred from accessing the capital markets by the SEBI.
- b. None of our Promoter or Directors are promoter of directors of companies which are debarred from accessing the capital markets by SEBI.
- c. None of our Company, our Promoter or Directors is a willful defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.
- d. None of our Director or our Promoter has been declared a Fugitive Economic Offender.
- e. 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.
- f. Our Company, along with the Registrar to the Company, has entered into tripartite agreements dated November 15, 2021 and October 28, 2021 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
- g. The Equity Shares of our Company held by our Promoter are in dematerialised form; and
- h. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

**The Equity Shares offered in the Issue 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.**

**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.**

**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 BSE. The disclaimer clause as intimated by BSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

#### **Disclaimer clause of NSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

### **Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Issue and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Draft Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. If our Company does not allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall 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.

### **Consents**

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Indian legal counsel to our Company, Indian legal counsel to the BRLMs, the Bankers to our Company, architect, Statutory Auditors and the Registrar to the Issue have been obtained; and the consents in writing of the Syndicate Members, Escrow Collection Banks, Public Issue Account Bank, Refund Bank, and Sponsor Bank to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

### **Expert opinion**

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

Our Company has received written consent from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Consolidated Financial Statements dated January 19, 2022 and in respect of the statement of possible tax benefits dated March 4, 2022. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

### **Particulars regarding public or rights issues undertaken by our Company and listed group companies, subsidiaries or associate entities during the last five years**

There have been no public issues or rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

### **Commission or brokerage on previous issues of the Equity Shares during the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

### **Capital Issues in the preceding three years**

Except as disclosed in the section entitled “*Capital Structure*” on page 83, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. None of our Group Companies are listed on any stock exchange. Accordingly, none of our Group Companies have made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

**Performance *vis-à-vis* objects - Public/ rights issue of our Company**

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Performance *vis-à-vis* objects: Public/ rights issue of the listed Subsidiaries and listed Promoter**

As of the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary company or any listed corporate promoter.

## Price information of past issues handled by the BRLMS

### Centrum Capital Limited

1. Price information of past issues handled by Centrum Capital Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	-	-	-	-	-	-	-	-

2. Summary statement of price information of past issues handled by Centrum Capital Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*The information is as on the date of the document

### Anand Rathi Advisors Limited

1. Price information of past issues handled by Anand Rathi Advisors Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Paras Defence and Space Technologies Limited*	1,707.78	175	October 01, 2021	475.00	+435.77% [+0.92%]	+321.77% [-1.63%]	NA
2.	Anand Rathi Wealth Limited	6,593.75	550	December 14, 2021	602.05	+12.38% [+5.22%]	NA	NA

Source: [www.bseindia.com](http://www.bseindia.com)

\*BSE as the designated stock exchange

Note:

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. Change in closing price over the closing price as on the listing date, 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; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days.
6. A discount of Rs. 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
7. NA means Not Applicable, Period not completed.

2. Summary statement of price information of past issues handled by Anand Rathi Advisors Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	2	8,301.53	NA			1	-	1	NA			NA		

\*The information is as on the date of the document

Source: www.bseindia.com

Note: 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:

S. No.	Name of the BRLM	Website
1.	Centrum Capital Limited	www.centrum.co.in
2.	Anand Rathi Advisors Limited	www.rathi.com

## Stock market data of the Equity Shares

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Issue, in the manner provided below.**

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIIs applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

The Company shall register for authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, in relation to redressal of investor grievances through SCORES before filing of Red Herring Prospectus.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, 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, in accordance with the provisions of the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, 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 non-allotted/ partially-allotted applications for the stipulated period. In an event there is a delay in redressal of investor grievances in



relation to unblocking of amounts beyond the date of receipt of the complaint, the Book Running Lead Managers shall be liable to compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. There are no investor complaint in relation to our Company pending as on the date of this Draft Red Herring Prospectus. Our Group Companies are not listed on any stock exchange.

Our Company, the BRLMs and the Registrar to the Issue accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **Disposal of investor grievances by our Company**

Our Company estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 to 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Shivil Kapoor, our Company Secretary, as our Compliance Officer. For details, please see the section entitled “*General Information*” on page 74.

Further, our Board has constituted the Stakeholders Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For further information, please see the section entitled “*Our Management – Stakeholders Relationship Committee*” on page 217. 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 listed Group Companies and Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Group Companies are not listed on any stock exchange, and therefore there are no investor complaints pending against them. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary.

#### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

As on the date of this Draft Red Herring Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

## SECTION VII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the confirmation of allocation notes (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Issue.

#### Ranking of the Equity Shares

The Equity Shares being offered and allotted in the Issue will be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further information, please see the sections entitled “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 231 and 382, respectively.

#### Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and other applicable laws including any guidelines or directives that may be issued by the Government of India in this respect.

Any dividends declared by our Company, after the date of Allotment, will be payable to the Allottees for the entire year, in accordance with applicable law. For further information, please see the section entitled “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 231 and 382, respectively.

#### Face Value and Price Band

The face value of each Equity Share is ₹ 5 each. The Floor Price of the Equity Shares is ₹ [●] per Equity Share and the Cap Price of the Equity Shares is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Managers, and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective 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. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Managers, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

#### Issue related expenses

The Issue comprises of fresh Issue of Equity Shares.

All Issue related expenses shall be borne by our Company. For further details in relation to Issue related expenses, see “*Objects of the Issue*” on page 93.

## **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 law and our Articles of Association, our equity Shareholders will have the following rights:

- Right to receive dividends, if declared.
- Right to attend general meetings and exercise voting powers, unless prohibited by law.
- Right to vote on a poll either in person or by proxy, 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 any surplus on liquidation subject to any statutory and preferential claims being satisfied.
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law.
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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 “*Description of Equity Shares and Terms of the Articles of Association*” on page 382.

## **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing 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 Issue:

- Tripartite agreement dated November 15, 2021 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated October 28, 2021 amongst our Company, CDSL and Registrar to the Issue.

## **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Issue will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, see “*Issue Procedure*” on page 361.

## **Joint Holders**

Subject to the provisions of the AoA, 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.

## **Jurisdiction**

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

## **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, 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 to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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 nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. 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 and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon 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, our 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, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised 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.

### **Withdrawal of the Issue**

Our Company, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank (in case of RIIs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Managers will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue 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) filing of the Prospectus with the RoC. If our Company, in consultation with the Book Running Lead Managers withdraws the Issue after the Bid/Issue 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.

## Bid/Issue Programme

<b>BID/ISSUE OPENS ON</b>	<input type="checkbox"/> (1)
<b>BID/ISSUE CLOSES ON</b>	<input type="checkbox"/> (2)

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

(2) *Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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

<b>Event</b>	<b>Indicative Date</b>
Bid/ Issue Closing Date	<input type="checkbox"/>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about <input type="checkbox"/>
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about <input type="checkbox"/>
Credit of Equity Shares to demat accounts of Allottees	On or about <input type="checkbox"/>
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about <input type="checkbox"/>

*\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law, 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/Issue 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/Issue Closing Date by the SCSB responsible for causing such delay in unblocking.*

*The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021*

**The above timetable is indicative and does not constitute any obligation or liability on our Company or Book Running Lead Managers.**

**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/Issue Closing Date or such other period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the Book Running Lead Managers, 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.**

In terms of the UPI Circulars, in relation to the Issue, 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/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**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 the Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.**

Submission of Bids (other than Bids from Anchor Investors):

<b>Bid/Issue Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Issue Closing Date</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- a. until 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- b. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On Bid/Issue 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 Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and in any case no later than 1:00 p.m. IST on the Bid/ Issue Closing Date.. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue 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 the Issue. Bids and revisions in Bids will be accepted only during Working Days. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Issue period. 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 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, in consultation with the Book Running Lead Managers reserve the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the 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.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and Sponsor Banks, as applicable. In case of revision of price band, the Bid lot shall remain the same.**

### **Minimum Subscription**

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Issue on the Bid/Issue Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Issue Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, 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 every Director of our Company, who are officers in default, shall pay interest prescribed under the applicable law.

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 money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with the applicable law.

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 Selling Shareholders, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

### **Arrangements for Disposal of Odd Lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital of our Company, lock-in of our Promoter's minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*", beginning on page 83 and except as provided under the AoA, 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 AoA. For details, see "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 382.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

## ISSUE STRUCTURE

Issue of up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating to ₹5,000 million.

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

The face value of the Equity Shares is ₹ 5 each. The Issue is being made through the Book Building Process.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/allocation <sup>(2)</sup>	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and RIIs	Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and NIIs
Percentage of Issue size available for Allotment/allocation	Not less than 75% of the Issue size shall be available for allocation to QIBs.  However 5% of the QIB Category (excluding the Anchor Investor Portion) shall 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 balance QIB category (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion, if any, will be available for allocation to other QIBs	Not more than 15% of the Issue or the Issue less allocation to QIB Bidders and RIIs will be available for allocation	Not more than 10% of the Issue or the Issue less allocation to QIB Bidders and NIIs will be available for allocation
Basis of Allotment if respective category is oversubscribed <sup>(3)</sup>	Proportionate as follows (excluding the Anchor Investor Portion):  (a) [●] Equity Shares shall be allocated 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.  (c) Up to 60% of the QIB Portion (up to [●] Equity Shares) may be allocated on a discretionary basis to	Proportionate	The allotment to each RII 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, please see “Issue Procedure” beginning on page 361



Particulars	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
	Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bidding	Through ASBA process only (except for Anchor Investors)		
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, excluding QIB portion, subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply <sup>(4)</sup>	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices which are classified as Category II FPIs and registered with SEBI such that the Bid Amount exceeds ₹ 200,000 in value.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
	set up by the Government of India, 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 Systemically Important NBFC		
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids</p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) including UPI ID in case of RIIs, that is specified in the ASBA Form at the time of submission of the ASBA Form</p>		
Mode of Bid	Only through the ASBA process (except for Anchor Investors)		

(1) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 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 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. 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. For further information, please see the section entitled "Issue Procedure" on page 361.

(2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in accordance with Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (excluding the Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining the QIB Category (excluding the Anchor Investor Portion) for proportionate allocation to QIBs. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange in accordance with applicable law. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. In terms of Rule 19(2)(b) of the SCRR, the Equity Shares issued in this Issue shall aggregate to at least such percentage of the post-Issue Equity Share capital of our Company (calculated at Issue Price) that will be at least ₹ 5,000 million.

(3) Assuming full subscription in the Issue.

(4) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application

*Form. 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. The signature of only such 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.*

- (5) *In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them. For further information on terms of payment applicable to Anchor Investors, please see the section entitled “Issue Procedure – Payment into Anchor Investor Escrow Account” on page 377.*

*Bidders will confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares 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, the Company, 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 Equity Shares.*

The Bids by FPIs with certain structures as described under the section “Issue Procedure” on page 361 and having 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 Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the Manager and the Designated Stock Exchange, on a proportionate basis.

## ISSUE 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 SEBI 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 Issue especially in relation to the process for Bids by RIIs 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 Issue; (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 Issue; (vi) General instructions (limited to instructions for completing the Bid Form); designated date, disposal of applications and electronic registration of bids (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 RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such 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 RIIs (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue 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 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, have introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular has come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/ Issue 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. The BRLMs shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead

*managers shall continue to coordinate with intermediaries involved in the said process.*

*Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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.*

*Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### **Book Building Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, 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 case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, the full Bid Amounts shall be refunded in accordance with SEBI ICDR Regulations and other applicable laws. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the 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

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●]% of the post Issue paid-up Equity Share capital of our Company. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment 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, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the SEBI UPI Circulars in relation to streamlining the process of public issue of inter alia equity shares. Pursuant to the SEBI 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 RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days 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 SEBI 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, an RII 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 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has 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 RIIs 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 is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

The Issue 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/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in [●] editions of the English national daily newspaper [●],[●] editions of the Hindi national daily newspaper [●] and [●] editions of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation on or prior to the Bid/Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

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 Retail Individual Investors using the UPI.

Pursuant to the UPI Circulars, 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 Circulars 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 penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLMs will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

### **Electronic registration of Bids**

- (a) The Designated Intermediary may register the Bids using the online 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 online facilities for Book Building on a regular basis before the closure of the Issue.
- (b) On the Bid/Issue 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/Issue Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Issue Period after

which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide (i) the bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the SEBI UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue process.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

<b>Category</b>	<b>Colour of Bid cum Application Form *</b>
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	[●]
Anchor Investors <sup>**</sup>	[●]

\* Excluding electronic Bid cum Application Forms

\*\*Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

<sup>^</sup> *Electronic Bid cum Application forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com)*

The relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIIs using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

In case of ASBA forms, the relevant Designated Intermediaries shall capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For RIIs Bidding using UPI Mechanism, 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 UPI Mandate Request to RIIs, for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. 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/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs Bidding using through the UPI Mechanism 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 NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (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 Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details 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.

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 a daily basis and share reports with the Book Running Lead Managers 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.

For ASBA Forms (other than RIIs Bidding using UPI Mechanism) 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.

**The Equity Shares 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made. 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 the BRLMs, the Syndicate Members and their associates and affiliates.**

**Participation by our Promoter and member of the Promoter Group of the Company, the Book Running Lead Managers and the Syndicate Members and persons related to Promoter/Promoter Group/the Book Running Lead Managers.**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any



manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Category 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.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLMs;
- (ii) insurance companies promoted by entities which are associate of the BRLMs;
- (iii) AIFs sponsored by the entities which are associate of the BRLMs;
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs; or
- (v) Person related to Promoter and the members of the Promoter Group.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our Promoter or Promoter Group:

- (i) rights under a shareholders' agreement or voting agreement entered into with our Promoter or Promoter Group;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLMs" if:

- (i) 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
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to 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 net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded funds, or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of our 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. Eligible NRIs bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) accounts, and Eligible NRIs bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of RIBs using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Participation of Eligible NRIs in the Issue shall be subject to the FEMA NDI Rules. Only bids accompanied by payment in Indian rupees or fully convertible 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 restrictions on investment by NRIs, please see the section entitled “*Restrictions on Foreign Ownership of Indian Securities*” on page 380.

#### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, are required to be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids by HUFs may be considered at par with Bids from individuals.

#### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of the post Issue paid-up capital.

If the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI 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. While the aggregate limit as provided above could have been decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (“MIM”) structure

- 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 I 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.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules, amended from time to time.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Pursuant to the repeal of the SEBI VCF Regulations, 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 fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible

funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules, amended from time to time.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**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 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 in consultation with the BRLMs reserve 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 the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended ("Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company 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 RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under Section 6(1) of the Banking Regulation Act. A banking company would require a prior approval of the RBI to make 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. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

#### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. 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, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to

applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Bids by Provident Funds/Pension Funds**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, 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, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

#### **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, (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, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue 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.

**The information set out above is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes to 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 regulations, or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.**

#### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, 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 ₹ 250.00 million (subject to applicable laws) and pension funds

with a minimum corpus of ₹ 250.00 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

Our Company 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 such terms and conditions that our Company 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/Issue Opening Date, and will be completed on the same day.
- (e) Our Company, 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:
  - (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;
  - (ii) 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
  - (iii) 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/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchanges.
- (g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (h) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price.
- (i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days 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) shall apply in the Issue under the Anchor Investor Portion. Nor our Promoter, Promoter Group or any person related to our Promoter or members of our Promoter Group shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

- (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 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.**

### 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/Issue Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Issue Period.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of this Draft 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 in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;
6. RIIs Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
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 the relevant Designated Intermediaries;
8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original

Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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;
13. 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;
14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
17. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN 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, UPI ID (for RIIs bidding through UPI mechanism) and PAN available in the Depository database;
18. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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 [http:// www.sebi.gov.in](http://www.sebi.gov.in));
19. 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 the 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 at the time of submission of the Bid. In case of RIIs Bidding 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;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
22. Bidders (except RIIs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIIs, once the Sponsor Bank issues the Mandate Request, the RIIs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely



manner;

23. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a RII Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RII Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
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/ Issue Closing Date;
25. RIIs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
26. RIIs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
27. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI 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 Issue; and
28. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not an RIB;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. 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 Bidder;

12. 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;
13. 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);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than RIIs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. If you are RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
19. Anchor Investors should not bid through the ASBA process;
20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
22. Do not submit the GIR number instead of the PAN;
23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;
24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;
26. 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 Investors can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RII and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RII Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIIs using the UPI Mechanism;
31. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
32. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs Bidding using the UPI Mechanism; and

33. 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-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please see the section entitled “*General Information*” on page 74.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) 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/Issue 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/ Issue Closing Date by the intermediary SCSB responsible for causing such delay in unblocking. The post Issue BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For ensuring timely information to investors in relation to blocking / debit / unblocking, 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 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see “*General Information –Book Running Lead Managers*” on page 75.

**Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

**Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the issue document 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 1% of the Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Payment into Anchor Investor Escrow Account**

Our Company, in consultation with the BRLMs 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 Anchor Investor Escrow Account 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 Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Allotment Advertisement**

Our Company, the Book Running Lead Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate 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 Filing with the RoC**

- (a) Our Company and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue 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 would then be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

### **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.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders (including Anchor Investor Application Form from Anchor Investors);
- the complaints received in respect of the Issue 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/Issue Closing Date or such other period as may be prescribed by the SEBI or under any applicable law;
- 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, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue, except for fees or commission for services rendered in relation to the Issue;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue 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;
- If our Company in consultation with the Book Running Lead Managers withdraws the Issue after the Bid/Issue Closing Date but prior to Allotment and the reason thereof shall be given by our Company as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly; 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.
- Promoter’s contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the

balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- No further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Issue Price will be taken by our Company in consultation with the Book Running Lead Managers. The Issue Price will be decided by our Company in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.

#### **Utilisation of Issue Proceeds**

Our Board certifies that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the 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 unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, earlier known as Department of Industrial Policy and Promotion (“**DPIIT**”) issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government.

Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in construction-development projects (including development of townships, construction of residential/commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure and townships), subject to compliance with prescribed conditions.

The conditions prescribed are as follows:

- (i) Each phase of the construction development project would be considered as a separate project;
- (ii) The investor will be permitted to exit on completion of the project or after development of trunk infrastructure i.e., roads, water supply, street lighting, drainage and sewerage. However, a person resident outside India will be permitted to exit and repatriate foreign investment before the completion of project under automatic route, provided that a lock-in-period of three years, calculated with reference to each tranche of foreign investment has been completed. Further, transfer of stake from a person resident outside India to another person resident outside India, without repatriation of foreign investment will neither be subject to any lock-in period nor to any government approval;
- (iii) The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government/municipal/local body concerned;
- (iv) The Indian investee company will be permitted to sell only developed plots, i.e., plots where trunk infrastructure i.e., roads, water supply, street lighting, drainage and sewerage, have been made available;
- (v) The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/municipal/local body concerned; and
- (vi) The State Government/municipal/local body concerned, which approves the building/development plans, will monitor compliance of the above conditions by the developer.

Condition of lock-in period does not apply to hotels and tourist resorts, hospitals, special economic zones, educational institutions, old age homes and investment by NRIs. Additionally, foreign investment up to 100% under automatic route is permitted in completed projects for operating and managing townships, malls/shopping complexes and business centres. Consequent to such foreign investment, transfer of ownership and/or control of the investee company from persons resident in India to persons resident outside India is also permitted. However, there would be a lock-in-period of three years, calculated with reference to each tranche of foreign investment and transfer of immovable property or part thereof is not permitted during this period. Completion of the project will be determined as per the local bye-laws/rules and other regulations of State Governments.

In accordance with FEMA Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule II of the FEMA Rules, in accordance with applicable law, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company, on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA Rules, in accordance with applicable law. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

**The Equity Shares 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, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and 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 regulations, which may occur after the date of this 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 – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

### **Article 1:**

- a) The regulations contained in table “F” of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.
- b) The regulations for the management of the Company and for the observance of the Shareholders thereof and their representatives shall be such as are contained in these Articles, subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by the Companies Act, 2013.

### **INTERPRETATION**

**Article 2:** Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.

### **A. DEFINITIONS**

“**Act**” means the Companies Act, 2013, including any statutory modification or re-enactment or amendment, clarifications and notification 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.

“**Annual General Meeting**” means a general meeting of the members held as such, in accordance with the provisions of the Act.

“**Articles**” or “**Articles of Association**” mean the articles of association or re-enactment thereof for the time being in force of the Company.

“**Beneficial Owner**” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

“**The Board**” or the “**Board of Directors**” means the collective body of the Directors of the Company.

“**Capital**” means the share capital, for the time being, raised or authorised to be raised, for purposes of the Company.

“**Company**” or “**this Company**” means “**Suraj Estate Developers Limited**”.

“**Debenture**” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

“**Depositories Act 1996**” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“**Depository**” means and includes a company as defined under section 2(1)(e) of the Depositories Act, 1996.

“**Directors**” means a director appointed to the Board of the Company.

“**Dividend**” includes any interim dividend.

“**Extra-ordinary General Meeting**” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.

“**In writing**” or “**written**” include printing, lithography and other modes of representing or reproducing words in a visible form.

“**Member**” means member as defined under section 2(55) of the Companies Act, 2013

“**Memorandum of Association**” means the memorandum of association of the Company or re-enactment thereof for the time being in force.

“**Office**” means the registered office, for the time being, of the Company.

“**Paid-up Capital**” means paid up capital as defined under section 2(64) of the Act.

“**Participant**” means individual/institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.

“**Promoters**” means persons identified in accordance with the definition ascribed to such term in the Companies Act, 2013 and the regulations prescribed by SEBI.

“**Register of Members**” means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.

“**The Registrar**” means, Registrar as defined under section 2(75) of the Companies Act, 2013.

“**Secretary**” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act

“**Seal**” means the common seal, for the time being, of the Company.

“**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

“**SEBI Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Share**” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

“**Ordinary Resolution**” and “**Special Resolution**” shall have the same meaning assigned thereto by the Act.

“**Year**” means a calendar year and “**financial year**” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

## B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

- (i) References to a party shall, where the context permits, include such party’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise.

- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.
- (xi) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### **GENERAL AUTHORITY**

**Article 3:** Where the Act requires that the Company cannot undertake any act or exercise any rights or powers or privilege or authority, unless expressly authorised by its Articles, these Articles shall in relation to the Company, be deemed to confer such right, authority or power or privilege and to carry out such transaction as have been permitted by the Act.

### **CAPITAL AND INCREASE AND REDUCTION THEREOF**

**Article 4:** The Authorised Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein.

**Article 5:** The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

- (i) Equity Share Capital: with voting rights; and/or with differential rights as to dividend, voting or otherwise; and
- (ii) Preference Share Capital.

**Article 6:** The Company, in a general meeting, may, from time to time, increase the capital by the creation of new Shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

**Article 7:** Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions contained herein with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.

**Article 8:** Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

**Article 9:** On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:-

- (i) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.
- (ii) No such Shares shall be redeemed unless they are fully paid. The period of redemption in case of preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act;
- (iii) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and
- (iv) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.

**Article 10:** Subject to the provisions of the Act, the Company may issue bonus shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

**Article 11:** The Company may issue any debentures, debenture-stock or other securities at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of shares shall not be issued except with the sanction of the Company in a general meeting by a special resolution and subject to the provisions of the Act.

**Article 12:** Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

**Article 13:** Subject to Section 66 of the Companies Act, 2013, the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorised by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.

**Article 14:** Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel Shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the Shares so cancelled.

**Article 15:** Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

## **SHARES AND CERTIFICATES**

**Article 16:** The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.

**Article 17:** The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.

**Article 18:** Further Issue of Shares

(a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then, such further Shares shall be offered to:

(a) the persons who at on date specified under the applicable law, are holders of the Equity Shares of the Company, in proportion by sending a letter of offer subject to the conditions set below, as near as circumstances admit, to the capital paid up on those Shares at that date:

(i) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined;

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (i) hereof shall contain a statement of this right provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him;

(iii) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company; or

(b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under the law

(b) Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons, if it is authorised by a special resolution, (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed in the Act and the rules made thereunder.

(c) The notice referred to in sub-clause (a) of clause (i) hereof shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 (three) days before the opening of the issue.

(d) Nothing in sub-clause (c) of (i) hereof shall be deemed:

(a) To extend the time within the offer should be accepted; or

(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation.

(e) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company. Provided that the terms of issue of such Debentures or the terms of such loans include a term containing such an option have been approved before the issue of such

debentures or the raising of loan by a special resolution passed by the Company in general meeting.

- (f) The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act and other applicable provisions of the Act and rules framed thereunder.

**Article 19: Shares at the disposal of the Board**

Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being, the Shares shall be under the control of the Board who may issue, allot or otherwise dispose of 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 or discount, subject to Sections 53 and 54 of the Act, and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give any person or persons the option or right to call for any Shares either at par or premium or discount, subject to Sections 53 and 54 of the Act, during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. 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. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

**Article 20:** In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.

**Article 21:** Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Register shall, for the purpose of these Articles, be a member.

**Article 22:** The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

**Article 23:** Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.

**Article 24:**

- (i) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within the time specified by the law applicable at the time. Every certificate of shares shall be in the form and manner specified in the Articles and in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.
- (ii) Particulars of every Share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

- (iii) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.
- (iv) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

**Article 25:**

- (i) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall on any Share may carry interest but shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.
- (ii) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “Issued in lieu of Share Certificate No. \_\_\_ sub-divided/replaced/on consolidation of Shares”.
- (iii) If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees in accordance with law applicable at the time and as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “DUPLICATE. Issued in lieu of Share Certificate No. \_\_\_” The word “DUPLICATE” shall be stamped or punched in bold letters across the face of the Share certificate.
- (iv) Where a new Share certificate has been issued in pursuance of clause (i) or clause (iii) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the “Remarks” column.
- (v) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.

(vi) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (vi) of this Article.

(vii) All books referred to in clause (vii) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.

**Article 26:** If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments of calls due in respect of such Share and for all incidents otherwise.

**Article 27:** Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.

**Article 28:** Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.

**Article 29:** Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the SEBI, Registrar and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

## COMMISSION AND BROKERAGE

**Article 30:** Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of Section 40 of the Act, and such commission may be satisfied in any such manner, including the allotment of the fully or partly paid up Shares or Debentures, as the case may be, as the Board thinks fit and proper.

**Article 31:** Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

## CALLS

**Article 32:** The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

**Article 33:** Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less



than one month from the date fixed for the payment of the last preceding call.

**Article 34:** At least fourteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.

**Article 35:** A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.

**Article 36:** The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.

**Article 37:** A call may be revoked or postponed at the discretion of Board.

**Article 38:** All calls shall be made on a uniform basis on all shares falling under the same class.

**Article 39:** The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

**Article 40:** If any members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member, the Board shall be at liberty to waive payment of any such interest wholly or in part.

**Article 41:** Any sum, which, by the terms of issue of a Share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply, as if such sum had become payable by virtue of a call duly made and notified.

**Article 42:** On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

**Article 43:** Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

**Article 44:**

- (i) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Act. The Board may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.

- (ii) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable. The provisions of this Article shall *mutatis mutandis* apply to any calls on debentures of the Company.

## **LIEN**

### **Article 45:**

- (i) The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien, if any, on such Shares/Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.
- (ii) Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

**Article 46:** For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorise one of their members to execute a transfer thereof, on behalf of and in the name of such manner. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, provided that no sale shall be made (a) unless a sum in respect of which the lien exists is presently payable; or (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 the person entitled thereto by reason of his death or insolvency.

**Article 47:** The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount, in respect of which the lien exists, as is presently payable, and 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 persons entitled to the Shares at the date of the sale.

**Article 48:** A member shall exercise any voting rights in respect of the shares in regard to which the Company has exercised the right of Lien.

## **FORFEITURE OF SHARES**

**Article 49:** If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

**Article 50:** The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or instalment is payable, will be liable to be forfeited.

**Article 51:** If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or instalments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, 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.

**Article 52:** When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

**Article 53:** Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

**Article 54:** Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.

**Article 55:** The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.

**Article 56:** A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.

**Article 57:** Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold, and cause the purchaser's name to be entered in the Register, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.

**Article 58:** Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative Shares, shall, unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member, stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.

## **TRANSFER AND TRANSMISSION OF SHARES**

**Article 59:** The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.

**Article 60:** No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. A common form of transfer shall be used. Every instrument of transfer shall be in writing and all provisions of the Act, the rules and applicable laws shall be duly complied with. The instrument shall also be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 88, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.

**Article 61:** Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.

**Article 62:** The Board shall have power, on giving 7 (Seven) days' previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members or Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each

year, as it may seem expedient.

**Article 63:** Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company. The Company shall within the time required under the law applicable at that time send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares.

**Article 64:** An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.

**Article 65:** In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such Share, but 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.

**Article 66:** Subject to the provisions of Article 87 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognised by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 herein under, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.

**Article 67:** No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.

**Article 68:** So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.

**Article 69:** Subject to the provisions of Articles 64, 65 and 87 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".

**Article 70:** Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.

**Article 71:** No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.

**Article 72:** The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

## **DEMATERIALIZATION OF SECURITIES**

**Article 73:** Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and offer such shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act 1996.

**Article 74:** Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialise the shares, which are in dematerialised form.

**Article 75:** Every Person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Where Person opts to hold any share with the Depository, the Company shall intimate such Depository of details of allotment of the shares to enable the Depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the shares can at any time opt out of a Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act 1996 shall apply.

**Article 76:** If a Person opts to hold his shares with a Depository, the Company shall intimate such Depository the details of allotment of the shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the shares.

**Article 77:** All shares held by a Depository shall be dematerialised and shall be in a fungible form.

- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

**Article 78:** Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository. The Company shall be further entitled to maintain a register of members with the details of members holding shares both in material and dematerialised form in any medium as permitted by law including any form of electronic medium.

**Article 79:** Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

**Article 80:** Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

## CONVERSION OF SHARES INTO STOCK AND RECONVERSION

**Article 81:** The Company, by resolution in general meeting, may convert any paid-up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.

**Article 82:** The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words "Share" and "Shareholder" in these presents shall include "stock" and "stockholder".

**Article 83:** The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.

- (i) fact of the issue of the warrant.
- (ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and
- (iii) the date of the issue of the warrant.

**Article 84:** A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.

**Article 85:** The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.

**Article 86:** The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.

**Article 87:** The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

## **NOMINATION BY SECURITY HOLDER**

### **Article 88:**

- (i) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.
- (ii) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.
- (iii) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.

### **Article 89:**

- (i) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –
  - (a) to be registered himself as holder of the Share(s); or
  - (b) to make such transfer of the Share(s) as the deceased Shareholder could have made.
- (ii) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased shareholder.
- (iii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.
- (iv) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his 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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.

## **MEETING OF MEMBERS**

### **Article 90:**

- (i) The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.
- (ii) Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.

- (iii) Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (iv) Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.
- (v) At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.

**Article 91:** The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.

**Article 92:** Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.

**Article 93:** Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.

**Article 94:** Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.

**Article 95:** At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than

- (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon
- (ii) the declaration of dividend,
- (iii) appointment of directors in place of those retiring,
- (iv) the appointment of, and fixing the remuneration of, the Auditors,



is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

**Article 96:** The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

**Article 97:** No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

**Article 98:** Subject to the provisions of the Act and these Articles, five (5) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.

**Article 99:** A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.

**Article 100:** If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

**Article 101:** The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.

**Article 102:** No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.

**Article 103:** The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.

**Article 104:** At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than ₹ 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

**Article 105:** In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member if he is.

**Article 106:** If a poll is demanded as aforesaid, the same shall, subject to Article 108 hereunder, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.

**Article 107:** Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinisers, who may or may not be members of the Company to scrutinise the votes given on the poll and to report thereon to him, subject to that one of the scrutinisers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutiniser from office and fill the vacancy so caused in the office of a scrutiniser arising from such removal or from any other cause.

**Article 108:** Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.

**Article 109:** The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

## **VOTES OF MEMBERS**

**Article 110:** No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.

**Article 111:** Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.

**Article 112:** On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.

**Article 113:** A member of unsound mind or in respect of whom an order has been made by a 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, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.

**Article 114:** If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

**Article 115:** Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.

**Article 116:** Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.

**Article 117:** Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.

**Article 118:** An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

**Article 119:** A member, present by proxy, shall be entitled to vote only on a poll.

**Article 120:** The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarised certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the 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. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.

**Article 121:** Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time.

**Article 122:** A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

**Article 123:** No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.

**Article 124:** The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

**Article 125:**

- (i) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.

- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.
- (v) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be conclusive evidence of the proceedings recorded therein.
- (viii) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.
- (ix) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company

## **DIRECTORS**

**Article 126:** Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors shall not be less than three nor more than fifteen, provided that the Company may appoint more than fifteen directors after passing a special resolution. The Company shall have at the minimum such number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law. In addition, not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations.

The First directors of the Company are:

1. RAJAN MEENATHAKONIL THOMAS
2. SUJATHA R. THOMAS
3. RAHUL RAJAN JESU THOMAS

### **Article 127:**

- (i) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “**Promoters**”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “**Special Director**”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The Directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.

- (ii) The Company shall have such number of Independent Directors on the Board or Committees of the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI Listing Regulations or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.
- (iii) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them. A Special Director shall not be required to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.

**Article 128:** If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.

**Article 129:** Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.

**Article 130:** Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting.

**Article 131:** Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold Office only upto the date, upto which the director in whose place he is appointed would have held Office if it had not been vacated by him.

**Article 132:** A director shall not be required to hold any qualification Share(s) in the Company.

**Article 133:**

- (i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013 and other provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.

- (ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles herein below, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company's business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.
- (iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;
  - (a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
  - (b) by way of commission, if the Company, by a special resolution, authorises such payment.
- (iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.

**Article 134:** The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.

**Article 135:** The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.

**Article 136:** The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013

**Article 137:** The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.

**Article 138:** A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.

**Article 139:**

- (i) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.
- (ii) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting,

shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

**Article 140:** A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

**Article 141:** Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.

**Article 142:**

- (i) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-
  - (a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;
  - (b) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified, or is disqualified, for appointment.
  - (d) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
  - (e) Section 162 of the Act is applicable to the case.

**Article 143:** Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.

**Article 144:**

- (i) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.
- (ii) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.
- (iii) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.

**Article 145:** The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

**Article 146:** Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

## **MANAGING DIRECTOR**

### **Article 147:**

(i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such remuneration and terms and conditions as the Board thinks fit, and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.

**Article 148:** Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder

## **PROCEEDINGS OF THE BOARD OF DIRECTORS**

**Article 149:** Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.

**Article 150:** The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.

**Article 151:** Not less than seven (7) days' Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.

**Article 152:** Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.



**Article 153:** If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.

**Article 154:** A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.

**Article 155:** The Board may, from time to time, elect one of their members to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.

**Article 156:** Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.

**Article 157:** A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.

**Article 158:** applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations. Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.

**Article 159:** The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**Article 160:** No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

**Article 161:** All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.

**Article 162:**

- (i) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

- (iii) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (vi) The minutes shall also contain :-
  - (a) the names of the Directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.
- (vii) Nothing contained in sub-clauses (i) to (vii) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting –
  - (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the Company;.

and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.

- (viii) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.

**Article 163:** Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power -

- (i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;
- (iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;
- (v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;
- (vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the

time being, in force,

- (vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;
- (x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- (xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;
- (xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;
- (xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;
- (xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions

of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.

- (xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.
- (xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.
- (xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;
- (xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;
- (xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

## MANAGEMENT

**Article 164:** The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely

- (i) Managing Director, and
- (ii) Manager

## CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

**Article 165:** Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary, 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, chief financial officer so appointed may be removed by means of a resolution of the Board;

- (ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.

**Article 166:** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary, chief financial officer.

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

**Article 167:** Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

#### **SEAL**

##### **Article 168:**

- (i) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.

The seal, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorised by it in that behalf, and except in the presence of such persons as the Board may authorise for the purpose and as may be required under applicable law.

#### **DIVIDEND**

**Article 169:** The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them, respectively.

**Article 170:** The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.

**Article 171:** Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-

- (i) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- (ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act.

**Article 172:** The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.

**Article 173:** Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.

**Article 174:** All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.

**Article 175:** The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.

**Article 176:** Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.

**Article 177:** No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.

**Article 178:** Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.

**Article 179:** Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

**Article 180:**

- (i) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called “the Unpaid Dividend Account of Suraj Estate Developers Limited”. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under sub section (1) of Section 125 of the Act.

**Article 181:** Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.

**Article 182:** Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

## **CAPITALISATION**

**Article 183:**

- (i) The Company, in general meeting, may resolve that any moneys, investments or other assets forming

part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on in or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.

- (ii) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (iii) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## **BORROWING POWERS**

**Article 184:** Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.

**Article 185:** The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.

**Article 186:** Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

## **ACCOUNTS**

**Article 187:** The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchases of goods by the Company;

- (iii) the assets and liabilities of the Company;
- (iv) such particulars, if applicable to this Company, relating to utilisation of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarised returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

**Article 188:** The Board shall, from time to time, determine, whether, and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to the inspection of members, not being the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.

**Article 189:** The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.

**Article 190:** A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.

**Article 191:** The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

## DOCUMENTS AND NOTICES

### Article 192:

- (i) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.
- (ii) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted,



and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

**Article 193:** A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

**Article 194:** A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.

**Article 195:** A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.

**Article 196:** Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (i) every member, (ii) every person entitled to a Share in consequence of the death or insolvency of member, (iii) the Auditor or Auditors of the Company, and (iv) the directors of the Company.

**Article 197:** Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.

**Article 198:** Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.

**Article 199:** All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

## **WINDING UP**

**Article 200:** The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

## **INDEMNITY AND RESPONSIBILITY**

**Article 201:** Subject to the provisions of the Act, every Director, Secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively.

**Article 202:** The Company may take and maintain any insurance as the Board may 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 or reasonably.

## **SECRECY**

### **Article 203:**

- (i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors,

before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles or the Memorandum of Association of the Company and the provisions of the Act.

- (ii) Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require inspection of any books of accounts or documents of the Company or discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

## **GENERAL POWER**

### **Article 204:**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI Listing Regulations, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all its obligations as prescribed under the SEBI Listing Regulations, from time to time.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available at [www.surajestates.com](http://www.surajestates.com) from date of the Red Herring Prospectus until the Bid/Issue 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.

#### A. Material Contracts for the Issue

- (a) Issue Agreement dated March 4, 2022 between our Company and the Book Running Lead Managers.
- (b) Registrar Agreement dated February 1, 2022 between our Company and the Registrar to the Issue.
- (c) Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Registrar to the Issue, the Book Running Lead Managers, the Syndicate Members and the Bankers to the Issue.
- (d) Syndicate Agreement dated [●] between our Company, the Book Running Lead Managers and Registrar to the Issue and Syndicate Members.
- (e) Underwriting Agreement dated [●] between our Company and the Underwriters.
- (f) Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

#### B. Material Documents

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;
- (b) Certificate of incorporation dated September 10, 1986, issued by the RoC;
- (c) Fresh certificate of incorporation dated December 9, 2021, issued by RoC at the time of conversion from a private company into a public company;
- (d) Resolutions of our Board of Directors dated January 19, 2022, in relation to the Issue and other related matters;
- (e) Shareholders' resolution dated January 25, 2022, in relation to this Issue and other related matters;
- (f) The examination report dated January 19, 2022, of our Statutory Auditors on our Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus;
- (g) The statement of special tax benefits dated March 4, 2022, from the Statutory Auditors;
- (h) Due diligence certificate dated March 4, 2022, addressed to the SEBI from the BRLMs;
- (i) In principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively;
- (j) Consent of the Directors, the BRLMs, the Syndicate Members, the Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Bank, Public Issue Account Bank, the Bankers to our Company, the Company

Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;

- (k) Consent of the Statutory Auditors, March 4, 2022, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “*Expert*” defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Consolidated Financial Statements dated January 19, 2022, and the statement of possible tax benefits dated March 4, 2022, included in this Draft Red Herring Prospectus;
- (l) Consent dated February 22, 2022, from the independent architect, namely, Priyanka Rajaram Rahate (registration number: CA/16/76549), to include her name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in her capacity as an architect, in relation to her certificate dated March 2, 2022, regarding Completed Projects, Ongoing Projects, Upcoming Projects and Land Reserves.
- (m) Architect certificate dated March 2, 2022, prepared and issued by independent Architect namely, Priyanka Rajaram Rahate.
- (n) Consent dated February 22, 2022 from Little & Co., Advocates & Solicitors, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and their capacity as a lawyer in relation to a master title certificate dated March 2, 2022 issued by them regarding the land vested with our Company and Subsidiaries.
- (o) Master title certificate dated March 2, 2022, prepared and issued by Little & Co., Advocates & Solicitors.
- (p) Consent from Anarock Property Consultant Private Limited dated , to include contents or any part thereof from their report titled “Real Estate Industry Report” dated March 4 2022, in this Draft Red Herring Prospectus;
- (q) Report titled “Real Estate Industry Report” dated March 4, 2022, prepared and issued by Anarock Property Consultants Private Limited;
- (r) Tripartite agreement dated November 15, 2021, between our Company, NSDL and the Registrar to the Issue;
- (s) Tripartite agreement dated October 28, 2021, between our Company, CDSL and the Registrar to the Issue;
- (t) SEBI’s observation letter number [●] dated [●];

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 with the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Rajan Meenathakonil Thomas**

Managing Director

Place: Mumbai

Date: March 4, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Rahul Rajan Jesu Thomas**

Whole-time Director

Place: Mumbai

Date: March 4, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Sujatha R. Thomas**  
Non-Executive Director

Place: Mumbai  
Date: March 4, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Mrutyunjay Mahapatra**  
**Independent Director**

Place: Mumbai  
Date: March 4, 2022



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Sunil Pant**  
**Independent Director**

Place: Mumbai  
Date: March 4, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Dr. Satyendra Shridhar Nayak**  
**Independent Director**

Place: Mumbai  
Date: March 4, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Shreepal Shah**  
**Chief Financial officer**

Place: Mumbai  
Date: March 4, 2022