



**DRAFT LETTER OF OFFER**  
**April 17, 2024**  
*For Eligible Equity Shareholders only*



**ERAAYA LIFESPACES LIMITED**  
**(Formerly Known as JUSTRIDE ENTERPRISES LIMITED)**

Our Company was originally incorporated as 'Tobu Enterprises Private Limited' in New Delhi on February 14, 1967 as a private limited company under the Companies Act, 1956, and was granted the certificate of incorporation by the Registrar of Companies, Delhi and Haryana at New Delhi. Thereafter, the name of our Company was changed to 'Tobu Enterprises Limited' and a fresh Certificate of Incorporation was granted by the Registrar of Companies, Delhi and Haryana at New Delhi on October 12, 1987. The name of the Company was changed again to 'Justride Enterprises Limited' and our Company received a fresh certificate of incorporation which was granted by the Registrar of Companies, Delhi and Haryana at New Delhi on November 29, 2013. Finally, the name of our Company was changed to 'Eraaya Lifespaces Limited' and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, Delhi at Delhi on March 20, 2024.

**Corporate Identity Number:** L74899DL1967PLC004704  
**Registered Office:** B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Sec – III, West Delhi,  
New Delhi, India - 110026  
**Contact person:** Vasudha Aggarwal, Company Secretary and Compliance Officer  
**Telephone:** +91 7065084854 | **E-mail id:** [cs@eraayalife.com](mailto:cs@eraayalife.com) | **Website:** [www.eraayalife.com](http://www.eraayalife.com)

<b>PROMOTERS OF OUR COMPANY: MS. SUKRITI GARG AND M/S. JUST RIGHT LIFE LIMITED</b>		
<b>FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ERAAYA LIFESPACES LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY</b>		
<b>WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER OR A FRAUDULENT BORROWER AS ON DATE OF THIS DRAFT LETTER OF OFFER</b>		
<p><b>ISSUE OF UP TO [●] FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹4990 LAKHS# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE EQUITY SHARES IS [●] ([●]) TIME THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 166 OF THIS DRAFT LETTER OF OFFER.</b></p> <p><b># Assuming full subscription.</b></p>		
<b>GENERAL RISKS</b>		
<p>Investment 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 with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered 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 this Draft Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 22 of this Draft Letter of Offer before making an investment in this Issue.</p>		
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>		
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respects.</p>		
<b>LISTING</b>		
<p>The existing Equity Shares are listed on BSE Limited ("BSE") (hereinafter referred as "Stock Exchange"). Our Company has received 'in-principle' approvals from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letters dated [●]. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.</p>		
<b>ADVISORS TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>	
 <b>Hexaxis Advisors Limited</b> CIN: U74999DL2019PLC357568 40, RPS, Near Apeejay School, Sheikh Sarai Phase-I, New Delhi- 110017 <b>Telephone:</b> 011-40503037 <b>Website:</b> <a href="http://www.hexaxis.in">www.hexaxis.in</a> <b>Email:</b> <a href="mailto:mail@hexaxis.in">mail@hexaxis.in</a> <b>Contact Person:</b> Mr. Pankaj K. Gupta	 <b>Skyline Financial Services Private Limited</b> D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 <b>Telephone:</b> 011-40450193/97 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> , Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>SEBI Registration No.:</b> INR000003241; <b>Validity of Registration:</b> Permanent <b>Contact Person:</b> Mr. Anuj Rana	
<b>ISSUE PROGRAMME</b>		
<b>ISSUE OPENS ON</b>	<b>LAST DATE FOR ON MARKET RENUNCIATIONS*</b>	<b>ISSUE CLOSES ON#</b>
[●]	[●]	[●]

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

# Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of the Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

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

*The words and expressions used in this Draft Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act, Takeover Regulations, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on page 60 and 102, respectively of this Draft Letter of Offer, shall have the meaning given to such terms in such sections.*

#### Company and Industry Related Terms

Term	Description
"Our Company" or "the Company" or "the Issuer"	Eraaya Lifespaces Limited incorporated under the Companies Act 1956/2013.
"Articles of Association" or "Articles"	The articles of association of our Company, as amended from time to time.
"Audit Committee"	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and Section 177 of the Companies Act, 2013.
"Board" or "Board of Directors"	The Board of Directors of our Company or a duly constituted committee thereof or its duly authorised individuals.
"Company Secretary and Compliance Officer"	Ms. Vasudha Aggarwal, the Company Secretary and the Compliance Officer of our Company.
Directors	Directors on the Board, as may be appointed from time to time
Equity Shareholders	Holders of Equity Share(s), from time to time
Equity Shares	Equity shares of face value of ₹10 each of our Company
Independent Director	Independent directors on the Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "Our Management" beginning on page 88 of this Draft Letter of Offer
Key Managerial Personnel	The Key Managerial Personnel of our Company as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer
Memorandum of Association or MOA	The memorandum of association of our Company, as amended from time to time
Promoter	The promoter of our Company is Ms. Sukriti Garg and M/s Just Right Life Limited.
Promoter Group	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, and which are disclosed by the Company to the Stock Exchange from time to time.



<b>Term</b>	<b>Description</b>
	As on the date of this DLOO Mrs. Seema Garg is covered under the promoter group of the Company.
Registered and Corporate Office or Registered Office	The Registered Office of our company which is located at B-1, 34/1, Vikas House, 34/1, East Punjabi Bagh, Delhi – 110026.
Restated Financial Statements	Our restated Ind AS summary statement of assets and liabilities as at March 31, 2024, March 31, 2023, and as at March 31, 2022, and restated Ind AS summary statement of profit and loss, restated Ind AS summary statement of changes in equity and restated Ind AS summary statement of cash flows for the year ended March 31, 2024, March 31, 2023, and as at March 31, 2022, together with the annexures, notes and other explanatory information thereon, derived from the annual audited financial statements as at and for year ended March 31, 2024, March 31, 2023, and as at March 31, 2022, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Statutory Auditors	M/s. KSMC & Associates, Chartered Accountants

#### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
2020 ASBA Circular	The SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
2022 ASBA Circular	The SEBI Circular SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022
"Abridged Letter of Offer" or "ALOF"	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
"Allotment", "Allot" or "Allotted"	Allotment of Equity Shares pursuant to the Issue
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●] Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to this Issue
Allottee(s)	Person(s) who is Allotted Equity Shares pursuant to Allotment
Applicant(s) or Investors	Eligible Equity Shareholder(s) and/or Renounce(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price

<b>Term</b>	<b>Description</b>
Application Form	Unless the context otherwise requires, an application form or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Application Money	Aggregate amount payable at the time of application i.e. ₹ [●] in respect of the Equity Shares applied for in the Issue at the Issue Price
"Application Supported by Blocked Amount" or "ASBA"	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI Circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	the Allotment Account Bank(s) to the Issue
Banker to the Issue Agreement	Agreement dated [●] amongst our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors making an application for the Equity Shares
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in " <i>Terms of the Issue</i> " beginning on page 166 of this Draft Letter of Offer
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
"Controlling Branches" or "Controlling Branches of the SCSBs"	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/DLoF/DLOF	This draft letter of offer dated April 17, 2024 filed with the Stock Exchanges
Eligible Equity Shareholder (s)	Holder(s) of the Equity Shares of our Company as on the Record Date
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, [●] and the Renouncee(s)
ISIN	International securities identification number of the Company being INE432F01024
Issue / Rights Issue	Issue of upto [●] Equity Shares of face value of ₹10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share not exceeding ₹ [●] lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●].

<b>Term</b>	<b>Description</b>
Issue Closing Date	●
Issue Opening Date	●
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹  ●  per Equity Share
Issue Proceeds or Gross Proceeds	Gross proceeds of the Issue
Issue Size	Amount aggregating up to ₹4,990 Lakhs# #Assuming full subscription
Letter of Offer or LOF	The final Letter of Offer to be issued by our Company in connection with this Issue
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see " <i>Objects of the Issue</i> " beginning on page 55 of this Draft Letter of Offer
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●].
"Qualified Institutional Buyers" or "QIBs"	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being [●].
Refund Bank (s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
Registrar to the Issue / Registrar	Skyline Financial Services Private Limited
Registrar Agreement	Agreement dated [●] between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Renouncee (s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
RE ISIN	ISIN for Rights Entitlement i.e. [●]

<b>Term</b>	<b>Description</b>
Rights Entitlement(s)	<p>The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being [●] Rights Equity Shares for [●] Equity Shares held on [●], [●].</p> <p>The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.</p> <p>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</p>
Rights Entitlement Letter Self-Certified Syndicate Banks or SCSB(s)	<p>Letter including details of Rights Entitlements of the Eligible Equity Shareholders. Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.</p>
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter/ Fraudulent Borrower	A Company or person, as the case may be, categorized as a willful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI, including any company whose director or promoter is categorized as such
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Delhi are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### **Conventional and General Terms/Abbreviations**

<b>Term</b>	<b>Description</b>
"₹", "Rs. ", "Rupees" or "INR"	Indian Rupees
Adjusted loans and advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AUM	Assets under management
AY	Assessment year
BSE	BSE Limited
CAGR	Compound annual growth rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act, 2013	Companies Act, 2013 along with the rules made thereunder
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

<b>Term</b>	<b>Description</b>
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
CSE	Calcutta Stock Exchange
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
DIN	Director Identification Number
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EPS	Earnings per Equity Share
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year", "Fiscal Year" or "Fiscal"	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
"GoI" or "Government"	Government of India
GST	Goods and Service Tax
HFC	Housing finance companies
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-Tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
IFRS	International Financial Reporting Standards
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
"Net Asset Value per Equity Share" or "NAV per Equity Share"	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31
Net Worth	Aggregate of Equity Share capital and other equity
NBFC	Non-banking financial company(ies)
NCD(s)	Non-convertible debentures
NHB	National housing bank

<b>Term</b>	<b>Description</b>
NPA(s)	Non-performing assets
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
PAN	Permanent account number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, NCT Delhi & Haryana
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021.
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular(s) issued by SEBI in this regard
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Stock Exchange	BSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
TAT	Turnaround time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
UPI	Unified Payments Interface
"U.S.\$ ", "USD" or "U.S. dollar"	United States Dollar, the legal currency of the United States of America
U.S. Investment Company	Investment Company Act of 1940, as amended

<b>Term</b>	<b>Description</b>
Act	
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act
"USA", "U.S. " or "United States"	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
WHO	World Health Organization

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Draft Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

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

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

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

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE ISSUE OF RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX**



**ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE ISSUE OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

**NO OFFER IN THE UNITED STATES**

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

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

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

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

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

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

## **ENFORCEMENT OF CIVIL LIABILITIES**

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the "Civil Procedure Code"). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

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

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

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

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

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

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from our Restated Financial Statements. For details, please see "**Restated Financial Information**" beginning on page 102 of this Draft Letter of Offer. Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Restated Financial Statements of our Company for the Financial Years ended March 2022 and March 2023 and Year ended March 31, 2024 have been prepared in accordance with Ind AS read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI.

The Restated Financial Statements of our Company for the Financial Years ended March 2024, 2023 and 2022 prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Restated Financial Statements in whole numbers and in this Draft Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer 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 the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see "**Financial Information**" beginning on page 102 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” beginning on pages 22, 84, and 143 and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

### Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Sr. No.	Name of the Currency	Exchange rate as on		
		March 31, 2024	March 31, 2023	March 31, 2022
1.	United States Dollar	83.37	82.20	75.80

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

Note: In case March 31 of any of the respective years is a public holiday, the previous Working Day not being a public holiday has been considered.

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 22 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

## FORWARD LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Industry Overview”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements.

However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- Changes in Government Policies and the regulatory frameworks;
- Fluctuations in foreign currency exchange rates which may harm our results of operations;
- Our ability to maintain and enhance our business segment;
- Our ability to maintain relationships with third parties;
- Our recent venture in new business segments;
- Our manufacturing facility being inoperative;
- Our negative cash flows and losses in the past;
- Non-obtaining insurance coverage;
- Inability to protect the intellectual property rights (if any) that we use;
- Our ability to maintain our market position and to compete effectively against existing or potential competitors;
- Our inability to attract and retain skilled personnel;
- Our inability to manage our operations at our current size or to manage any future growth effectively; and
- Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 22, 88 and 143 respectively, of this Draft Letter of Offer. 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the 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 Directors, our Promoter, the Syndicate Member(s) nor any of their 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 will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

*This place has been left blank intentionally*

## SECTION II- SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the sections titled “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Outstanding Litigation and Defaults*” and “*Terms of the Issue*” beginning on pages 22, 44, 52, 55, 63, 84, 152 and 166 respectively of this Draft Letter of Offer.

### 1. Summary of Industry

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

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

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

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

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

For details, please refer to chapter titled “*Industry Overview*” on page 63 of this Draft Letter of Offer.

### 2. Summary of Business

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

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

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



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

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

For details, please refer to chapter titled “*Our Business*” on page 84 of this Draft Letter of Offer.

### 3. Our Promoter

The Promoter of our Company is Ms. Sukriti Garg & M/s. Just Right Life Limited\*

*\* Company was acquired by abovementioned promoters through Share Purchase Agreement (SPA) dated April 20, 2022, and Letter of Offer dated June 10, 2022 in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011.*

For further details please see chapter titled “Our Promoters” beginning on page 97 of this Draft Letter of Offer.

### 4. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

		<i>₹ in lakhs</i>
S. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	To meet working capital requirement of our company	3,680.00
2.	General Corporate Purposes	1,225.00
3.	Issue related expenses	85.00
<b>Total</b>		<b>4,990.00</b>

*For further details, please see chapter titled “Objects of the Issue” beginning on page 55 of this Draft Letter of Offer.*

### 5. Intention and extent of participation by our Promoter and Promoter Group in the Issue

The Promoter and members of the Promoter Group of our Company have, vide their letters dated 16<sup>th</sup> April, 2024 (“Subscription Letters”) indicated their intention to subscribe in the full extent of their entitlement in the proposed Rights Issue, either by themselves or through one or more Promoter Group and either singly or jointly amongst any of them. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription to the Issue become not applicable.

The Promoters (either through one or more Promoter Group and either singly or jointly amongst any of them) reserve the right to subscribe to any unsubscribed portion of the Issue such that not less than 90% of the Issue is subscribed.

The Promoters and one or more Promoter Group reserve the right to acquire Equity Shares over and above their Rights Entitlement, which may result in an increase of Promoter and/or the Promoter Group shareholding above current shareholding and including allotment pursuant to Rights Entitlement of Equity Shares and to the extent of the unsubscribed portion of the Issue as mentioned above. This subscription and acquisition of additional Equity Shares by the Promoters/Promoter Group through this Issue, if any, will not result in a change of control of the management of the Company and shall be in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and other applicable regulations therein. For further details, please see the chapter titled “Capital Structure” beginning on page 52 of this Draft Letter of Offer.

## 6. Summary of Financial Information

Following are the details as per the Restated Standalone Financial Information as at and for Financial Years ended on March 31, 2024, March 31, 2023, and for year ended March 31, 2022:

Particulars	(₹ in lakhs)		
	March 31, 2024	March 31, 2023	March 31, 2022
Authorised Share Capital*	7500.00	550.00	550.00
Paid-up Capital	1512.32	147.32	147.32
Total Revenue	29720.16	19.50	-
Profit after tax	33.89	7.67	(6.07)
Total other comprehensive income/(loss) for the year	-	-	-
Total Comprehensive income/(Loss) for the year	33.89	7.67	(6.07)
Earnings per Share (basic & diluted) (in ₹)	0.22	0.52	(0.41)
Total Borrowings	0.00	73.34	-

\*Authorized share Capital has been increased from 5.50 Cr to 30.00 Cr by passing the special resolution in a duly executed Extraordinary General Meeting as on 05.05.2023 and subsequently there is further increase in the Authorized Share Capital of the Company from 30.00 Cr. to 75.00 Cr. through the Postal Ballot completed on 23/11/2023.

## 7. Summary of Outstanding Litigations:

A summary of outstanding litigation proceedings involving our Company, our Directors, our Promoter and Subsidiaries as on the date of this Draft Letter of Offer is provided below:

Nature of Cases	(₹ in lakhs)	
	Number of outstanding cases	Amount Involved*
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against Company	Nil	Nil
Material civil litigation by our Company	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Directors</i></b>		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Directors	Nil	Nil
Material civil litigation by our Directors	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Promoter</i></b>		
Criminal proceedings against our Promoter	5	4,23,17,281
Criminal proceedings by our Promoter	2	6,23,17,281
Material civil litigation against our Promoter	Nil	Nil
Material civil litigation by our Promoter	1	2,63,34,740
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Subsidiaries</i></b>		
Criminal proceedings against Promoter	Nil	Nil
Criminal proceedings by Promoter	Nil	Nil
Material civil litigation against Promoter	Nil	Nil
Material civil litigation by Promoter	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil

\* To the extent quantifiable.

\* Detailed explanation about the legal proceedings is mentioned in the chapter "Outstanding Litigations and Defaults".

For details, please refer to chapter titled “*Outstanding Litigations and Defaults*” on page 152 of this Draft Letter of Offer.

**8. Risk Factors:**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please see “*Risk Factors*” on page 22 of this Draft Letter of Offer.

**9. Summary of Contingent Liabilities**

Following are the details as per the Restated Standalone Financial Information for the Year ended March 31, 2024, March 31, 2023, and March 31, 2022.

(₹ in lakhs)

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Claims against the Company not acknowledged as debt	Nil	Nil	Nil
Other money for which the Company is contingently liable	Nil	Nil	Nil
Commitments	Nil	Nil	Nil

**10. Summary of Related Party Transactions**

Please refer “*Financial Information*” beginning on page 102 of the Financial Information in this Draft Letter of Offer.

**11. Issue of equity shares made in last one year for consideration other than cash**

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

**12. Split or consolidation of Equity Shares in the last one year**

Our Company has not carried any split or consolidation of Equity Shares in last one year.

**13. Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI.**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

*This place has been left blank intentionally*

### SECTION III– RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate.*

*Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factor mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 63, 84 and 143 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, has independently verified the information in the industry report or other publicly available information cited in this section. This Draft Letter of Offer also contain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 14 of this Draft Letter of Offer.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Financial Information and the Limited Review Financial Information, prepared in accordance with Ind AS, the Companies Act and SEBI ICDR Regulations.*

*Materiality:*

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

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively; and*
- Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Eraaya Lifespaces Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

## **INTERNAL RISK FACTORS**

### **BUSINESS RELATED RISKS**

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

Under the Share Purchase Agreement dated April 20, 2022, the then Promoter and Promoter group of our Company transferred the entire shareholding aggregating to 10,75,704 substantial Equity Shares to Ms. Sukriti Garg & M/s. Just Right Life Limited, the acquirer, making them the promoter of the Company. Hence, the control of our Company was shifted to Ms. Sukriti Garg & M/s. Just Right Life Limited and our management was re-constituted.

Our business operations depend on the experience and expertise of our Management. Our Management may not hold adequate experience in the specific spheres of businesses we are carrying or have recently ventured into. This may affect functioning, and thereby our operational activities. Consequently, our business revenue generation and profitability may adversely affect.

- 2. *The top -level management of the company is associated with the company from less than 3 years.***

In the year 2022-23, our company was acquired by its current promoters from its former promoters pursuant to a Share Purchase Agreement dated April 20, 2022. Consequently, the management of the company has been changed to its current form. For more details on the top management, Key Management Personnel and their appointment, please refer to chapter “Our Management” beginning on page 88.

- 3. *Our business was non-operation since almost 18 yrs.***

The company was not operating since financial year 2004-2005 till financial year 2021-2022. There was no business activity undertaken by the management of the company. Further recently, there was a change in management of the company in the financial year 2022-2023 after entering into the share purchase agreement and subsequent open offer was made. Afterwards the company has started generated operating revenue and non-operating revenue from the financial year 2022-23. However, the revenue generation is in initial stages but slowly and gradually the management will generate higher operating income and convert this business into cash rich company. Having said that we cannot assure you that we will be able to generate the revenue at increasing pace always and it may adversely affect our business.

- 4. *Our Management has recently ventured into new segment.***

We started our journey with carrying the business of trading and manufacturing of bicycles businesses. However, after the change of the control of the Company, our Company ventured into the business segments namely Hospitality, Digital Marketing & Revenue sharing models. Further Now, company entering into new segment i.e. hospitality Sector, which requires strategic planning and efficient use of resources. Due to our limited experience in such segments, we may face unanticipated hurdles with respect to such new initiatives. We may lack sufficient expertise and experience in these segments and this may impose additional strain on our resources and consume additional time and attention of our senior management. Further, some of these initiatives may fail to commence or may have to be abruptly discontinued at their early stages, due to regulatory, commercial or other reasons such as unavailability of adequate infrastructure for operations. We may also fail to initiate or choose to discontinue the new initiatives if we do not attract significant revenue for continuous years.

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

**5. *Our Company has filed for the revocation with Calcutta Stock Exchange and our inability to compete effectively may adversely affect our business.***

Our company was acquired by its current promoters from its former promoters pursuant to a Share Purchase Agreement dated April 20, 2022. Post-acquisition through the letter dated November 16, 2023 of Calcutta Stock Exchange, we came to that our company has been suspended from the Calcutta Stock Exchange w.e.f. March 21, 2012 and our erstwhile promoters has already lodged an application for the delisting with Calcutta Stock Exchange.

However, in resolution to this company has immediately taken action and mailed in revert to the suspension letter for further resolution. After that company has paid all the outstanding dues/penalty/fine in relation to this and filed an application for the revocation at Calcutta stock exchange.

As on date of filing company has filed all the compliance requirement and other regulatory procedure for the revocation and the same is being pending at the end of Calcutta Stock Exchange (CSE) for approval.

**6. *We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.***

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

**7. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology up gradation is essential to reduce costs and increase the efficiency of our digital marketing business to capture a large audience base. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we are utilizing latest technology by using latest software and equipments, we shall continue to strive to keep our technology updated. In case of a new found technology in our Industry, we may be required to implement new technology employed by us. Further, the cost in upgrading our technology is significant which could substantially affect our finances and operations.

**8. *Interruptions or performance problems associated with our technology and infrastructure may harm our business and results of operations.***

Our continued growth depends in part on the ability of our existing and potential customers to access our solutions at any time. We may in future experience disruptions, data loss, outages and other performance problems with our technology infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial of service attacks or other security-related incidents. Any disruptions in our services and products, including as a result of actions outside of our control, would significantly impact the continued performance of our products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, results of operations and financial condition could be harmed.

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

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

Our past history of unsuccessful businesses may impact our future businesses as well. And we cannot assure as to the success of our new ventures/ business projects and the time within which profitability may arise, cannot be anticipated.

**10. *Some of our corporate records including forms filed with the Registrar of Companies are not traceable.***

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

**11. *Our Company has not taken any insurance which may expose our company from potential losses to which we may be subject to risk and this may have a material effect on our business and financial condition.***

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

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

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

**13. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

The market in which our company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing



competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

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

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

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

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

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

Our directors may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

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

In recent years, there has been a marked increase in the use of social media platforms in India, including blogs, social media websites and applications, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many social media platforms immediately publish the content for their subscribers and participants post, often without filters or checks on accuracy of the content posted. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information’s accuracy. The damage may be immediate without affording us an opportunity for redress or correction. Other risks associated with the use of social media include improper disclosure of proprietary information, negative

comments about our brands, exposure of personally identifiable information, fraud, hoaxes or malicious exposure of false information. The inappropriate use of social media by our customers or employees or suppliers or other third parties could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial condition.

**18. *If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.***

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

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

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

- the inability to identify or the unavailability of suitable sites on acceptable leasing terms;
- lack of our ability to compete successfully for suitable banquet, restaurant and retail sites;
- unavailability of financing;
- lack of suitable contractors for construction;
- development costs that exceed budgeted amounts;
- delays in completion of construction;
- difficulties in relation to the implementation of the systems, procedures and control measures required at new and different locations;
- the inability to obtain all necessary governmental or local authority permits and approvals and other requisite restaurant-related licenses and permits;
- incurring substantial unrecoverable costs if a development project is abandoned prior to completion;
- consumer tastes in new geographic regions and acceptance of our products;
- changes in governmental rules, regulations and interpretations; and
- changes in general economic and business conditions.

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

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

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

**21. *We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

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

**22. *We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies.***

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

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

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

**23. *Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.***

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organization. In particular, continued expansion increases the challenges we face in:

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

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

**24. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot

assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

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

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

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

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

**27. *Our company may enter into related party transactions in the future, if requires.***

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

**28. *We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

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

**29. *Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

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

**30. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

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

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

**32. *We may experience difficulties in expanding our business into new regions and markets in India***

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

**33. *Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance and results of operations.***

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

**34. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control including a disruption of electrical or communications services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

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

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

**36. *Our Promoters and Directors may have interests in our Company other than reimbursement of expenses incurred or remuneration or benefits.***

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

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

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

Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs. So long as the Promoters have a majority holding, they will be able

to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoters' shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

- 38. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

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

The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue.

- 40. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".***

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

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

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

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

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

No show cause notice in respect to the above has been received by our Company till date and except as stated in this Draft Letter of Offer, no penalty or fine has been imposed by any regulatory authority in respect to the same. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

- 44. *We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such third-party data has not been independently verified by us.***

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

#### **Issue Specific Risks**

- 45. *We will not distribute this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.***

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars our Company will send, only through email, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

- 46. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and May 19, 2022 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI in 2020. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020 and January 19, 2021, April 22, 2021 and May 19, 2022, as applicable (“**SEBI Rights Issue Circular**”) and ensure completion of all necessary steps in relation to providing/updating



their demat account details in a timely manner. For details, see "*Terms of the Issue*" on page 166.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise of Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

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

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see "Terms of the Issue" on page 166.

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

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

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

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

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

**52. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

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

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

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

Under the Companies Act, any company incorporated in India must offer its holders of equity shares

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

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

On listing, our Equity Shares will be quoted in 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 adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

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

**57. *Investors will not have the option of getting the allotment of Equity Shares in physical form.***

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see "Terms of the Issue" on page 166. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

## **External Risk Factors**

**59. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Summary statements of assets and liabilities as at March 31, 2022 and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2022 have

been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our restated financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

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

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

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

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

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

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

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

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

- Any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India;
- Prevailing income conditions among Indian consumers and Indian corporations;
- Changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- Prevailing regional or global economic conditions; and
- Other significant regulatory or economic developments in or affecting India

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

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards (“ICDS”), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- The General Anti Avoidance Rules (“GAAR”) have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- A comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs 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 affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

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

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

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

**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 salaries, and other expenses relevant to our business.

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

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

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

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

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

RBI or any other government agency can be obtained on any particular terms or at all.

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

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

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

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the insurance industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of price points of various input costs and thereby increase our operational cost.

The Taxation Laws (Amendment) Act, 2019, also prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate (on gross basis) for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, among others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Furthermore, the Government of India announced the Union Budget for Fiscal 2023 ("Budget 2023"), pursuant to which the Finance Bill 2023 (defined below) has proposed various amendments which will only come into effect upon receipt of Presidential assent to the bill and notification in requisite acts. We have not fully determined the impact of these recent and proposed laws and regulations on our business.

There can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations in connection with GST. While we are and will comply with the GST rules and regulations, any failure to comply with the same may result in noncompliance with the GST and may adversely affect our business and results of operations. The GoI announced the union budget for fiscal year 2023, following which the Finance Bill, 2022 was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 ("Finance Act 2022"). We cannot predict whether the amendments made and yet to be notified pursuant to the Finance Act 2022 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Any changes in the Finance Act 2022 or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws that are applicable to our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

Changes in other laws may impose additional requirements, resulting in additional expenditure and time cost. For instance, the GoI has announced four labour codes which are yet to come into force as on the

date of this Draft Letter of Offer, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been announced, we are unable to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as “gig workers” and “platform workers” and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. 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

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

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

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

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

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

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

- Any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- 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;
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
- Hostile or war like situations with the 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;
- 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; and
- Difficulty in developing any necessary partnerships with local businesses on commercially



- acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

*This place has been left blank intentionally*

## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on October 21, 2023 to raise funds by issuance and allotment of equity shares for aggregate amount of up to Rs. 10 Crore (Rupees Fifty Crore), by way of Right Issue, on such terms to be decided by the Board or a duly constituted committee of the Board at a later date, subject to the approval of shareholders, thereafter, the same was approved via Postal Ballot Notice dated October 21, 2023.

The terms and conditions of the Issue including the rights entitlement ratio, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on [●]. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “*Terms of the Issue*” on page 166 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Up to [●] Equity Shares
<b>Rights Entitlement</b>	[●] Equity Share for every [●] fully paid-up Equity Share(s) held on the Record Date
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement.  However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Record Date</b>	[●]
<b>Face value per Equity Shares</b>	₹10
<b>Issue Price per Rights Equity Shares</b>	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
<b>Issue Size</b>	Issue not exceeding ₹ [4,990] <sup>#</sup> lakhs <i>#Assuming full subscription, to be adjusted as per the Rights Entitlement ratio</i>
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	1,51,23,160 Equity Shares. For details, see “Capital Structure” beginning on page 52 of this Draft Letter of Offer
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	Upto [●] Equity Shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	[●]
<b>Money payable at the time of Application</b>	₹ [●]
<b>Scrip Details</b>	<b>ISIN:</b> INE432F01024 <b>Rights Entitlement ISIN:</b> [●] <b>BSE:</b> 531035
<b>Use of Issue Proceeds</b>	For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 55 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
<b>Terms of the Issue</b>	For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 166 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 166 of this Draft Letter of Offer.

### Issue Schedule

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

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights**	[●]
Issue Closing Date*	[●]

*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

*\*\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

## GENERAL INFORMATION

Our company was originally incorporated as “Tobu Enterprises Private Limited” under the provisions of the Companies Act, 1956 on February 14, 1967, which was subsequently changed to “Tobu Enterprises Limited” vide fresh certificate of registration dated October 13, 1987. Thereafter, the name of the Target Company was changed to “Justride Enterprises Limited” vide fresh certificate of registration dated November 29, 2013. Further the name of the company changed to its present name i.e. “Eraaya Lifespaces Limited” vide fresh certificate of registration dated March 20, 2024.

The Company was initially engaged in the business of manufacturing of Bicycles. Automobile parts, Engineering goods, Electrical appliances i.e. motors, insulators, refrigerators etc, and was functioning as the lead manufacturers of Bicycles, engineering goods, automobile parts, toys, consisting of exceptional educational values for our children. Secondly, was also acting as traders, merchants, commission agents, buying & selling agents, contractors, importers, exporters of all types of engineering goods and electrical appliances.

Pursuant to the Share Purchase Agreement (SPA) signed on April 20, 2022 to acquire 10,75,704 substantial equity shares amounting to 73.02% stake of the Company and control over the Company was acquired by the new promoters Ms. Sukriti Garg & M/s. Just Right Life Limited from the erstwhile Promoter Mr. Shubhal Goel.

Further, an Open Offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 was made and the said Open Offer was closed on June 30, 2022. Total 770 shares were tendered by public shareholders in Open Offer. All the 770 shares tendered by public were purchased by Ms. Sukriti Garg.

The authorized share capital of the Company was increased from Rs. 5,50,00,000/- (Rupees Five Crores Fifty Lakhs Only) to Rs. 30,00,00,000/- (Rupees Thirty Crores Only) through passing a special resolution in its duly conducted Extra-Ordinary General Meeting dated May 05, 2023.

Further after taking the consent of the shareholders of the Company in the duly convened 57<sup>th</sup> Annual General Meeting of the Company on August 16, 2023, the Company made a Preferential allotment of 1,62,50,000 (one crore sixty-two lacs fifty thousand only) fully convertible warrants to the persons belonging to promoter & promoter group and non-promoter, public category as on August 24, 2023 after payment of Rs. 2.50 per warrant, being 25% of the Issue Price, entitling the warrants holders to get their warrants converted into equal number of Equity Shares of the Company by paying remaining 75% i.e., Rs. 7.50/- within 18 months from the date of warrant allotment.

Thereafter, in a duly convened Board meeting as on September 15, 2023 allotment and conversion of 60,00,000 warrants into 60,00,000 equity shares was made upon receipt of balance 75% i.e. Rs. 7.50/- to the non-promoter public category. Consequent to the conversation of warrants/allotment of Equity Shares, the issued and paid-up capital of the Company increased to Rs 7,47,31,600/-consisting of 74,73,160 equity shares of Rs. 10/- each.

Again, in a duly convened Board meeting as on October 10, 2023 allotment and conversion of 76,50,000 warrants into 76,50,000 equity shares was made upon receipt of balance 75% i.e. Rs. 7.50/- to the promoter & promoter group and non-promoter, public category. Consequent to the conversation of warrants/allotment of Equity Shares, the issued and paid-up capital of the Company increased to Rs 15,12,31,600/-consisting of 1,51,23,160 equity shares of Rs. 10/- each.

Further the authorized share capital of the Company was increased again from Rs. 30,00,00,000/- (Rupees Thirty Crores Only) to Rs. 75,00,00,000/- (Rupees Seventy-Five Crores Only) by passing a special resolution by conducting postal ballot dated November 23, 2023.

### **Registered Office, CIN and registration number of our Company**

**Reg. Office:** B-1, 34/1, Vikas House, Vikas Path Marg,

East Punjabi Bagh, Delhi, India – 110026

**CIN:** L74899DL1967PLC004704

**Tel:** +91 7065084854;

**E-mail:** [info@eraayalife.com](mailto:info@eraayalife.com)

Website: [www.eraayalife.com](http://www.eraayalife.com)

**Registration Number:** 004704

## Address of the ROC

Our Company is registered with the ROC, Delhi, which is situated at the following address:

### Registrar of Companies, Delhi

4th Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi - 110019

### Company Secretary and Compliance Officer

#### Ms. Vasudha Aggarwal

B-1, 34/1, Vikas House, Vikas Path Marg,  
East Punjabi Bagh, Delhi, India – 110026

**Telephone:** +91 7065084854

**E- mail:** [cs@eraayalife.com](mailto:cs@eraayalife.com)

### Chief Financial Officer

#### Ms. Meenakshi

B-1, 34/1, Vikas House, Vikas Path Marg,  
East Punjabi Bagh, Delhi, India – 110026

**Telephone:** +91 7065084854

**E- mail:** [cfo@eraayalife.com](mailto:cfo@eraayalife.com)

### Board of Directors of our Company

Name	Age	Designation	Address	DIN
Ms. Sukriti Garg	26	Managing Director	House No. 7, Road No -41, West Punjabi Bagh, New Delhi-110026	09585946
Ms. Bhawana Gupta	59	Whole-Time Director & CEO	House No. 14, Ground Floor, Chanamal Park, East Punjabi Bagh, Delhi 110026	10101543
Ms. Meenakshi	27	Whole-Time Director & CFO	H. No. 674, Kangar Mohalla, Tukhlagabad, Village Jaitpur, Delhi 110044	10281806
Ms. Poonam Dhingra	62	Independent Director	House No-191,4th Floor, School Block, Shakarpur, L Corner Building, Shakar Pur Baramad, East Delhi, Delhi – 110092	09524982
Ms. Sony Kumari	33	Independent Director	E-30B, Flat No. 8, 2nd Floor, Chhatarpur Extension Near Suman Chowk, Chattarpur, South Delhi-110074	09270483
Ms. Swati Gupta	29	Independent Director	F-722A, Street No. 24, Laxmi Nagar, East Delhi, Delhi 110092	09652245

*For detailed profile of our directors, please refer to the chapter titled “Our Management” beginning on page 88 of this Draft Letter of Offer.*

**Details of Key Intermediaries pertaining to this Issue of our Company:**

**Registrar to the Company and the Issue:**

**Skyline Financial Services Private Limited**

D-153A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020

**Telephone:** 011-40450193/97

**Email:** [ipo@skylinerta.com](mailto:ipo@skylinerta.com)

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

**Investor grievance e-mail:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

**Contact Person:** Mr. Anuj Rana

**SEBI Registration No.:** INR000003241

**Validity of Registration:** Permanent

**Banker to the Issue: [•]**

**Statutory and Peer Review Auditor of the Issuer:**

**M/s. KSMC & Associates**

G-5, Vikas House, 34/1, East Punjabi Bagh

New Delhi-110026

**Contact Person:** Mr. Sachin Singhal

**Firm Registration Number:** 003565N

**Membership No.:** 505732

**Telephone Number:** 011 – 4144 0483

**E-mail:** [info@ksmc.in](mailto:info@ksmc.in) , [admin@ksmc.in](mailto:admin@ksmc.in)

**Peer Review Certificate Number:** 012973

**Designated Intermediaries:**

*Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as SCSBs or the SBA Process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

**Inter-se Allocation of Responsibilities**

The Company has not appointed any merchant banker as the Issue size is less than 5,000.00 lakhs and hence there is no inter-se allocation of responsibilities

**Expert Opinion**

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

Our Company has received written consent dated April 16, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated April 11, 2024 on our Restated Financial Statements for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024, and (ii) Statement of Special Tax Benefits dated April 16, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

### Investor Grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post- Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ DEMAT credit/ Refund Orders/unblocking of ASBA Account, etc.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or DEMAT account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, "*Terms of the Issue*" beginning on page 166 of this Draft Letter of Offer

### Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

### Debenture Trustees

As this is an Issue of Equity Shares, appointment of Debenture Trustee is not required.

### Monitoring Agency

As the net proceeds of the Issue will be less than Rs. 10,000 Lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold for filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with BSE Limited not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

### Underwriting Agreement and Details

This Issue is not underwritten.

### Changes in Auditors during the last three years

Name of Auditor	Address and E-mail	Date Appointment/ Cessation	of	Reason
M/s. BNPSY & Associates, Chartered Accountants	118-B, Munish Plaza, 20, Ansari Road, Daryaganj, New Delhi 110002 E-mail: <a href="mailto:bnpsy_delhi@gmail.com">bnpsy_delhi@gmail.com</a>	01/04/2019 to 31/03/2022		Due to Completion of term of appointment.
M/s. KSMC & Associates, Chartered Accountants	G-5, Vikas Apartments, 34/1, East Punjabi Bagh, New Delhi-110026 E-mail: <a href="mailto:info@ksmc.in">info@ksmc.in</a>	01/04/2022 to 31/03/2027		NA



## Issue Schedule

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last date for On Market Renunciation of Rights Entitlements #	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing or Commencement of trading (on or about)	[●]

# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

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

The above schedule is indicative and does not constitute any obligation on our Company or the Advisor to the Issue.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Advisors or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see "**Terms of the Issue - Procedure for Application**" beginning on page 166 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at <https://www.skylinerta.com> after keying in their respective details along with other security control measures implemented thereat. For further details, see "**Terms of the Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**" beginning on page 166 of this Draft Letter of Offer.

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

### Minimum Subscription

If our Company does not receive the minimum subscription of at least 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If, there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "Issue Information" on page 166.

### Appraising Entity

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

**Filing**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold for filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with BSE Limited and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

## CAPITAL STRUCTURE

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

#	Particulars	Amount (Rs.)	
		Aggregate nominal value	Aggregate value at Offer Price
A.	<b>Authorised Share Capital*</b>		
	7,50,00,000 Equity Shares of ₹.10/- each	75,00,00,000	-
B.	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,51,23,160 Equity Shares of ₹.10/- each	15,12,31,600	-
C.	<b>Present Issue in terms of this Draft Letter of Offer</b>		
	Offer of [●] Equity Shares of Face Value ₹10/- each at a Price of ₹ [●] per Equity Share	[●]	[●]
	<b>Issued, subscribed and paid-up Equity Share Capital after the Issue</b>		
	[●] Equity Shares ₹10.00/- each	[●]	
D.	<b>Subscribed and paid-up Equity Share Capital</b>		
	[●] Fully paid-up Equity Shares		[●]
E.	<b>Securities Premium Account</b>		
	Before the Issue		NIL
	After the Issue		[●]

# Assuming full subscription for and Allotment of the Equity Shares

(1) The present Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held October 21, 2023.

(2) The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue.

(3) Authorised share Capital has been increased from 30 Cr. to 75 Cr. through the Postal Ballot Notice Dated 21 October, 2023.

### Notes to Capital Structure

1. **Details of outstanding instruments as on the date of this Draft Letter of Offer:**

As on date of this Draft Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme. Further, it has not issued any convertible securities which are outstanding as of date of this Draft Letter of Offer.

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

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

3. **Details of Equity Shares acquired by the promoters and promoter group in the last one year prior to the filing of this Draft Letter of Offer, except as mentioned below, no Equity Shares have been acquired by the other Promoters or members of Promoter Group in the last (1) one year immediately preceding the date of filing of this Draft Letter of Offer:**

Name of the Promoter & Promoter Group	Date of Acquisition	Mode of Acquisition	No. of Equity Shares
Ms. Sukriti Garg	Pre-holding: 500000	Share Purchase Agreement dated April 20, 2022: 5,00,000	5,00,000

	June 30, 2022: 770 October 10, 2023	Open Offer: 770 Preferential Allotment: 53,95,000	770 53,95,000
M/s. Just Right Life Limited	Pre-holding: 575704	Share Purchase Agreement dated April 20, 2022: 5,75,704	0  Note: Sold all the holding in open market.
Ms. Seema Garg	October 10, 2023	Preferential Allotment: 7,55,000	7,55,000

**4. Intention and extent of participation by our Promoter and Promoter Group in the Issue:**

The Promoter and members of the Promoter Group of our Company have, vide their letters dated April 16, 2024 ("Subscription Letters") indicated their intention to subscribe in the full extent of their entitlement in the proposed Rights Issue, either by themselves or through one or more Promoter Group and either singly or jointly amongst any of them. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription to the Issue become not applicable.

The Promoters (either through one or more Promoter Group and either singly or jointly amongst any of them) reserve the right to subscribe to any unsubscribed portion of the Issue such that not less than 90% of the Issue is subscribed.

The Promoters and one or more Promoter Group reserve the right to acquire Equity Shares over and above their Rights Entitlement, which may result in an increase of Promoter and/or the Promoter Group shareholding above current shareholding and including allotment pursuant to Rights Entitlement of Equity Shares and to the extent of the unsubscribed portion of the Issue as mentioned above. This subscription and acquisition of additional Equity Shares by the Promoters/Promoter Group through this Issue, if any, will not result in a change of control of the management of the Company and shall be in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and other applicable regulations therein. For further details, please see the chapter titled "Capital Structure" beginning on page 52 of this Draft Letter of Offer.

5. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●] per equity share.
6. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations
  - (i) The shareholding pattern of our Company, as on March 31, 2024, can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/justride-enterprises-ltd/jreltd/531035/shareholding-pattern/>
  - (ii) The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2024, as well as details of shares which remain unclaimed for public can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=531035&qtrid=121.00&QtrName=March%202024>
7. At any given time, there shall be only one denomination of the Equity Shares of our Company.

Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

*This place has been left blank intentionally*

## OBJECTS OF THE ISSUE

The Issue comprises of an issue of up to [●] Equity Shares, aggregating up to ₹ 4,995 lakhs by our Company. For details see "*The Issue*" beginning on page 44 of this Draft Letter of Offer.

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects: The objects of the issue are:

1. To Purchase of Commercial Properties; and
2. General Corporate Purposes.

(Collectively, referred to hereinafter as the "**Objects**")

We intend to utilize the gross proceeds raised through the Issue (the "**Issue Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") for the abovementioned Objects

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

### The details of objects of the Issue

Particulars	Amount (in lakhs)
Gross proceeds from the Issue	4,990.00*
Less: Issue related expenses	85.00
<b>Net Proceeds of the Issue</b>	<b>4905.00</b>

*\*The issue size will not exceed ₹ 4990.00 lakhs if there is any deduction on account of or at the time of finalisation of issue price and Rights Entitlements Ratio the same will be adjusted against the amount for General Corporate Purpose.*

### Requirement of Funds:

The intended use of the Net Proceeds of the Issue is as under: -

S. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	Purchase of Commercial Properties	3680.00
2.	General Corporate Purposes <sup>^</sup>	1225.00
	<b>Total</b>	<b>4,905.00</b>

<sup>#</sup>to be used in various business segments working capital requirement with full fungibility.

<sup>^</sup>The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Utilization of Net Proceeds

S. No.	Particulars	Total estimated amount to be utilized
1.	Purchase of Commercial Properties	3680.00
2.	General Corporate Purposes <sup>^</sup>	1225.00
	<b>Total</b>	<b>4,905.00</b>

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our

business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purpose set forth above or shortfall in the Net Proceeds, increased fund requirement may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards the said Object is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue.

### Details of the Objects of the Issue

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

#### 1. *Purchase of Commercial Properties.*

For further the growth of business, company proposed to add new properties in emerging markets, whereat consumer spend is growing due to urbanisation, neo-affluent young generation, increasing brand consciousness etc. and accordingly it is proposed to acquire/purchase certain commercial property(ies) in Mohali, Punjab, which have already been leased/rented to renowned brands/franchise/food outlets/Quick Service Restaurants (QSR).

The QSR industry is in recent past has become integral to the fabric of Indian restaurant culture.

The past few years have seen even more innovation and customers' changing needs and interests, and in going forward this will continue to grow as its offering better solutions. Hence, renting properties to QSRs shall continue to remain a consistent income stream for the company with good profits and healthy cash flows.

These properties will help the Company to achieve growth by way of business diversification and geographical reach. All these properties, proposed to be acquired/purchased, have already been leased/rented to brands/franchise/food outlets, and situated at busy, large footfall points, hence 'll result in immediate addition in Revenue and profits.

We have entered into respective MoU with AB Alcobev Private Limited for the purchase of property/commercial luxury space, wherein the 100% stake in the property(ies) would be purchased by us and to this effect our Company has paid an advance of Rs.425.79 out of total consideration of Rs.4257.90 till March 31, 2024. Our Company proposes to utilize up to INR 3680.00 Lakhs from the Net Proceeds towards the proposal and balance will be paid out of the Internal Accruals.

The properties are running and fully operational as franchise outlets for some renowned Quick Business Restaurants (QSR). Our Company had the valuation of the properties done by a Registered Valuer Mr. Prateek Gupta; Registered Valuer – L & B (R.N. IBBI/RV/02/2022/14704).

Property is specifically referred to below mentioned retail units of "Project the CP.67" on 3<sup>rd</sup> Floor near to the Airport Road:

(Amount in Lakhs)

S. No.	Name of Vender/ Seller	Address of Property/ Unit No.	Total Value	Advance Paid	Balance payment	Nature of Titil to be Acquired	Date of MOU
1	AB Alcobev Private Limited	T-012	1296.00	129.60	1166.40	Ownership	07/02/2024
2		T-015	429.30	42.93	386.37	Ownership	07/02/2024
3		T-008	804.60	80.46	724.14	Ownership	07/02/2024
4		T-005-06	764.10	76.41	687.69	Ownership	07/02/2024
5		T-016	963.90	96.39	867.51	Ownership	15/04/2024
<b>Total</b>			<b>4257.90</b>	<b>425.79</b>	<b>3832.11</b>		

Our Company will bear the cost of any additional charge, as applicable, including transit insurance, installation and freight charges and taxes (over and above the Goods & Services Tax), if any, from our internal accruals.

There are no transaction relating to the property completed within the two preceding years, in which any vendor of the properties to the issuer or any person who is, or was at the time of the transaction, a promoter, or a director or proposed director of the issuer had any interest, direct or indirect.

## 2. **General Corporate Purpose**

We intend to deploy ₹1225 Lakhs from gross proceeds of the Rights Issue towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize issue proceeds include but not restricted to entering into brand building exercises and strengthening our marketing capabilities, general maintenance, partnerships, tie-ups or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by our Board of Directors, however utilization of the proceeds earmarked for general corporate purposes will be done in compliance with all applicable laws and regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

## 3. **Expenses for the issue**

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

Activity	Estimated Expense	% of Total Expenses	(₹ in lakhs)
			As a % of Issue size
Fees payable to the intermediaries (including Legal Counsel fees, selling commission, registrar fees and expenses)	[●]	[●]	[●]
Advertising, Printing, stationery and distribution Expenses	[●]	[●]	[●]
Statutory and other Miscellaneous Expenses	[●]	[●]	[●]
<b>Total</b>	115.00	100%	2%

## **Appraisal**

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

## **Schedule of Implementation and Deployment of Funds**

As estimated by our management, the entire proceeds received from the issue would be utilized during FY 2024-25.

## **Deployment of Funds towards the Objects of the Issue**

We have incurred 62.35 Lakhs up to April 16, 2024 towards the Objects of the Issue which has been certified by KSMC And Associates., vide his certificate dated April 16, 2024. The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

## **Bridge Financing Facilities**

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



### **Monitoring of Utilization of Funds**

Since the proceeds from the Issue are less than ₹10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI Listing Regulation, the Rights Issue Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Clause 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Clause 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

### **Interim Use of Proceeds**

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

### **Interest of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue**

Our Promoters, Promoter Group and Directors do not have any interest in the objects of the Issue.

### **Clause for Promoter Subscription**

Our Promoter and Promoter Group, (the "Promoter and Promoter Group Letters"), have confirmed to

- (i) subscribe to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of any other member(s) of the Promoter and Promoter Group);
- (ii) also subscribe to Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other member(s) of the Promoter and Promoter group; and
- (iii) in the event of any under-subscription of the Issue, to subscribe to additional Rights Equity Shares to the extent of at least minimum subscription of the Issue Size, subject to compliance with the minimum public shareholding as prescribed under the Securities Contracts (Regulation) Rules, 1957.

Any acquisition of Rights Equity Shares by Promoter & Promoter Group of the Company, over and above their Rights Entitlements, as applicable, or subscription to any unsubscribed portion of this Issue will not result in a change or control of the management of the Company and will not result in non-compliance or violation of any applicable laws.

### **Strategic or financial partners**

There are no strategic or financial partners attributed to the Objects of the Issue.

### **Variation in objects**

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot

Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

**Key Industry Regulations for the objects of the issue**

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

**Other Confirmations**

Except as disclosed above, there are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration our directors, or Key Managerial Personnel. Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS



**KSMC & ASSOCIATES**  
Chartered Accountants

### STATEMENT OF SPECIAL TAX BENEFITS

#### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

To  
**The Board of Directors**  
**Eraaya Lifespaces Limited**  
(formerly Justride Enterprises Limited)  
B-1, 34/1, Vikas House, Vikas Path Marg,  
East Punjabi Bagh, Delhi 110026.

Dear Sirs,

**Sub: Statement of possible special direct tax benefits available to Eraaya Lifespaces Limited ("the Company") and its shareholders ("the Statement").**

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

This statement 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, 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 rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits, where applicable have been/would be met.

This statement is intended solely for information and for inclusion in the *Draft Letter of Offer* in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

For KSMC & Associates.  
Chartered Accountants  
FRN: 003562N

CA Sachin Singhal  
(Partner)  
M No.: 505732  
UDIN: 24505732BKEGJJ9957

Date: 16.04.2024  
Place: Delhi

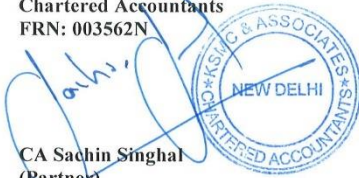
G-5, Vikas House, 34/1, East Punjabi Bagh, New Delhi-110026 (India)  
Ph : 011- 41440483, 42440483, 45140483 | E-mail : info@ksmc.in, admin@ksmc.in | Website : www.ksmc.in

**Statement of Special Tax Benefits available to the Company & its Shareholder under the Income Tax Act, 1961 and other Direct Tax Laws presently in force in India**

**Special Tax Benefits**

- I. **Benefits available to the Company**  
There are no special tax benefits available to the Company.
- II. **Benefits available to the Shareholders**  
There are no special tax benefits available to the shareholders for investing in the proposed right issue of shares of the Company.

For KSMC & Associates.  
Chartered Accountants  
FRN: 003562N



CA Sachin Singhal  
(Partner)  
M.No.: 505732  
UDIN: 24505732BKEGJJ9957

Date: 16.04.2024  
Place: Delhi

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## SECTION V – ABOUT THE COMPANY

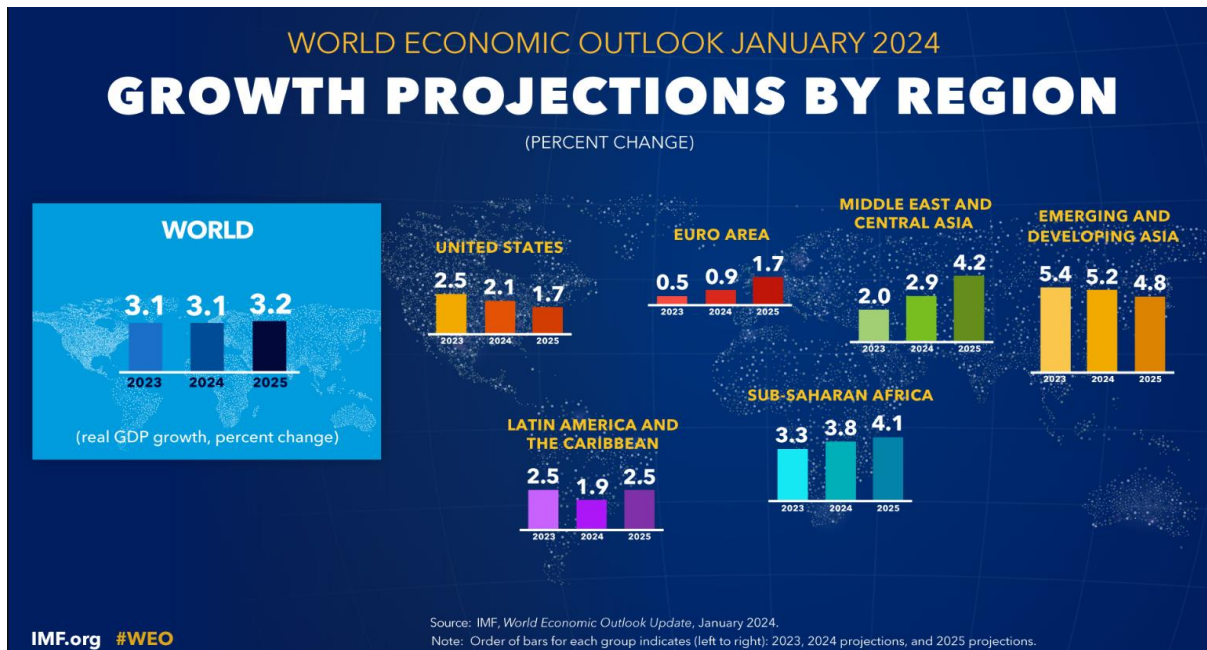
### INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 22 and 102, respectively of this Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 22 of this Draft Letter of Offer.

### GLOBAL ECONOMY

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



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

Policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

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

## **FORCES SHAPING THE OUTLOOK**

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

Growth resilient in major economies. Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their pre-pandemic (2017–19) paths amid elevated borrowing costs.

## **INFLATION SUBSIDING FASTER THAN EXPECTED**

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

## **HIGH BORROWING COSTS COOLING DEMAND**

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

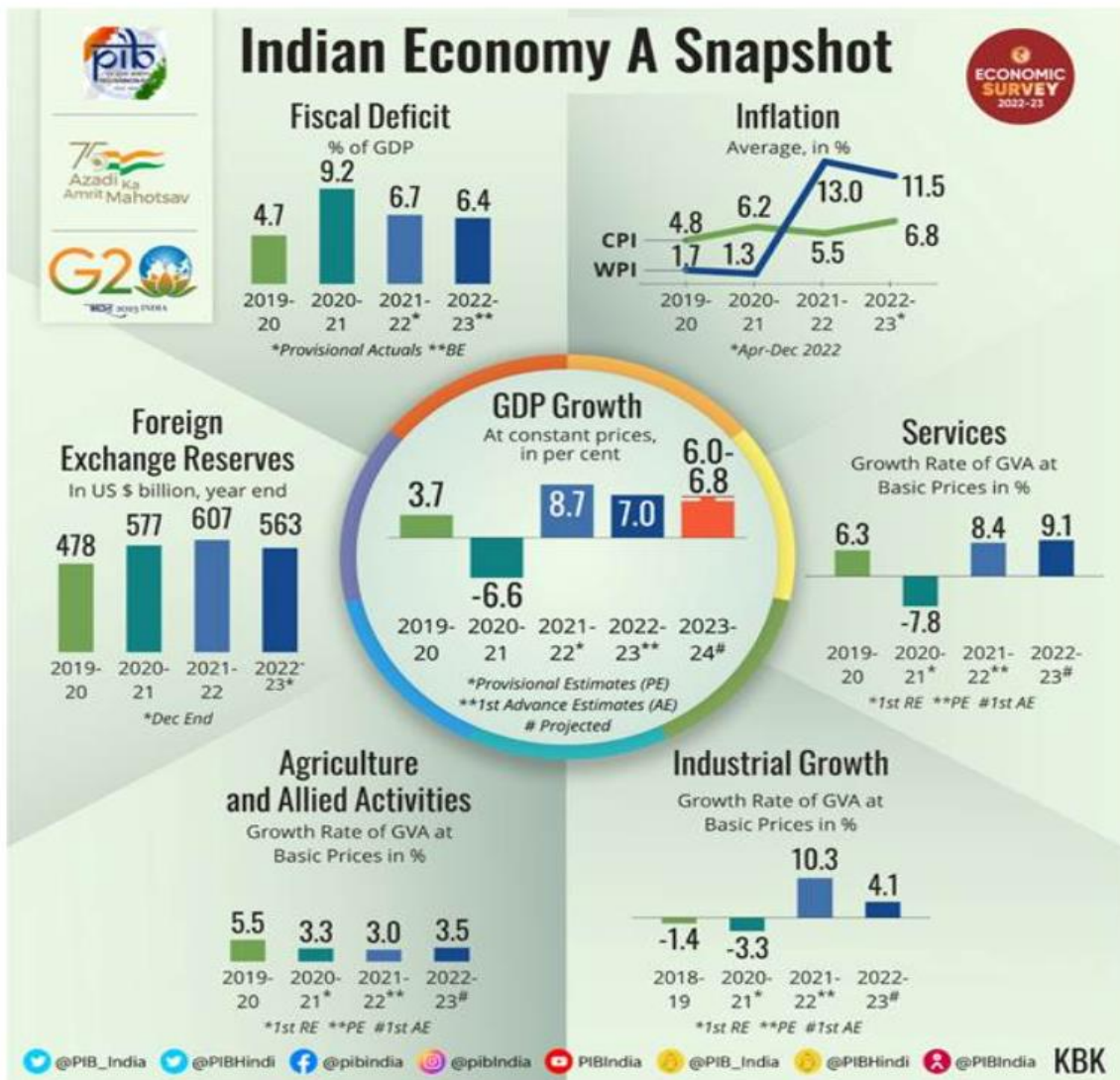


## FISCAL POLICY AMPLIFYING ECONOMIC DIVERGENCES

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

## OVERVIEW OF THE INDIAN ECONOMY

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



Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>



The nation has shifted to a modern economy, demonstrating increased global integration, and exporting a fifth of its output, a significant rise from one-sixteenth at independence. The demographic transition, marked by a lower infant mortality rate and a consistent growth in literacy rates, further enhances India's advantageous position. With improved income distribution, heightened employment rates, and globally competitive social amenity provisions, there is potential for India's per capita GDP to expand in the next 25 years, mirroring the growth seen in the preceding 75 years.

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

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

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

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

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

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

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

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

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

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

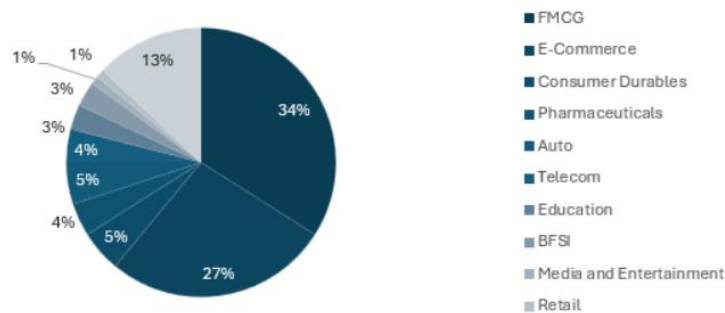
(Source: IBEF, <https://www.ibef.org/economy/monthly-economic-report> )

## DIGITAL MARKETING

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

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

Figure: Digital Media Spends across Industry Verticals

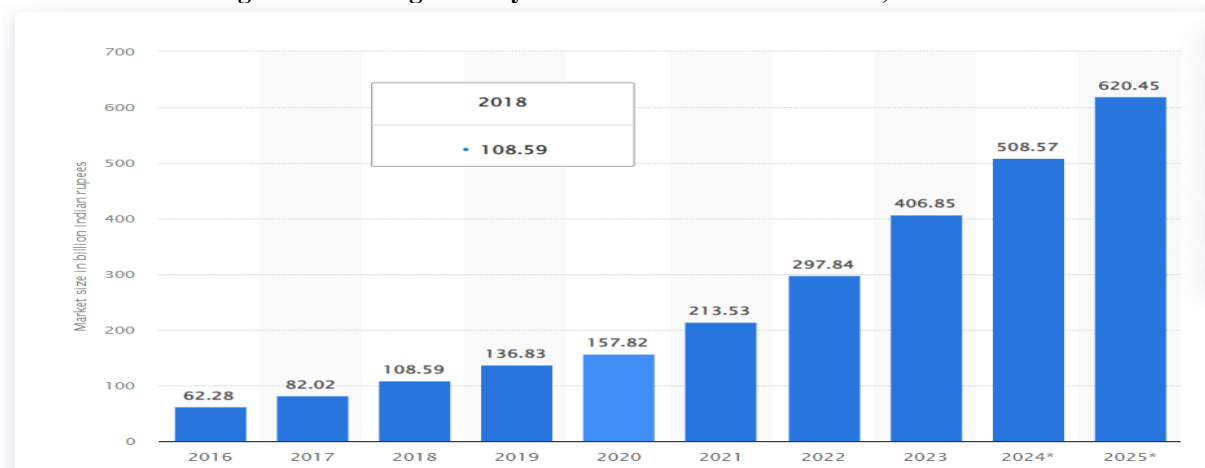


### India Digital Marketing Market Trends

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

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

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



### Rapid technological advancements

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

### Rise of social media influencers

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

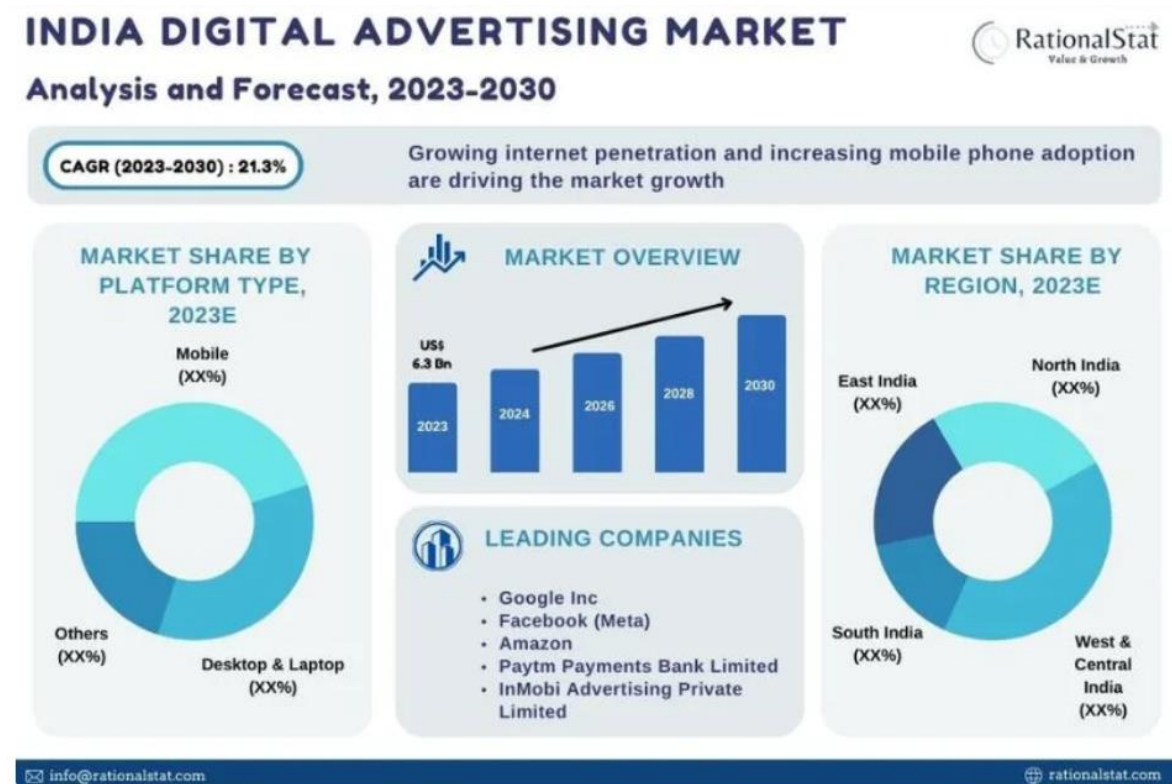
### Significant government support

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

### What is Digital Marketing?

Any form of marketing that uses digital channels such as SEO, websites, social media, mobile applications, emails, SMS, etc to market. Using electronic devices for selling products and services to reach consumers is known as digital marketing. It helps companies to reach out to a larger audience and understand their behaviour.

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



### Growth of the Digital Marketing Industry in India

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

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

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

### Different Types of Digital Marketing in India



### Search Engine Optimization

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

## Social Media Marketing

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

## Email Marketing

- Email marketing is the most effective digital marketing strategy yet very affordable. Even a company with the least online presence uses email as its marketing strategy.
- It is a proven effective technique and is called an effective lead generator by professionals.
- The purpose is to reach out to more audiences through creative email campaigns and make them click the link and go to your desired content. It helps to convert potential leads into sales.
- You can add marketing automation which allows you to schedule and segment emails that can help you to meet your consumer's needs effectively.

## Content Marketing

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

## Affiliate Marketing

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

## Video Marketing

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

## Influencer Marketing

- An influencer is someone who has a huge social media following on social media platforms like Instagram, YouTube, etc., and has established trust and loyalty within the audience.



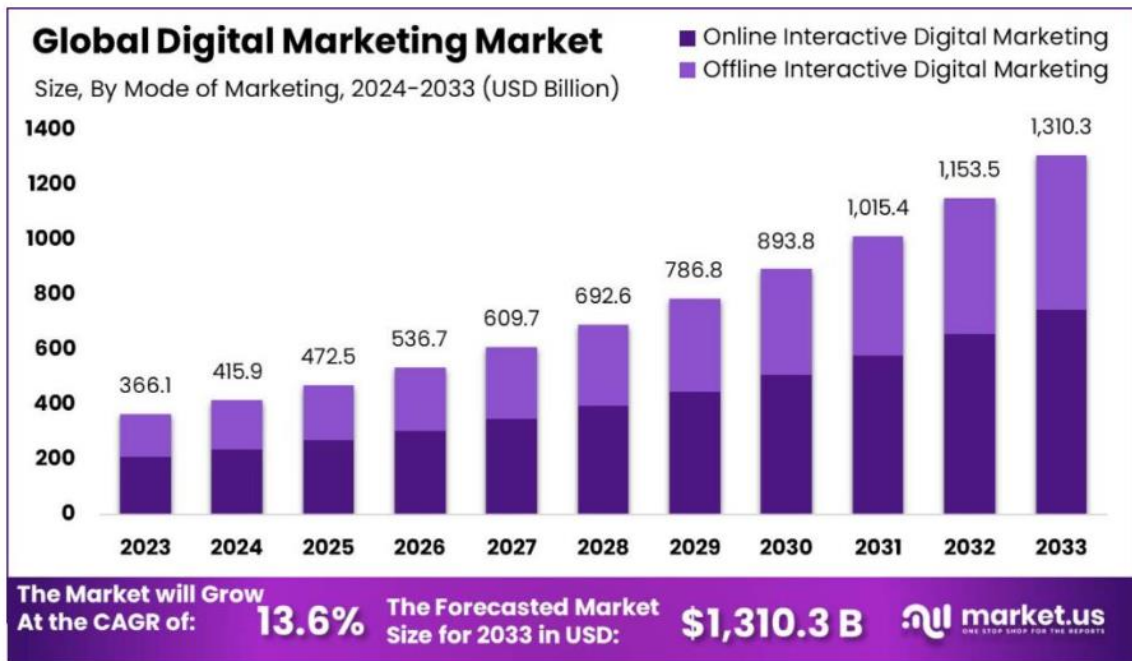
- Some influencers use their social media presence to promote a company’s product or service and market it for them. They influence their audience to make purchases.
- Nowadays, influencer marketing is becoming very popular as both sides are benefitted. Influencers get paid for doing promotions for a company and that company is receiving profits in terms of sales.

### Future of the Digital Marketing Industry in India

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

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

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



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

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

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

According to data from the **World Advertising Research Center (WARC)**, the global digital advertising spend is expected to reach **\$526 billion** in 2023, showing steady growth from the estimated **\$491 billion** in 2022. This upward trend indicates the continued importance and investment in digital advertising by businesses worldwide. Among the various segments of digital advertising, search advertising remains the largest, commanding over **40%** of the market share. This is followed by social media advertising and video advertising, which have gained significant traction in recent years due to the popularity of platforms like Facebook, Instagram, YouTube, and TikTok.

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

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

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

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

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

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

### **Personalised digital marketing strategies**

Companies are investing in customising their digital marketing strategies to provide their customers with a personalised experience. Digital marketing tools help businesses set clear consumer targets based on gender, age, occupation, hobbies, or other interests. The personalisation of digital marketing advertisements reduces the search time for consumers to make purchases, consequently boosting the sales of businesses.

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

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

Moreover, the growing listenership to audio content has pushed brands and advertisers to effectively use podcast features, including branded URLs, promo codes, and checkout surveys. Companies like Swiggy and Boat have

partnered with popular podcasters to offer discounts to listeners and create branded content while promoting their services and products.

## HOSPITALITY INDUSTRY



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

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

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

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

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

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

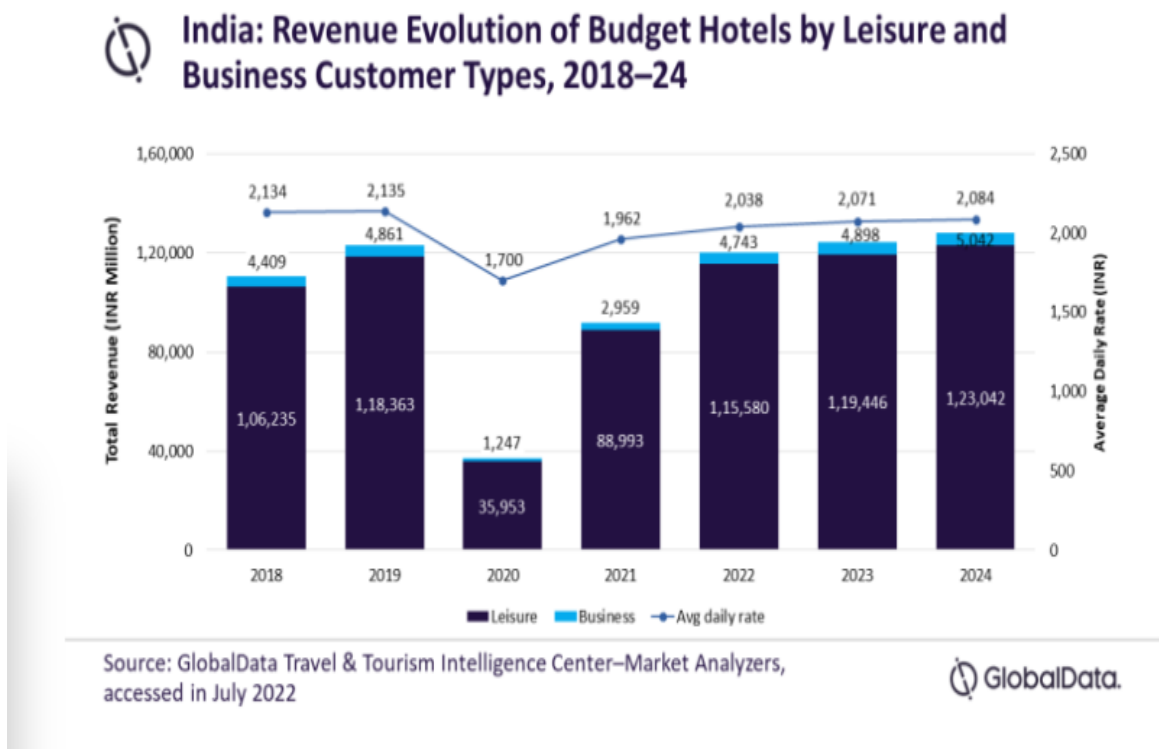
This industry provides us a good platform to understand and respect the culture, traditions of countries across the globe. It enables us to interact with the world by offering us an opportunity to serve people from diverse backgrounds and nationalities.



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

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

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



### Key Takeaways

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

### Sectors Within the Hospitality Industry

The key sectors within the hospitality industry.

## **1) Accommodation**

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

### **Bed & Breakfasts**

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

### **Hotels**

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

### **Resorts**

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

### **Serviced Apartments**

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

### **Time Sharing**

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

## **2) Food & Drinks**

While food and drinks are necessities, most food and drinks services also fall under the hospitality industry umbrella because they offer people a way of spending their leisure time and disposable income and an opportunity to socialize and enjoy an experience. Again, the food and drinks sector caters to many customers, including tourists, locals, ex-pats, and passers-by.

### **Restaurants**

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

### **Catering**

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

## Bars & Cafés

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

## Nightclubs

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

## Tea & Coffee Shops

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

### **3) Travel and Tourism**

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

#### Travel Agents

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

#### Tour Operators

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

#### Online Travel Agencies (OTAs)

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

#### Cruises

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

#### Car Rental

Car rental services cater to customers who require short-term access to a car. In many cases, these services are used by tourists traveling to other parts of the world. However, some locals may also wish to rent a car, especially if they do not have regular access to one or if they require a larger number of passenger seats.

## Casinos

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

## THE LATEST HOSPITALITY TRENDS

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

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

### Factors Responsible for Upcoming Hospitality Developments

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

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

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

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

#### 1. Renewable Energy

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

#### 2. Sustainability

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

#### 3. Safety & Hygiene

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

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

#### 4. Digital & Mobile

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

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

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

### **FUTURE PROSPECTS OF THE HOSPITALITY INDUSTRY**

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

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

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

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

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

functional roles. Consequently, hotel operators are strategically investing in automated systems and technologies to streamline processes and tailor experiences for their guests.

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

Major companies operating in the hospitality market report are Compass group Holdings plc; Starbucks Corporation; Sodexo SA; Marriott International Inc.; Aramark corporation; McDonald's Corporation; Four Seasons Hotels and Resorts Limited; Darden Restaurants Inc.; Yum China Holdings Inc.; Hilton Worldwide Holdings Inc.; Chipotle Mexican Grill Inc.; InterContinental Hotel Group plc; IDEaS Revenue Solutions Inc.; The Ritz-Carlton Hotel Company LLC; Mandarin Oriental Hotel Group Ltd.; Radisson Hotel Group AB; Extended Stay America Inc.; AIR Communities LLC; Rosewood Hotel Group LLC; La Quinta Inns & Suites Holdings Inc.; Apple Leisure Group LLC; Evolve Vacation Rental Network Inc.; Shangri-La Hotels and Resorts Ltd.; American Cruise Lines Inc.; Ennismore Lifestyle Group Limited; Hotel Engine Inc.; OTA Insight Limited; Red Lion Hotels Corporation; Mint House Holdings Inc.; Wonders Legal Inc.; BentoBox Media Inc.; Berkshire Hathaway Inc.

Asia-Pacific was the largest region in the hospitality market in 2023. North America was the second largest region in the hospitality market. The regions covered in the hospitality market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, Africa. The countries covered in the hospitality market report are Australia; China; India; Indonesia; Japan; South Korea; Bangladesh; Thailand; Vietnam; Malaysia; Singapore; Philippines; Hong Kong; New Zealand; USA; Canada; Mexico; Brazil; Chile; Argentina; Colombia; Peru; France; Germany; UK; Austria; Belgium; Denmark; Finland; Ireland; Italy; Netherlands; Norway; Portugal; Spain; Sweden; Switzerland; Russia; Czech Republic; Poland; Romania; Ukraine; Saudi Arabia; Israel; Iran; Turkey; UAE; Egypt; Nigeria; South Africa.

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

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

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

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

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

## **Revenue Sharing Model**

Indian retail has moved into a consumption-based mode. Retailers offer minimum guarantee and revenue share, where the revenue share is a percentage of the profits generated by actual performance. Mall rentals in most locations are high, and minimum guarantees in the first couple of years are always above revenue share. This brings into play the retailers ability to pay therefore, the revenue share does not kick in over the short term. Revenue share usually becomes a factor after anything between 3 months to 3 years of active tenancy, depending on how the center is priced during its initial leasing.

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

### **A model concept**

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

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

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

Harmit Chawla, Vice-President-Sales, Uppal Group, says, “The whole business is about mutual co-existence. Here, revenue sharing provides a win-win option to both the developer as well as the retailer. Revenue sharing model certainly improves occupancy in the mall. Retailers and the developers get to share both risks and reward.”

Revenue sharing model works on trust and mutual understanding between mall developers and retailers. It’s easy for mall owners to practice this model with company-owned and operated outlets rather than franchise outlets, as there is now a particular system through which they can track the revenues generated by the retailer on a regular basis and no retailer would allow others to look into their respective data on regular basis.

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

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

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

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

pre-leased properties are those, which are already rented out at the time of sale, and the owner receives a fixed income in the form of monthly rentals paid by the tenant. These properties could be commercial shops or offices rented out to banks, corporate organisations, franchises, and institutions. Investors prefer pre-leased commercial

properties as they offer a steady guaranteed income. Moreover, the owner does not have to go through the hassle of finding a suitable tenant as it is already arranged by the developer.

### **Types of pre-leased properties**

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

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

### **Revenue Share Model**

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

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

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

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

Unlike profit-sharing plans, the revenue share model is based on gross sales and can include operating expenses.

The amount distributed to partners depends on their contribution to the company's growth or success over a set period of time.

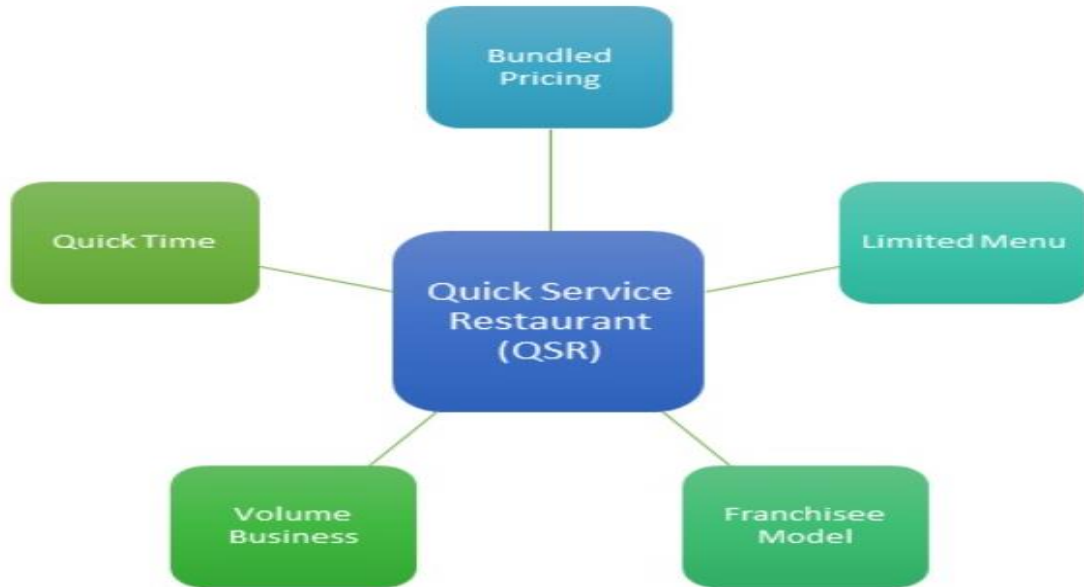
*Ref:* <https://dealhub.io/glossary/revenue-sharing/#:-:text=Franchising%3A%20Franchise%20businesses%20share%20revenue,access%20their%20resources%20and%20support.>



### Quick Service Restaurants

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

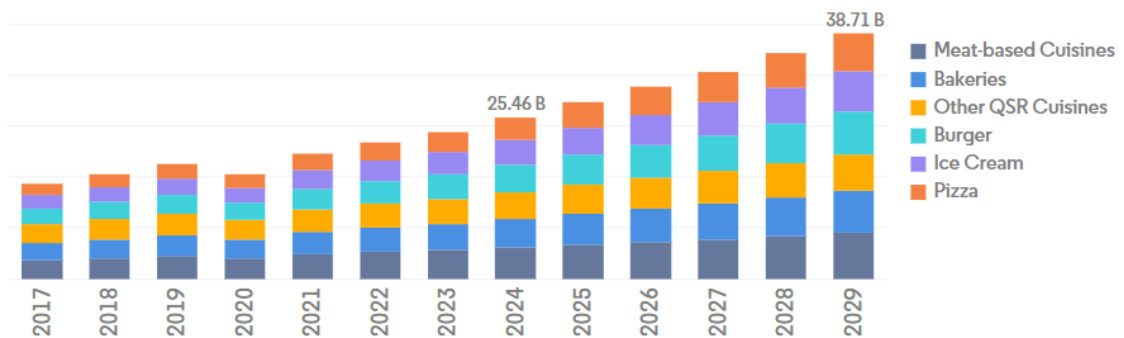
QSR restaurants are known to have standardized, modular and efficient processes which help them in reducing the lead times to fulfil the orders but still maintain the quality expected by the customers. Preparation methodology and usage of technology are pillars of a Quick service restaurant (QSR).



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

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

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



Source: Mordor Intelligence

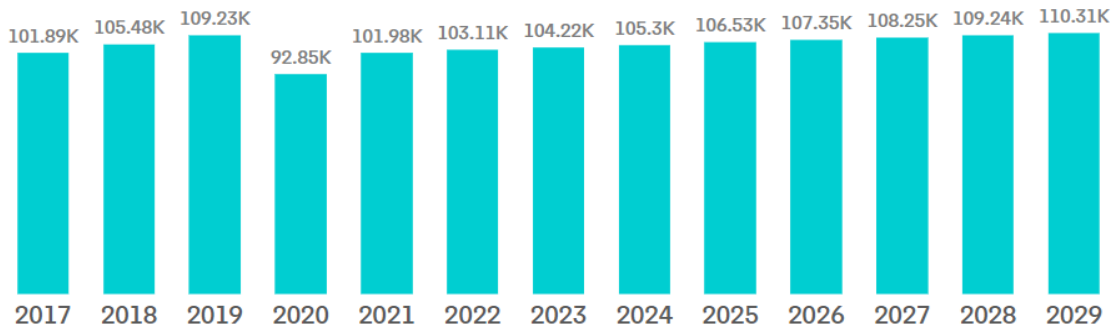


Ref: <https://www.mordorintelligence.com/industry-reports/india-quick-service-restaurant-market>

## Examples of Quick Service Restaurant (QSR)

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

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



Source : Mordor Intelligence



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

Indians spend 35.3% of their total expenditure on food. The average spending on fast food has reached USD 2.98 to USD 3.65 during review period. However, in 2021, it was noted that 94% of men and 96% of women in India prefer to consume fast food once a week. Popular QSR dishes preferred by the Indians are French fries (USD 1.63 per serving), pizzas (USD 4.47 per serving), sandwiches (USD 1.33 per serving), and burgers (around USD 1.75 per serving). The popularity of wraps/rolls and garlic bread is growing and is widely accepted by young adults. The average price of garlic bread is USD 2.11 per serving, and wraps/rolls cost 2.17 per serving. There is an increased preference for bakery products in India. However, popular bakery products are cakes, pastries, and cookies. The average price for black forest cake/pastry is around USD 5.203 per 500-g, choco lava cake costs around USD 1.21 per piece, and red velvet cake/pastry costs USD 5.8 per 500 g. Among all, choco lava cake is highly preferable, and the majority of global QSR chains, such as McDonald's and KFC, have added this to their dessert menu. The average order value increased by 23.65% from 2017 to 2022. The rising inflation rate increased by an average of 5.13-7.54% from 2017 to 2022, and the number of orders per year increased to more than 64,647 in 2022. The growth has been attributed to chained fast-food brands that have started expanding by opening new outlets in metro and non-metro cities. For instance, in the first half of 2023, KFC and Subway opened new stores in Delhi and Punjab with all its foods and beverages on the menu and planned to expand in the nation by 2024 with more new outlets

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

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

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

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read "**Risk Factors**" beginning on page 22 of this Draft Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition or results of operations, you should read restated "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 102 and 143, respectively of this Draft Letter of Offer. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

### **Overview and History**

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

The Registered Office of the Company is situated at B-1, 34/1, Vikas House, Vikas Path Marg, Delhi - 110026 Tel. No. 7065084854. The CIN of the Target Company is L74899DL1967PLC004704

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

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

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

The equity shares of the Company are listed on BSE Ltd (Security ID: ERAAYA, Security Code: 531035). The ISIN of the Equity Shares of the Target Company is INE432F01024. At present the Paid-up share capital of the company stands at Rs. 15,12,31,600/- consisting of 1,51,23,160 equity shares having face value of Rs. 10/- each. Though the equity shares of the Company are in-frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations on BSE Limited.

### **Our products**

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

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

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

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

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

## **Our Business Strategy**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **Our Strength**

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

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

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

Creating an institution that is built to last requires strong corporate governance standards. The governance standards are further strengthened by strong policies and processes enshrined in the Articles of Association and strong human resource. We believe in fair trade practices and follow high standards of governance in managing the business of the Company.

#### **Marketing**

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

#### **Competition**

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

#### **Employees**

We believe our human capital is one of our most important strengths and a key driver of growth, efficiency and productivity. We invest in developing our talent and leadership through various initiatives aimed at strengthening the ability of our managers to bring together people, strategies, and execution to drive business results.

#### **Focus on customers**

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

**Properties**

Regd. Office: B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Delhi 110026.

Our registered office is on leased premises.

**Insurance:**

As on date of this Draft Letter of Offer, our Company has not obtained any insurance pertaining to its business.

**Legal Proceedings**

For details on the outstanding litigation against our Company, our Group Companies, our Directors and our Promoters, please see "*Outstanding Litigation and Material Developments*" beginning on page 152 of this Draft Letter of Offer.

## OUR MANAGEMENT

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Letter of Offer, our Board consist of 6 (Six) Directors, out of which 3 (Three) are Executive Directors, 3 (Three) are Non-Executive Independent Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

Sr. No.	Name	DIN	Category	Designation
1.	Ms. Sukriti Garg	09585946	Executive	Managing Director
2.	Ms. Bhawana Gupta	10101543	Executive	Whole Time Director and CEO
3.	Ms. Meenakshi	10281806	Executive	Whole Time Director Chief Financial Officer
4.	Ms. Sony Kumari	09270483	Non-Executive	Independent Director
5.	Ms. Swati Gupta	09652245	Non-Executive	Independent Director
6.	Ms. Poonam Dhingra	09524982	Non-Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Letter of Offer:

S.No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
1.	<p><b>Ms. Sukriti Garg</b></p> <p><b>DIN:</b> 09585946</p> <p><b>Date of Birth:</b> 26/03/1998</p> <p><b>Qualification:</b> Master's in Architecture</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> House No. 7, Road No-7, Road no 41, West Punjabi Bagh, New Delhi-110026</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Tenure:</b> August 23, 2028</p> <p><b>Date of First Appointment:</b> 06/02/2023</p> <p><b>Date of Appointment as Managing Director:</b> 24/08/2023</p>	26	nil
2.	<p><b>Ms. Bhawana Gupta</b></p> <p><b>DIN:</b> 10101543</p>	49	RITUAL STEELS PRIVATE LIMITED

	<p><b>Date of Birth:</b> 02/04/1975</p> <p><b>Qualification:</b></p> <p><b>Designation:</b> Whole Time Director and CEO</p> <p><b>Address:</b> House No. 14, Ground Floor, Channamal Park, East Punjabi Bagh, Delhi 110026</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> From 08/04/2023 to 07/04/2028</p> <p><b>Date of First Appointment:</b> 08/04/2023</p> <p><b>Date of Appointment as WTD and CEO:</b> 24/08/2023</p>		
3.	<p><b>Ms. Meenakshi</b></p> <p><b>DIN:</b> 10281806</p> <p><b>Date of Birth:</b> 21/03/1997</p> <p><b>Qualification:</b> B. Com (Hons.)</p> <p><b>Designation:</b> Whole Time Director Chief Financial Officer</p> <p><b>Address:</b> H.No. 674, Kangar Mohalla, Tughlakabad Village, Jaitpur, Delhi, 110044.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> From 24/08/2023 to 23/08/2028</p> <p><b>Date of First Appointment:</b> 24/08/2023</p> <p><b>Date of Appointment as WTD:</b> 24/08/2023</p>	27	Nil
4.	<p><b>Ms. Poonam Dhingra</b></p> <p><b>DIN:</b> 09524982</p> <p><b>Date of Birth:</b> 26/01/1962</p> <p><b>Qualification:</b> Law &amp; Commerce Graduate from Delhi University</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> House No. A 58, Ground Floor, Palladians, Mayfeild Gardens, Sector 47, Gurgaon, Haryana 122018</p> <p><b>Occupation:</b> Self Employed</p> <p><b>Nationality:</b> Indian</p>	62	<p>G G ENGINEERING LIMITED</p> <p>VRINDAA ADVANCED MATERIALS LIMITED</p>



	<p><b>Term:</b> From 24/08/2023 to 23/08/2028</p> <p><b>Date of First Appointment:</b> 24/08/2023</p> <p><b>Date of Appointment as I.D:</b> 24/08/2023</p>		
5.	<p><b>Ms. Sony Kumari</b></p> <p><b>DIN:</b> 09270483</p> <p><b>Date of Birth:</b> 07-11-1991</p> <p><b>Qualification:</b> Company Secretary, Member of ICSI</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> E-30B, Flat No. 8, 2nd Floor, Chhatarpur Extension Near Suman Chowk, Chattarpur, South Delhi-110074</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> From 06/02/2023 to 05/02/2028</p> <p><b>Date of First Appointment:</b> 06/02/2023</p> <p><b>Date of Appointment as I.D:</b> 06/02/2023</p>	33	<p>ADVIKA FINVEST LIMITED</p> <p>ADVIK CAPITAL LIMITED</p> <p>INTEGRA ESSENTIA LIMITED</p> <p>INDEX SECURITIES &amp; RESEARCH PRIVATE LIMITED</p>
6.	<p><b>Ms. Swati Gupta</b></p> <p><b>DIN:</b> 09652245</p> <p><b>Date of Birth:</b> 07-11-1991</p> <p><b>Qualification:</b> Chartered Accountant, Member of ICAI</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> F-722A, Street No. 24, Laxmi Nagar, East Delhi, Delhi 110092</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> From 06/02/2023 to 05/02/2028</p> <p><b>Date of First Appointment:</b> 06/02/2023</p> <p><b>Date of Appointment as I.D:</b> 06/02/2023</p>	28	<p>M K PROTEINS LIMITED</p> <p>G G ENGINEERING LIMITED</p> <p>ADVIK CAPITAL LIMITED</p> <p>CELLECOR GADGETS LIMITED</p>

### **Past Directorship in Suspended Companies**

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

### **Past Directorship in Delisted Companies**

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

### **KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

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

Name	Designation	Associated with Company since
Ms. Bhawana Gupta	Whole Time Director and CEO	08/04/2023
Ms. Meenakshi	Whole Time Director and CFO	24/08/2023
Ms. Vasudha Aggarwal	Company Secretary	17/06/2023

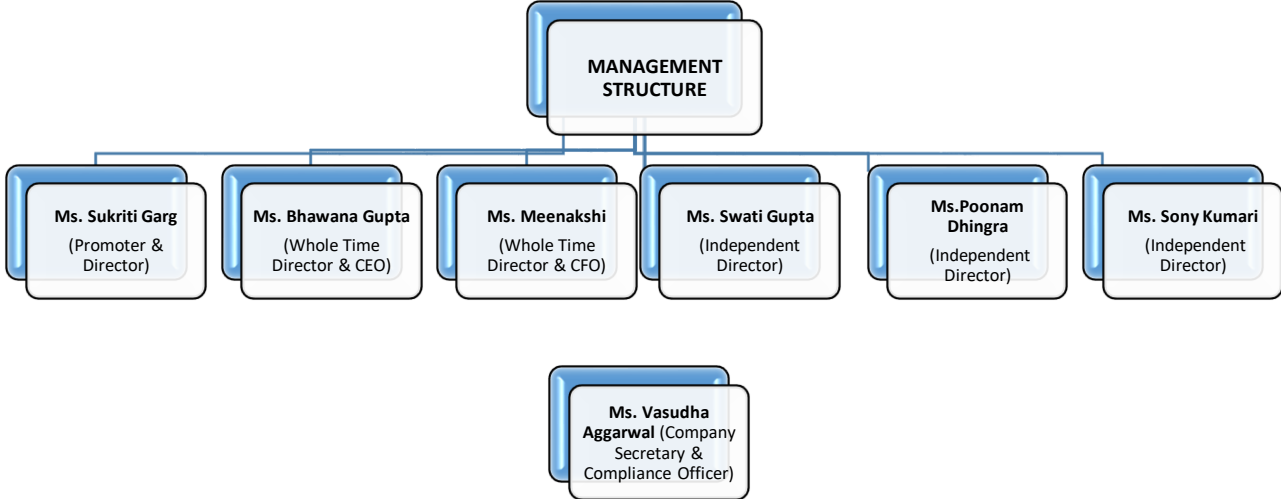
### **Confirmations**

1. Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
2. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
3. None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
4. None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
5. None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them

### **Management Organization Structure**

The Management Organization Structure of the company is depicted from the following chart;

Management Organisation Structure



### Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Committee

### **TERMS OF REFERENCE OF VARIOUS COMMITTEE:**

#### **1) Audit Committee**

The following members forming a part of the said Committee:

<b>Name</b>	<b>Designation</b>
1. Ms. Swati Gupta	Chairperson
2. Ms. Poonam Dhingra	Member
3. Ms. Meenakshi	Member

The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Restated Financial Statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- iv) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement; to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013; changes, if any, in accounting policies and practices and reasons for the same;
  - 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 transaction;
  - g) Modified opinion(s) in the draft audit report;
- v) Reviewing, with the management, the quarterly Financial Statements before submission to the

- Board for approval;
- vi) 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;
  - vii) Reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
  - viii) Approval or any subsequent modification of transactions of the Company with related parties;
  - ix) Scrutiny of inter-corporate loans and investments;
  - x) Valuation of undertakings or assets of the Company, wherever it is necessary;
  - xi) Evaluation of internal financial controls and risk management systems;
  - xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - xiii) 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;
  - xiv) Discussion with internal auditors of any significant findings and follow up there on;
  - xv) 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;
  - xvi) 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;
  - xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - xviii) To review the functioning of the Whistle-Blower mechanism;
  - xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  - xxi) Carrying out any other function as may be assigned to it by the board of director from time to time.

## 2) Nomination and Remuneration Committee

The following members forming a part of the said Committee:

Name	Designation
1. Ms. Swati Gupta	Chairman
2. Ms. Sony Kumari	Member
3. Ms. Poonam Dhingra	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of our Nomination and Remuneration Committee, is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations which are as follows:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel ("KMP") and other employees;
- A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) Use the services of an external agencies, if required;

- b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- (ii) Specification of manner and criteria for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the board or by an independent external agency and review its implementation and compliance.
  - (iii) Devising a policy on diversity of board of directors;
  - (iv) 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 of directors their appointment and removal.
  - (v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
  - (vi) Recommend to the board, all remuneration, in whatever form, payable to senior management.

### 3) Stakeholders' Relationship Committee

The following members forming a part of the said Committee:

Name	Designation
1. Ms. Poonam Dhingra	Chairperson
2. Ms. Swati Gupta	Member
3. Mr. Sony Kumari	Member

The Company Secretary acts as the secretary of the Stakeholders' Relationship Committee.

The scope, functions and the terms of reference of our Stakeholders' Relationship Committee, is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations which are as follows:

- (i) To consider and resolve the grievance of all the security holders related to transfer/ transmission of shares, non-receipts of annual reports and non-receipts of declared dividends, issue of new duplicate certificates, general meetings etc.;
- (ii) To review the measures taken for effective exercise of voting rights by shareholders
- (iii) To review the adherence to service standards adopted by the company in respect of various services being rendered by the Share Transfer Agent.
- (iv) To review various measures and initiatives undertaken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- (v) To review and act upon such other grievances as the Board of Directors delegate to the Committee from time to time.

#### Our Key Managerial Personnel:

In addition to our Executive Director and Whole Time Director, whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial personnel as on the date of filing of this Draft Letter of Offer:

#### Ms. Meenakshi, Chief Financial Officer

Ms. Meenakshi, is a Chief Financial Officer of the Company. She is Pursuing Professional course from the Institute of Chartered Accountants of India as well as she is Graduate in B. Com (Hons.) from Delhi University. She is a young, dynamic having good experience in the field of Accounts, Finance, Audits, and Taxation Matters.

She also possesses knowledge of Corporate Law, Strategic/Financial Planning, Working Capital Management, Statutory Compliances, Filings, and MIS among other aspects of corporate functioning

**Ms. Bhawana Gupta, Chief Executive Officer**

Ms. Bhawana Gupta, is a Chief Executive Office of the Company. She is a graduate (B.A.) having an adequate experience in handling business, management, strategic & development planning, finance, operations and other related matters. She has successfully handled various corporate assignments during recent past.

**Ms. Vasudha Aggarwal, Company Secretary and Compliance Officer**

Ms. Vasudha Aggarwal is the Company Secretary and Compliance Officer of the Company. She is MBA (Finance) from Kurukshetra University. She is an Associate member of The Institute of Company Secretaries of India and has prior experience in Corporate Secretarial practices, legal, Statutory Compliance, Corporate Governance and allied matters. She is currently Pursuing her LL. B from Chaudhary Charan Singh University.

**Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel**

None of the Key Managerial Personnel are related in any capacity with the other Key Managerial Personnel of the Company.

## OUR PROMOTER

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer.

### BRIEF PROFILE OF OUR PROMOTERS IS AS UNDER:

#### 1. Ms. Sukriti Garg

	Ms. Sukriti Garg is a young Entrepreneur, done graduation from Guru Gobind Singh Indraprastha University and holds experience of around 3 years in this business industry and has handled various areas of business including strategic planning and implementation, procurement, storage, marketing and has led institutions across business development, strategy as well as operations over the period of years.
<b>Age</b>	26 years (26/03/1998)
<b>PAN</b>	ALWPG6413A
<b>Qualification</b>	Bachelor of Commerce (B. Com) Hons and Master's in Architecture
<b>Personal Address</b>	H. No. 7 Road No. - 41, West Punjabi Bagh, Delhi – 110026
<b>Directorship &amp; Other Ventures</b>	1. Eraaya Lifespaces Limited

#### 2. M/s Just Right Life Limited

	M/s. Just Right Life Limited is an unlisted public company limited by shares. It was initially incorporated as a private limited company on July 13, 2015 under the provisions of Companies Act, 2013, known as Stepping Stone Constructions Private Limited and further, the name has been changed to "Just Right Life Private Limited" consequent to Certificate of Incorporation pursuant to change of name dated May 19, 2022 issued by Registrar of Companies, RoC - Delhi. Further, consequent to effect the legal status on conversion from Private Limited Company to Public Limited Company, the name of the Company has been changed to "Just Right Life Limited" vide Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated May 31, 2022 issued by Registrar of Companies, ROC – Delhi bearing Corporate Identification Number: U74110DL2015PLC283415.
<b>Age</b>	09 years (13-07-2015)
<b>PAN</b>	AAWCS8320E
<b>Qualification</b>	NA
<b>Registered Address Address</b>	B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Delhi – 110026
<b>Directorship &amp; Other Ventures</b>	NA



**PROMOTER GROUP**

**1. Mrs. Seema Garg**

	Mrs. Seema Garg, aged 50 Years, is in the Promoter Group of our Company. She holds the degree in Bachelor of Commerce (B. Com) by Qualification. He is having more than 21 years of experience in the Business Administration.
<b>Age</b>	50 years (06-07-1974)
<b>PAN</b>	AAJPG3268R
<b>Qualification</b>	Bachelor's Degree in Commerce
<b>Personal Address</b>	H. No. 7 Road No. - 41, West Punjabi Bagh, Delhi – 110026
<b>Directorship &amp; Other Ventures</b>	NIL

**OUR PROMOTER GROUP**

**Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:**

Name of the Promoter	Ms. Sukriti Garg
Relation with Promoter	Name of Relatives
Father	Mr. Vikas Garg
Mother	Mrs. Seema Garg
Spouse	NA
Brother(s)	Vaasu Garg
Sister(s)	Vrinda Garg
Son(s)	NA
Daughter(s)	NA
Spouse's Father	NA
Spouse's Mother	NA
Spouse's Brother	NA
Spouse's Sister	NA

## **Confirmations**

1. None of our Promoter has been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. None of our Promoter or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. there are no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, during the last three Fiscals, as per the requirements under Ind AS 24 read with SEBI ICDR Regulations and as reported in the Restated Financial Statements, see section titled "*Financial Information*" at page 102 of this Draft Letter of Offer.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the 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. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

We have not declared any dividend in the previous three (3) financial years immediately preceding this issue.

**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>S.No.</b>	<b>Particulars</b>	<b>Page No.</b>
<b>1.</b>	Restated Standalone Financial Statements as at Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.	103
<b>2.</b>	Statement of Capitalisation	142



## KSMC & ASSOCIATES

Chartered Accountants

Auditors' Report on the restated summary statements of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, summary statement of profits and losses (including other comprehensive income), summary statement of cash flows and changes in equity for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 of M/s Eraaya Lifespaces Limited ( Formerly known as as **Justride Enterprises Limited**) collectively, the "Restated Summary Statements"

**To**  
**The Board of Directors**  
**Eraaya Lifespaces Limited**  
**(Formerly known as Justride Enterprises Limited)**

Dear Sirs:

1. We have examined the attached Restated Summary Statements of Eraaya Lifespaces Limited (the "Company") annexed to this report and prepared by the Company for the purpose of inclusion in the Letter of Offer in connection with its Right Issue. The Restated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
  - a) Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
  - b) Relevant provisions of 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 (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note")

### **Management's Responsibility for the Restated Summary Statements**

2. The preparation of the Restated Summary Statements, which are to be included in the Offer documents is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

### **Auditors' Responsibilities**

3. We have examined such Restated Summary Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you vide our engagement letter dated April 10, 2024, requesting us to carry out the assignment, in connection with the proposed Right Issue of the Company;
  - b. The Guidance Note; The Guidance Note also requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI.
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Unconsolidated Summary Statements; and



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- d. The requirements of Section 26 of the Act and the ICDR Regulations;

Our work was performed solely to assist you in meeting your responsibilities in relation to your Compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

**Restated Summary Statements as per audited Financial Statements**

4. These Restated Summary Statements have been compiled by the management of the Company from:

- a. Audited financial statements of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022, which were prepared in accordance with Ind AS as prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 11, 2024, April 17, 2023 and May 30, 2022 respectively; and

5. For the purpose of our examination, we have relied on:

- Auditors' reports issued by us dated April 17 2023 on the financial statements of the company for the year ended March 31, 2023 as referred in Paragraph 4(a) above and
- Auditor's Report dated May 30, 2022 issued by the previous auditor, on the financial statements of the Company as at and for the years ended March 31, 2022 as referred in Paragraph 4(a) above;

6. Based on the above and according to the information and explanations given to us, we report that the Restated Summary Statements of the Company, as attached to this report read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and these Restated Summary Statements:

- i. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
- ii. does not have any qualifications in the auditors' reports on the audited financial statements of the company as at March 31, 2023 and March 31, 2022 which require any adjustments to the Restated Consolidated Financial Information.

7. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

- i) The Restated Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022 examined by us, as set out under Annexure to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements' are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements. As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.
- ii) The Restated Statement of Profit and Loss of the Company for the year ended March 31, 2024, 2023 and 2022 examined by us, as set out under Annexure to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements are after making such adjustments and regrouping/re-classification as in our opinion we re-appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements. As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.



- iii) The Restated Statement of Cash flows of the Company for the year ended March 31, 2024, 2023 and 2022 examined by us, as set out under Annexure to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements. As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.
8. We have not audited any financial statements of the Company for period ending March 31, 2022. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company for period ending March 31, 2022.
9. The Restated Summary Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above Restated Financial Information contained in Annexure to this report read along with the Basis of Preparation and Significant Accounting policies after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filed with recognized Stock Exchange in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For KSMC & Associates**

Chartered Accountants

ERN.003465N

CA Sachin Singhal  
(Partner)

M.No: 505732

UDIN: 24505732BKEGJH5553



Place: New Delhi

Date: 11.04.2024



<b>ERAAYA LIFESPACES LIMITED</b> (FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED) CIN : L74899DL1967PLC004704 Restated Standalone Statement of Assets and Liabilities as at 31st March 2024, 31st March 2023, 31st March 2022,				
Particulars	Note No.	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
<b>I. ASSETS</b>				
<b>1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	3	152.14	-	-
<b>(b) Financial Assets</b>				
(i) Investments		-	-	85.00
(ii) Loans & Advances		-	-	-
(ii) Other Financial Assets	4	-	-	-
(c) Deferred Tax Assets	5	9.13	-	-
(d) Other Non-current Assets	6	496.74	-	-
<b>Total Non-Current Assets</b>		<b>658.01</b>	<b>-</b>	<b>85.00</b>
<b>2) Current Assets</b>				
(a) Inventories	7	-	-	-
<b>(b) Financial Assets</b>				
(i) Trade Receivables	8	0.25	19.11	-
(ii) Cash and Cash Equivalents	9	655.64	2.16	4.78
(iii) Other Financial Assets	10	0.26	-	-
(c) Current Tax Assets	11	-	0.39	-
(d) Other Current Assets	12	65.62	-	-
<b>Total Current Assets</b>		<b>721.78</b>	<b>21.66</b>	<b>4.78</b>
<b>TOTAL ASSETS</b>		<b>1,379.78</b>	<b>21.66</b>	<b>89.78</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1) Equity</b>				
(a) Share Capital	13	1,512.32	147.32	147.32
(b) Other Equity	14	(178.03)	(211.92)	(217.23)
<b>Total Equity</b>		<b>1,334.29</b>	<b>(64.60)</b>	<b>(69.91)</b>
<b>LIABILITIES</b>				
<b>2) Non-current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings		-	-	9.54
(c) Deferred Tax Liabilities (Net)	15	-	-	-
<b>Total Non-current Liabilities</b>		<b>-</b>	<b>-</b>	<b>9.54</b>
<b>3) Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	14	-	73.34	-
(ii) Trade Payables		-	-	-
a) Total outstanding dues of micro enterprises and small enterprises	16	11.22	10.33	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.66	-	150.15
(iii) Other Financial Liabilities	17	7.50	0.90	-
(b) Other current liabilities	18	15.06	1.68	-
(c) Provisions		-	-	-
(d) Current Tax Liabilities (Net)	19	11.06	-	-
<b>Total Current Liabilities</b>		<b>45.50</b>	<b>86.25</b>	<b>150.15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,379.78</b>	<b>21.66</b>	<b>89.78</b>

NOTES TO ACCOUNTS: forming part of Financial Statement 1-40  
 As per our Report of even date attached  
 FOR KSMC AND ASSOCIATES  
 Chartered Accountants  
 FRN : 003565N



CA SACHIN SINGHAL  
 Membership No. 505732  
 UDIN : 24505732BKEGJH5553  
 Date : 11th April, 2024  
 Place : Delhi

For & on behalf of the Board of Directors of  
 Eraaya Lifespaces Limited

*Sukriti Garg*

Sukriti Garg  
 (Managing Director)  
 DIN:09585946

*Bhawana*

Bhawana Gupta  
 (Whole Time Director)  
 DIN:10101543

*Meerakshi*

Meerakshi Sharma  
 (Chief financial officer)

*Vasudha Aggarwal*

Vasudha Aggarwal  
 (Company Secretary)

ERAAAYA LIFESPACES LIMITED  
(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)  
CIN : L74899DL1967PLC004704

Restated Standalone Statement of Profit and Loss for the period ended 31st March 2024, 31st March 2023, 31st March 2022,

Particulars	Note No.	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
<b>I. Revenue</b>				
Revenue from Operations	20	29,720.16	19.50	-
Other Income	21	37.31	4.85	-
<b>Total Income</b>		<b>29,757.47</b>	<b>24.35</b>	<b>-</b>
<b>II. Expenses</b>				
Cost of materials consumed		-	-	-
Purchases of Stock -in-Trade	22	29,593.91	-	-
Changes in inventories	23	-	-	-
Employee benefit expenses	24	19.45	0.50	0.21
Finance costs	25	3.79	2.80	0.01
Depreciation and amortization expenses	26	3.48	-	-
Other Expenses	27	94.34	13.38	5.85
<b>Total Expenses</b>		<b>29,714.98</b>	<b>16.68</b>	<b>6.07</b>
<b>III Profit / (Loss) before exceptional Items</b>		<b>42.49</b>	<b>7.67</b>	<b>(6.07)</b>
Less : Exceptional Items		-	-	-
<b>IV. Profit/(Loss) Before Tax</b>		<b>42.49</b>	<b>7.67</b>	<b>(6.07)</b>
<b>V. Tax Expense:</b>				
(1) Current Tax	28	17.73	-	-
(2) Deferred Tax		-9.13	-	-
(Short)/Excess Provision of Tax		-	-	-
<b>VI. Profit / (Loss) from continued operations after tax</b>		<b>33.89</b>	<b>7.67</b>	<b>(6.07)</b>
<b>VII. Profit / (Loss) from discontinued operations</b>		-	-	-
<b>VIII. Tax Expense of discontinued operations</b>		-	-	-
<b>IX. Profit/(Loss) from Discontinued Operations after Tax</b>		-	-	-
<b>X. Profit/(Loss) for the period</b>		<b>33.89</b>	<b>7.67</b>	<b>(6.07)</b>
<b>Other Comprehensive Income</b>				
A (i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
<b>XI. Total Comprehensive income for the year, net of tax</b>		<b>33.89</b>	<b>7.67</b>	<b>(6.07)</b>
<b>XII. EARNINGS PER EQUITY SHARE</b>				
(1) Basic	29	0.22	0.52	(0.41)
(2) Diluted		0.22	0.52	(0.41)
Number of shares used in computing earnings per share (In No.)		1,51,23,160	14,73,160	147,32

NOTES TO ACCOUNTS: forming part of Financial Statement 1- 40

As per our Report of even date attached

FOR KSMC AND ASSOCIATES

Chartered Accountants

FRN : 003565N



CA SACHIN SINGHAL  
Membership No. 505732  
UDIN : 24505732BKEGJH5553  
Date : 11th April, 2024  
Place : Delhi

For & on behalf of the Board of Directors of  
Eraaya Lifespaces Limited

*Sukriti Garg*

Sukriti Garg  
(Managing Director)  
DIN:09585946

*Meenakshi Sharma*


Meenakshi Sharma  
(Chief financial officer)

*Bhawana Gupta*

Bhawana Gupta  
(Whole Time Director)  
DIN:10101543

*Vasudha Aggarwal*

Vasudha Aggarwal  
(Company Secretary)

<b>ERAAYA LIFESPACES LIMITED</b> <b>(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)</b> <b>CIN : L74899DL1967PLC004704</b> <b>Restated Standalone Statement of Cash Flow for the period ended 31st March 2024, 31st March 2023, 31st March 2022,</b>			
	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
<b>Particulars</b>			
<b>A. Cash Flow from Operating Activities:</b>			
Net profit before Tax	42.49	7.67	(6.07)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation and Amortisation	3.48	-	-
Prior period expense	(0.01)	(2.36)	4.30
Interest income	(36.46)	-	-
Dividend Income	(0.34)	-	-
Interest expense	3.13	2.80	0.01
<b>Operating Profit before Working Capital Changes</b>	<b>12.30</b>	<b>8.11</b>	<b>(1.76)</b>
<b>Adjustments for movement in Working Capital:</b>			
<u>(Increase)/Decrease in Current Assets</u>			
(Increase)/Decrease in Trade receivable	18.86	(19.11)	5.00
(Increase)/Decrease in Other Financial Asset	-	-	-
(Increase)/Decrease in Current Tax Assets	0.39	(0.39)	-
(Increase)/Decrease in Other Current Assets	(65.62)	-	-
(Increase)/ decrease in other financial assets	-	85.00	-
<u>Increase/(Decrease) in Trade Payables and other current liabilities</u>			
Increase/(Decrease) in Trade Payables	1.55	(139.82)	-
Increase/ (Decrease) in Other Financial Liabilities	6.60	2.58	-
Increase/ (Decrease) in Other Current Liabilities	13.37	-	(4.13)
(Increase)/Decrease in current tax Liabilities	(6.67)	-	-
<b>Cash Generated from Operations</b>	<b>(19.22)</b>	<b>(63.62)</b>	<b>(0.89)</b>
Direct Taxes paid (net of refund)	-	-	-
<b>Net Cash from Operating Activities [A]</b>	<b>(19.22)</b>	<b>(63.62)</b>	<b>(0.89)</b>
<b>B. Cash Flow from Investing Activities:</b>			
Purchase of Property, Plant and Equipment	(155.62)	-	-
Capital advance for purchase of property	(496.74)	-	-
Investments in Bank Deposits	(0.26)	-	-
Dividend Income	0.34	-	-
Interest Income	36.46	-	-
<b>Net Cash used in Investing Activities [B]</b>	<b>(615.83)</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities:</b>			
Proceeds/Repayment of Long term borrowings	-	(9.54)	-
Interest Paid	(3.13)	(2.80)	-
Loans & Advances	-	-	4.04
Repayment of Short term borrowings	(73.34)	73.34	-
Proceeds from Issue of shares	1,365.00	-	-
<b>Net Cash used in Financing Activities [C]</b>	<b>1,288.53</b>	<b>60.99</b>	<b>4.03</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents [A+B+C]</b>	<b>653.48</b>	<b>(2.63)</b>	<b>3.15</b>
Cash and Cash equivalents - Opening Balance	2.16	4.78	1.62
<b>Net Change in Cash and Cash equivalents</b>	<b>655.64</b>	<b>2.16</b>	<b>4.78</b>
<b>Cash and Cash equivalents - Closing Balance</b>			
<b>Components of Cash and Cash Equivalents</b>			
Bank balance in current account	99.40	1.21	3.73
Cash on hand	6.47	0.95	1.05
Cheques in Hand	549.77	-	-
<b>Total</b>	<b>655.64</b>	<b>2.16</b>	<b>4.78</b>
<p>NOTES TO ACCOUNTS: forming part of Financial Statement 1- 40  As per our Report of even date attached  FOR KSMC AND ASSOCIATES  Chartered Accountants  FRN : 003565N</p>			
<p>For &amp; on behalf of the Board of Directors of  Eraaya Lifespaces Limited</p>			
			
<p>CA SACHIN SINGHAL  Membership No. 505732  Date : 11th April, 2024  Place : Delhi</p>			
<p>Sukriti Garg  (Managing Director)  DIN:09585946</p>			
<p>Bhawana Gupta  (Whole Time Director)  DIN:10101543</p>			
<p>Meenakshi Sharma  (Chief financial officer)</p>			
<p>Vasudha Aggarwal  (Company Secretary)</p>			

**ERAAAYA LIFESPACES LIMITED**  
**(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)**  
Notes forming part of financial statements for the period ended 31st March 2024  
Restated Standalone Statement of Change in Equity for the period ended 31st March 2024, 31st March 2023, 31st March 2022,  
Statement of changes in other equity (in Lakhs)

Other Equity	Securities Premium Reserve	Retained Earnings	Items of Other Comprehensive Income	Total
<b>Balance as at 31st March, 2021</b>		<b>(215.47)</b>		<b>(215.47)</b>
Profit/(Loss) for the year		(6.07)		(6.07)
Premium Against Share Warrant received during the year		-		-
Prior period Adjustments		4.30		4.30
Reduction of Capital by order of High court		-		-
Bonus issued during the year		-		-
<b>Balance as at 31st March, 2022</b>		<b>(217.23)</b>		<b>(217.23)</b>
Profit/(Loss) for the year		7.67		7.67
Premium Against Share Warrant received during the year		-		-
Prior period Adjustments		(2.36)		(2.36)
Bonus issued during the year		-		-
<b>Balance as at 31st March, 2023</b>		<b>(211.92)</b>		<b>(211.92)</b>
Profit/(Loss) for the Period		33.89		33.89
Prior period Adjustments		0.01		0.01
Premium Against Share Warrant received during the year		-		-
Fees paid for the Preferential Allotment		-		-
Bonus issued during the year		-		-
<b>Balance as at 31st March, 2024</b>		<b>(178.03)</b>		<b>(178.03)</b>

NOTES TO ACCOUNTS: forming part of Financial Statement 1- 40 For & on behalf of the Board of Directors of Eraaya Lifespaces Limited  
As per our Report of even date attached

FOR KSMC AND ASSOCIATES  
Chartered Accountants  
FRN : 003565N  
  
CA SACHIN SINGHAL  
Membership No. 505732  
UDIN : 24505732BKEGJH5553  
Date : 11th April, 2024  
Place : Delhi

  
Sukriti Garg  
(Managing Director)  
DIN:09585946

  
Bhawana Gupta  
(Whole Time Director)  
DIN:10101543

  
Meenakshi Sharma  
(Chief financial officer)

  
Vasudha Aggarwal  
(Company Secretary)



ERAAYA LIFESPACES LIMITED  
(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)  
CIN : L74899DL1967PLC004704

RESTATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2024, MARCH 31,2023, & MARCH 31,2022,  
COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

**1 Company Information**

Eraaya Lifespaces Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act,1956 as applicable in India. Its shares are listed on recognised Bombay stock exchange. The registered office of the company is located at B-1, 34/1 Vikas House, Vikas Path Marg, East Punjabi Bagh Sec-III, New Delhi-110026. The Company is principally engaged in the business of marketing services and support services, business of trading in securities and shares and the Hospitality business. The Main objects to be pursued by the company are:

- To establish, conduct, manage, takeover, construct, acquire, purchase, sell, lease, rent, promote, develop and run holiday resorts, castles, inns, hotels, motels, restaurants, cafes, vacation resorts, villas, rest houses, guest houses, cottages, holiday camps, spas, health rejuvenation centres, clubs, breweries, pubs, bars, swimming pool and other facilities, commercial, ceremonial, residential constructions, premises of all descriptions across the country and abroad, and to carry on the business of all types and forms of hospitality, leisure activities, tourist, travel services, hosting, organising, managing lavish parties, food and beverage centenaries, concerts, exhibitions, branding activities including events, holidays, trips, corporate and family functions, brand launches, brand promotion, celebrity management, and own, maintain, operate places of amusements, recreation, sports, entertainments, theme parks, water parks, motor sports, yacht, luxury cruise lines, other watercrafts, and all such other businesses which enhances quality, pleasure, leisure, comfort, indulgence, opulence, finer things in life, ceremonies, travel and spaces.

-To organize, sponsor, manage, host, produce, either individually or various other arrangements like sponsorship, assignment of rights, titles licensing, sharing, collaboration with others, various events like beauty pageant, beauty contests, quiz shows, fashion shows, jewelry exhibition, designers conclave, film festivals, sports events, folk carnivals, collaborations of International brands, design, launching, promotion, management of brands, celebrities, , and to make, produce, sponsor various shows, series, serials, movies, short films, documentaries, for different mediums and other allied activities.

-To carry on business of purchase, sale, subscription, acquisition or dealing in shares, units, negotiable instruments, debentures, bonds, obligations, mortgages, and

securities of any kind, movable and immovable assets and any interest therein.

-To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere, and to carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company and to act as broker, trader, agent, shipper, distributor, representative, franchiser, collaborator, stockiest, liaison, job worker, export house of goods, merchandise and services of all grades, commodities of any specifications, descriptions, applications, modalities, fashions, including by-products, spares or accessories thereof.

-To carry on the business of providing digital marketing services such as website design and development, search engine optimization, advertising, social media marketing, email marketing, content marketing, influencer marketing, video marketing, mobile marketing, ecommerce marketing, local SEO, display advertising, affiliate marketing, analytics and data analysis, remarketing, voice search optimization, digital PR, virtual and augmented reality marketing, online reputation management, and digital marketing consultancy, online presence along with conducting research and analysis on digital marketing trends and technologies. And to acquire, invest in, and manage any other businesses or entities that are complementary to the company's digital marketing services along with entering into partnerships, collaborations, and agreements with other businesses or entities for the provision of digital marketing services and engage in any other activities that are related or incidental to the said business objects.2

-To carry on new edge technology and data driven businesses, trades and activities, essentials for enhancing quality of life, environment or otherwise, having economic values and to undertake these businesses either individually or in collaboration with other persons, companies or corporations and to enter into agreements and contracts, strategic alliances, business association, joint-ventures, partnerships or into any arrangement for sharing profits, union of interest, cooperation, reciprocal concession or other alike business propositions, with such person, firm, corporate or other entity carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

**2 Significant accounting policies**

**2.01 Basis of compliance**

The Restated Financial Statements which comprises the Balance Sheet, Statement of Profit & Loss, Statement of Cash Flow & Statement of Changes in Equity for the year ending 31st March,2024 with comparatives figures for the year ending 31st March 2023 and 31st March 2022 with a summary of the Significant Accounting Policies & Other Explanatory Information (together herein after as 'Financial Statements'), have been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act'2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, the provisions of the Companies Act'2013 (the Act) to the extent notified, guidelines issued by SEBI & other accounting principles generally accepted in India.

**2.02 Basis of preparation and presentation**

The Financial Statements have been prepared on the historical cost basis, except financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Presentation requirements of Division II of Schedule III of The Companies Act,2013 as amended as applicable to Financial Statements have been followed. The Financial Statements are presented in Indian Rupees(INR) in Lakhs rounded of to 2 decimal place as permitted by schedule III to the Companies Act,2013

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.



(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)

CIN : L74899DL1967PLC004704

**2.03 Critical accounting estimates, assumptions and judgements**

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**(i) Estimation of defined benefit obligation**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss.

**(ii) Estimation of current tax and deferred tax**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change. Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in other equity.

**(iii) Useful lives of depreciable/amortizable assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and amortization product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently the future depreciation and amortization charge could be revised and may have an impact on the profit of the future years. This such reassessment may result in change in depreciation and amortisation expense in future periods

-In the process of applying the Company's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognised in the Statements of Profit and Loss

**(i) Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. The change in considerations of inputs for making assumption about these factors could affect the reported fair value.

**(ii) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**(iii) Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Financial Statements. Contingent assets are not disclosed in the Financial Statements unless an inflow of economic benefits is probable.





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#### 2.04 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it satisfy any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
  - It is held primarily for the purpose of trading of traded & manufactured goods
  - It is expected to be realized within twelve months after the reporting period; or
  - It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Current assets includes current portion of assets.

A liability is classified as current when it satisfy any of the following criteria::

- It is expected to be settled in normal operating cycle;
  - It is held primarily for the purpose of trading of traded & manufactured goods
  - It is due to be settled within twelve months after the reporting period; or
  - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities includes current portion of liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### Operating Cycle:

Based on the nature of activities of the company & normal time between acquisition of assets & their realization in cash & cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets & liabilities as current & non-current.

#### 2.05 Property Plant & Equipment

##### i) Initial recognition and measurement

An item of property, plant and equipment recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

##### ii) Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

##### iii) De-recognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

##### iv) Depreciation

Depreciation is recognized in statement of profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013 as follows:

1) Buildings	60 years
2) Plant & Machinery	15 years
3) Furniture & Fixtures	10 years
4) Vehicles	08 years
5) Office Equipment	05 years
6) Electrical Installation	10 years
7) Computer	03 years
8) Leasehold Improvements	Over the period of lease

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively, as appropriate.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/ (losses). Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the year.



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**2.06 Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs, any other costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

**2.07 Intangible assets**

**i) Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have infinite useful lives, are recognized at cost less accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

**(a) Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

**(b) Intangible assets acquired in a business combination**

Intangible assets other than goodwill acquired in a business combination are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, such intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**iii) De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

(iv) Useful lives of Intangible Assets shall be based on estimates and management judgement.

**v) Amortization**

**2.08 Impairment of property, plant and equipment, other intangible assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

**2.09 Investment Property**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013.

**2.10 Inventories**

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

• Raw materials: Purchase cost on first-in-first out basis

• Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.





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**2.11 Cash and Cash Equivalents**

It includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.

**2.12 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i) Financial assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

**a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**b) Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

**c) Equity Instruments:**

All investments in equity instruments in subsidiary entity are measured at cost and investments in equity instruments in associate entity are measured at fair value.

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**d) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

**e) Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit and Loss.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide impairment loss. However, If credit risk is increased significantly, lifetime ECL is used.

**f) Income on Financial Asset**

-Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

If, in a subsequent period, credit quality of the instrument improves to such extent that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12- Month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**ii) Financial liabilities**

**a) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**c) De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.



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#### 2.13 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

#### 2.14 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

#### 2.15 Impairment of Financial Assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets. In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss provision for trade receivables is determined as follows:

Particulars	Expected Loss Rate
Not Past Due	0%
Past due between 1 year to 2 year	5%
Past due 2 to 3 year	15%
Beyond 3 year	100%

#### 2.16 Provisions, Contingent Liabilities and Contingent Assets

Provision are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or estimate of the amount cannot be measured reliably.

##### Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a. estimated amount of contracts remaining to be executed on capital account and not provided for;
- b. uncalled liability on shares and other investments partly paid;
- c. funding related commitment to associate and joint venture companies; and
- d. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Commitments include the amount of purchase orders (net of advances) issued to parties for completion of assets.



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#### 2.17 Revenue Recognition

Revenue from contracts with customers is recognised when control of goods & services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange of transferring promised goods or services having regards to terms of the contract and is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns, trade allowances and discounts but inclusive of excise duty.

To determine whether to recognize revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company considers the terms of the contract and its customary business practice to determine the transaction price.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified the company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

A receivable is recognised where the company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the company in any year.

Company continues to account for export benefits on accrual basis.

Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the company's right to receive is established.

#### 2.18 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The

Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.





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**2.19 Foreign Currency Conversions/Transactions**

The Company's Financial Statements are presented in Indian Rupees (in Rs. Lakhs). Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

**2.20 Income Taxes**

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year.

a) **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

b) **Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities. Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

c) **Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

**2.21 Employee Benefits**

i) **Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) **Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post employment benefits:

a) **Defined contribution plans**

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expenses in Statement of Profit & Loss.

b) **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit to employees is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Any actuarial gains or losses pertaining to components of re-measurements of net defined benefit liability/(asset) are recognized in OCI in the period in which they arise.

**2.22 Borrowing Cost**

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

**2.23 Earning Per Share**

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for bonus shares, bonus element in the right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.



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#### 2.24 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

(a) The Company as a lessee, The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) The company as lessor-

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration under the contract to each component.

#### 2.25 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7 'Statement of cash flows'.

#### 2.26 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

#### 2.27 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors





<b>ERAAYA LIFESPACES LIMITED</b> <b>(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)</b> <b>RESTATEMENT NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024, MARCH 31, 2023, &amp; MARCH 31, 2022</b> <b>Note 3:</b> <b>Property, Plant and Equipment</b>							(Amount in Lakhs)
Particulars	Freehold Land	Buildings	Office Equipment	Computers	Motor vehicles	Total	
Cost/Deemed Cost	-	-	-	-	-	-	
At 31st March, 2021							
Additions							
Deletions							
At 31st March, 2022							
Additions							
Deletions							
At 31st March, 2023							
Additions	81.35	26.66	1.50	0.34	45.77	155.62	
Deletions							
At 31st March, 2024	81.35	26.66	1.50	0.34	45.77	155.62	
Depreciation and Impairment							
At 31st March, 2021							
Additions							
Deletions							
At 31st March, 2022							
Depreciation charge for the Period							
Disposals							
At 31st March, 2023	-	-	-	-	-	-	
Depreciation charge for the Period	-	0.33	0.11	0.06	2.98	3.48	
Disposals							
At 31st March, 2024	-	0.33	0.11	0.06	2.98	3.48	
Net Book Value							
At 31st March 2024	81.35	26.33	1.39	0.28	42.79	152.14	
At 31st March 2023	-	-	-	-	-	-	
At 31st March 2022							
At 31st March 2021							

\*Immoveable property comprises Land & Building, (Plot No-7, Block-D situated in the Bhagwan Das Nagar, New Delhi-110026) purchased vide sale deed dated 28th December, 2023 at cost of Rs.108.01 Lakhs. On the basis of stamp duty valuation apportioned value of land and Building determined at Rs.81.35 Lakhs and Rs. 26.66 Lakhs Respectively.



ERAAYA LIFESPACES LIMITED  
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Note 4 :

Other Financial Assets				(In Lakhs)
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	
Sheel Chand Agroils Pvt. Ltd.	-	-	85.00	
<b>Total</b>	-	-	<b>85.00</b>	

Note 5:

Deferred Tax Asset/Liabilities (Net)				(In Lakhs)
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	
Deferred tax liabilities	-	-	-	
Other timing difference	-	-	-	
Deferred tax assets	-	-	-	
Other timing difference	-	-	-	
Brought Forward business lossess	9.13	-	-	
<b>Total</b>	<b>9.13</b>	-	-	

Note 6:

Other Non-current Assets				(In Lakhs)
Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	
Capital Advances*	496.74	-	-	
<b>Total</b>	<b>496.74</b>	-	-	

\* Capital Advances comprises of the following:

- Rs.241.77 Lakhs as advance against purchase of the properties by the company Viz. Unit no. T-005-006, T-008, T-011, T-015 situated at CP67 Mall Mohali, Plot No. 252, Sector 67, Airport Road, S.A.S Nagar (Mohali) Punjab, 160067 from AB Alcobev Private Limited vide agreements dated 7th February, 2024 for total consideration price of Rs.2442.15 Lakhs  
-Rs.252.53 Lakhs as complete payment against purchase of the property by the company Viz. Plot No.7 ( as per PMRD approved plan dated 27/12/2018 & 20/11/2020) area admeasuring H.00.40.00 Ares, Equivalent to 4000 Sq. Meter (1 Acers) from Manoj Nari Senani and Nanak properties Pvt. Ltd. vide agreement dated 25th August 2023 for total consideration of Rs 252.53 Lakhs.

Note 7:

Inventories				(In Lakhs)
Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2023	
Closing Stock-Securities	-	-	-	
<b>Total</b>	-	-	-	

Closing stock is valued at Cost or NRV which ever is Lower on FIFO basis.

Note 8:

Trade Receivables				(In Lakhs)
Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	
Unsecured and considered good	-	-	-	
From Related Parties	-	-	-	
From Others	0.25	19.11	-	
Doubtful	-	-	-	
<b>Total</b>	<b>0.25</b>	<b>19.11</b>	-	

Ageing Schedule for Trade Receivables- Current as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-Considered Good	0.25	-	-	-	-	0.25
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>0.25</b>	-	-	-	-	<b>0.25</b>

Ageing Schedule for Trade Receivables- Current as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-Considered Good	19.11	-	-	-	-	19.11
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>19.11</b>	-	-	-	-	<b>19.11</b>



Ageing Schedule for Trade Receivables- as on 31st March 2022							(In Lakhs)
Particulars	Outstanding for following periods from due date of payment					Total	
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years		
i) Undisputed Trade Receivables-Considered Good	-	-	-	-	-	-	
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	
<b>Total</b>	-	-	-	-	-	-	

As per the policy of the company, there is credit period ranging from 60 days to 90 days  
Trade receivable are subject to confirmation /Reconciliation, Consequential adjustment if any.  
The Carrying amount of trade receivable approximates their fair value, is included in above.  
The company's exposure to credit risk and impairment allowances related to trade receivables is disclosed in Note 33

**Note 9**  
**Cash and Cash Equivalents** (In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>(A) Cash and Bank Balances</b>			
Bank balance	99.40	1.21	3.73
Cash on hand	6.47	0.95	1.05
Others-Cheque received but not presented	549.77	-	-
<b>Total</b>	<b>655.64</b>	<b>2.16</b>	<b>4.78</b>

\*The Cheques received but not presented for payment comprises of nine Cheques received from Just Right Life Limited for amount aggregating to Rs. 549.77 Lakhs received against the repayment of loan by the party. Out of which five cheques for value of Rs.345 Lakhs are still pending for clearing as on 11th April, 2024 which will be cleared in the due course.

**Note 10:**  
**Other financial Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Fixed Deposits*	0.26	-	-
<b>Total</b>	<b>0.26</b>	<b>-</b>	<b>-</b>

\*Fixed deposit of Rs.0.25 Lakhs @7.10%p.a. having maturity date 13th September,2024.

**Note 11:**  
**Current Tax Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
TDS Receivable	-	0.39	-
<b>Total</b>	<b>-</b>	<b>0.39</b>	<b>-</b>

**Note 12**  
**Other current Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>(f) Other Advances</b>			
Prepaid Expenses*	40.91	-	-
Advance to supplier**	24.56	-	-
Advance to Staff	0.15	-	-
<b>Total</b>	<b>65.62</b>	<b>-</b>	<b>-</b>

\*Prepaid Expense comprises of the expenses incurred in connection with the Proposed funds raising planning of the company by issuance and allotment of equity shares by way of QIP's, ADR, GDR, FCCB or any other method or combination thereof including series of Right Issue(s), on such terms (to be decided by the Board or a duly constituted committee of the Board at a later date)  
\*\* Advance to supplier comprises of Rs. 21.13 Lakhs funds advanced to Share Broker for trading of Shares & securities.





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Note 13 :

Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>						
Equity Shares of Rs. 10 each	7,50,00,000	7,500.00	55,00,000	550.00	55,00,000	550.00
Preference share of Rs. 100 each	-	-	-	-	-	-
<b>Issued, Subscribed and Fully Paid up</b>						
Equity Shares of Rs. 10 each	1,51,23,160	1,512.32	14,73,160	147.32	14,73,160	147.32
<b>Total</b>	<b>1,51,23,160</b>	<b>1,512.32</b>	<b>14,73,160</b>	<b>147.32</b>	<b>14,73,160</b>	<b>147.32</b>

a) Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Share:</b>						
Balance as at the beginning of the year	14,73,160	147.32	14,73,160	147.32	14,73,160	147.32
Add: Issued during the year against share warrants	1,36,50,000	1,365.00	-	-	-	-
Add: Issued during the year as Bonus	-	-	-	-	-	-
<b>Balance as at the end of the year</b>	<b>1,51,23,160</b>	<b>1,512.32</b>	<b>14,73,160</b>	<b>147.32</b>	<b>14,73,160</b>	<b>147.32</b>

\*The Company made allotment of 1,36,50,000 (One Crore Thirty-six Lacs Fifty Thousand only) fully Convertible Warrants convertible into one Equity share per Warrant on preferential basis at an issue price of Rs. 10/- per Warrant and received the Rs. 2.50 per warrant amount of the issue price. As per payment terms balance of Rs. 7.50/ per warrant shall be paid within 18 months from the date of warrant allotment.

\*\*On 15th September, 2023 the company converted 60,00,000 warrants into 60,00,000 equity shares of face value of Rs. 10/- each and received Rs. 7.50 per warrant (being 75% of the issue price per warrant). Consequent the issued and paid-up capital of the Company stands increased to Rs 747.316 Lakhs consisting of 74,73,160 equity shares of Rs. 10/- each.

\*\*\*On 10th October, 2023 the company converted 76,50,000 warrants into 76,50,000 equity shares of face value of Rs. 10/- each and received Rs. 7.50 per warrant (being 75% of the issue price per warrant). Consequent the issued and paid-up capital of the Company stands increased to Rs. 1512.316 Lakhs consisting of 1,51,23,160 equity shares of Rs. 10/- each.

13(a) Utilization of proceeds received against convertible warrants allotment on preferential basis conversion:

Objects of the Issue	Amounts	Objects Fulfilled	Balance
Meeting Working Capital Requirements, General Corporate Purposes, Financing of business opportunities, any other cost incurred towards the main business objects of the company, issue related expenses.	1,365.00	1,365.00	-
<b>Total</b>	<b>1,365.00</b>	<b>1,365.00</b>	<b>-</b>

Note:

The proceeds from preferential issue raised during the year for the aforementioned purposes were utilized collectively majorly towards making advance for purchase of immovable properties and grant of interest bearing loans to related party M/s Just Rite Life Limited which was repayable on demand. Eventually as on year end the loan advanced to related party M/s Just Rite has been received back and utilised for advance payment for purchase of immovable properties. Unutilised funds out of loan received back from Just Rite Life Limited forms part of cash and cash equivalent (cheques on hand) as on 31st March 24 to the extent of Rs. 549.77 Lakhs.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Shubhal Goel	-	-	75,334.00	5.11%	10,75,704.00	73.02%
Sukriti Garg	58,95,770.00	38.99%	5,00,540.00	33.98%	-	-
Seema Garg	7,55,000.00	4.99%	-	-	-	-
Just Rite Life Ltd.	-	-	5,00,370.00	33.97%	-	-
<b>Total</b>	<b>66,50,770</b>	<b>43.98%</b>	<b>10,76,244.00</b>	<b>73.05%</b>	<b>10,75,704.00</b>	<b>73.02%</b>

d) Disclosure of Shareholding of Promoter

Disclosure of shareholding of promoters as at March 31, 2024, March 31, 2023 and March 31, 2022 is as follows:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Shubhal Goel	-	-	-	-	10,75,704.00	73.02%
Sukriti Garg	58,95,770.00	38.99%	5,00,540.00	33.98%	-	-
Seema Garg	7,55,000.00	4.99%	-	-	-	-
Just Rite Life Ltd.	81,245.00	0.54%	5,00,370.00	33.97%	-	-
<b>Total</b>	<b>67,32,015</b>	<b>44.51%</b>	<b>10,00,910.00</b>	<b>67.94%</b>	<b>10,75,704.00</b>	<b>73.02%</b>

Note 14 :

Other equity

Particulars	As at March 31, 2024	As at 31 March 2023	As at 31 March 2022
Opening Balance	(211.92)	(217.23)	(215.47)
Profit/(Loss) for the year	33.89	7.67	(6.07)
Premium Against Share Warrant received during the year	-	-	-
Fees paid for the Preferential Allotment	-	-	-
Prior period Adjustments	0.01	(2.36)	4.30
<b>Total</b>	<b>(178.03)</b>	<b>(211.92)</b>	<b>(217.23)</b>



**ERAAYA LIFESPACES LIMITED**  
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**RESTATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024, MARCH 31, 2023, &**  
**Note 15 :**  
**Borrowings**

Particulars	As at March 31, 2024				As at March 31, 2023		As at March 31, 2022	
	Non-current		Current		Non-current		Current	
<b>Bonds</b>								
Secured	-	-	-	-	-	-	-	-
Unsecured	-	-	-	73.34	-	9.54	-	-
<b>Total</b>	-	-	-	<b>73.34</b>	-	<b>9.54</b>	-	-
<b>Particulars</b>	<b>As at March 31, 2024</b>		<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>			
<b>Unsecured</b>	<b>Non-current</b>		<b>Non-current</b>		<b>Non-current</b>			
	<b>Current</b>		<b>Current</b>		<b>Current</b>			
<b>From Related Parties</b>								
Just Right Life Limited*	-	-	-	73.34	-	-	-	-
Sh. Shubhal Goel	-	-	-	-	-	9.54	-	-
<b>Total</b>	-	-	-	<b>73.34</b>	-	<b>9.54</b>	-	-

\*Short term unsecured Loan, repayable on demand at ROI @ 9% p.a.

\*\*Unsecured Loan, repayable on demand.



ERAAYA LIFESPACES LIMITED (FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED) RESTATEMENT NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024, MARCH 31, 2023, & MARCH 31, 2022, Note 16:					
<b>Trade Payables</b>					
	In Lakhs				
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022		
Due to Micro, Small and Medium Enterprises	11.22	10.33	-		
Due to Related Parties	-	-	-		
Due to Others	0.66	-	150.15		
<b>Total</b>	<b>11.88</b>	<b>10.33</b>	<b>150.15</b>		
<b>Trade Payables ageing Schedule at 31st March, 2024</b>					
	In Lakhs				
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	0.88	-	-	10.33	11.22
ii) Others	0.66	-	-	-	0.66
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>1.55</b>	<b>-</b>	<b>-</b>	<b>10.33</b>	<b>11.88</b>
<b>Trade Payables ageing Schedule as on 31st March, 2023</b>					
	In Lakhs				
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME*	-	-	10.33	-	10.33
ii) Others	-	-	-	-	-
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>10.33</b>	<b>-</b>	<b>10.33</b>
<b>Trade Payables ageing Schedule for the FY 2021-22.</b>					
	In Lakhs				
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	4.86	145.29	-	-	150.15
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>4.86</b>	<b>145.29</b>	<b>-</b>	<b>-</b>	<b>150.15</b>
*Amount is Re-Grouped during the current year as compared to previous year as specified in the Note No. 30					
<b>Note 17</b>					
<b>Other Financial Liabilities</b>					
	In Lakhs				
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022		
Audit Fees Payable	-	0.90	-		
Expense Payable	0.11	-	-		
Salary Payable	1.71	-	-		
others payable*	5.68	-	-		
<b>Total</b>	<b>7.50</b>	<b>0.90</b>	<b>-</b>		
<b>Others payable*</b>					
Comprises of liability towards expenses reimbursement incurred by Just Right Life Limited on the behalf of company.					
<b>Note 18</b>					
<b>Other Current Liabilities</b>					
	In Lakhs				
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022		
Statutory Due Payable:					
GST Payable (Net of ITC)	10.44	-	-		
TDS Payable	4.62	1.68	-		
<b>Total</b>	<b>15.06</b>	<b>1.68</b>	<b>-</b>		
<b>Note 19</b>					
<b>Current Tax Liabilities</b>					
	In Lakhs				
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022		
Income Tax Payable (Net of TDS and Refund)	11.06	-	-		
<b>Total</b>	<b>11.06</b>	<b>-</b>	<b>-</b>		





ERAAAYA LIFESPACES LIMITED  
(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)  
RESTATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENED MARCH 31,2024, MARCH 31,2023, & MARCH 31,2022,

Note 20 :

Revenue from Operations

In Lakhs

Particulars	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
Sale of share	29,610.82		
Sale of Service	109.34	19.50	-
<b>Total</b>	<b>29,720.16</b>	<b>19.50</b>	<b>-</b>

Note 21 :

Other Income

Particulars	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
Interest Income from:			
Interest on Loan & Advances	36.44		
Interest on FDR	0.01		
Dividend Income	0.34		
Balance Written off	-	4.85	
Miscellaneous Income	0.01		
Foreign Exchange Fluctuation	0.51		
<b>Total</b>	<b>37.31</b>	<b>4.85</b>	<b>-</b>

Note 22 :

Purchase of Stock in trade

Particulars	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
Purchase of share	29,584.56		
Direct Expenses*	9.35		
<b>Total</b>	<b>29,593.91</b>	<b>-</b>	<b>-</b>

\*Direct Expenses includes expenses incurred directly in relation to sale of services.

Note 23 :

Changes in Inventories

Particulars	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
Opening Inventories			
Securities	-	-	-
Closing Inventories			
Securities	-	-	-
<b>Total changes in Inventories</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note 24 :

Employee Benefit Expenses

Particulars	As at 31st March,2024	As at 31st March,2023	As at 31st March,2022
Salaries, Wages and Bonus	7.59		0.21
Staff welfare expenses	0.06		
Director's Remuneration	11.74	0.50	
Leave Encashment	0.06		
<b>Total</b>	<b>19.45</b>	<b>0.50</b>	<b>0.21</b>



<b>Note 25 :</b>			
<b>Finance Costs</b>			
<b>Particulars</b>	<b>As at 31st March,2024</b>	<b>As at 31st March,2023</b>	<b>As at 31st March,2022</b>
Bank Charges	0.05	0.00	0.01
Interest on TDS & GST	0.61	-	-
Other Borrowing Cost	3.13	2.80	-
<b>Total</b>	<b>3.79</b>	<b>2.80</b>	<b>0.01</b>
<b>Note 26 :</b>			
<b>Deprication and Amortization Expenses</b>			
<b>Particulars</b>	<b>As at 31st March,2024</b>	<b>As at 31st March,2023</b>	<b>As at 31st March,2022</b>
Deprication on Plant, Property and Equipment	3.48	-	-
<b>Total</b>	<b>3.48</b>	<b>-</b>	<b>-</b>
<b>Note 27 :</b>			
<b>Other Expenses</b>			
<b>Particulars</b>	<b>As at 31st March,2024</b>	<b>As at 31st March,2023</b>	<b>As at 31st March,2022</b>
Statutory Audit Fees	1.68	1.00	0.18
Legal & Professional Charges	65.51	8.13	1.40
Printing & Stationery	-	0.10	0.57
Stock Exchanges Fee	7.85	3.54	3.70
Advertisement	1.19	0.19	-
Other Expenses	1.36	0.42	-
Rates and Taxes	2.79	-	-
Rent Paid	2.07	-	-
Fees & Filing	9.57	-	-
Late payment of GST	0.03	-	-
Late Fees TDS	0.12	-	-
Telephone Expense	0.23	-	-
Website Expense	0.88	-	-
Balance Written off	1.07	-	-
<b>Total</b>	<b>94.34</b>	<b>13.38</b>	<b>5.85</b>
<b>*Payment to Auditors Comprises:</b>			
<b>Particulars</b>	<b>As at 31st March,2024</b>	<b>As at 31st March,2023</b>	<b>As at 31st March,2022</b>
For Statutory Audit	1.68	1.00	0.18
In Other capacity	0.79	-	-
<b>Total</b>	<b>2.47</b>	<b>1.00</b>	<b>0.18</b>



RESTATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024, MARCH 31, 2023, & MARCH 31, 2022.

Note No.28:

Particulars	In Lakhs		
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Current Tax	17.73	-	-
Income Tax for Earlier years	-	-	-
Deferred Tax (Credit)/ charge	(9.13)	-	-
<b>Tax Expenses reported in the Statement of Profit and Loss Account</b>	<b>8.60</b>		

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (March 31, 2023: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

Particulars	Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Accounting (loss)/ profit before tax expenses	42.49	7.67	(6.07)
Income tax rate	25.17%	25.17%	25.17%
Expected tax expenses	10.69	1.93	(1.53)
Tax Impact due to temporary differences	(9.50)	-	-
Tax Impact due to Permanent differences	7.41	-	-
Tax impact on Items exempt under income tax	-	-	-
Impact of change in tax rates	-	-	-
Income tax for earlier years	-	-	-
Others	-	(1.93)	1.53
<b>Tax Expenses</b>	<b>8.60</b>		

Note 29: Earnings per Shares

Particulars	Year ended March 31, 2024	(In Lakhs, Except no. of shares)	
		As at March 31, 2023	As at March 31, 2022
Basic EPS			
Profit for the year	33.89	7.67	(6.07)
Weighted number of shares outstanding	1,51,23,160	14,73,160	147,32
Basic and Diluted EPS (Rs.)	0.22	0.52	(0.41)
Diluted EPS			
Profit for the year	33.89	7.67	(6.07)
Weighted number of shares outstanding	1,51,23,160	14,73,160	147,32
Basic and Diluted EPS (Rs.)	0.22	0.52	(0.41)

Note 30:

Re-Grouping

Certain reclassifications have been to the Comparative Period Financial Statements to enhance comparability with the current year's financial statements & enhance compliance with guidance note on Division-II-Ind As Schedule III to the Companies Act. As a result, certain line items have been reclassified in the Balance Sheet as at 31st March, 2023 the details of which are as under:

Particulars	Before Reclassification	Reclassification	After		Remark
			Reclassification	Reclassification	
<b>Current Assets-Financial Assets</b>					
Other Financial Assets	0.39	-0.39	-	-	
Current Tax Assets	-	0.39	0.39		Re classified to Current Tax Assets
<b>Financial Liabilities</b>					
Trade Payable	10.33	-10.33	-	-	
Trade Payable	-	10.33	10.33		Total outstanding dues of micro enterprises and small enterprises
Other Financial Liabilities	2.58	-1.68	0.90		
		1.68	1.68		Reclassified to Other current liabilities



**ERAAAYA LIFESPACES LIMITED****(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)****RESTATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2024, MARCH 31,2023, & MARCH 31,2022,****Note 31: Related Party Disclosure****(i) The related parties as per terms of Ind AS-24, "Related Party Discloser", (specified under section 133 of the Companies Act,2013, read with rule 7 of (Accounts) Rule ,2015) and Section 188 of Companies Act,2013 are disclosed below :-****Related Parties with whom transactions have taken place during the year:****(i) Key Management Personnel/Directors**

Mr.Shubhal Goel	(30.09.2019 Ceased w.e.f 14.02.2023)	Director
Mr.Surya Kumar	(03.11.2017 Ceased w.e.f 06.02.2023)	Independent Director
Mr.Arun Yadav	(03.11.2017 Ceased w.e.f 06.02.2023)	Independent Director
Mr.Harish Agarwal	(22.04.2019 Ceased w.e.f 24.08.2023)	Chief Financial Officer
Ms.Sony Kumari	06.02.2023	Independent Director
Ms.Sukriti Garg	(06.02.2023 esclated to M.D on 24.08.2023)	Additional Director
Ms.Sukriti Garg	(17.06.2023 ceased from the post of CEO on 24.08.2023)	Director cum CEO
Ms.Sukriti Garg	24.08.2023	Managing Director
Dr.Ridham Dhawan	(30.05.2022 Ceased w.e.f 24.08.2023)	Independent Director
Ms.Swati Gupta	06.02.2023	Independent Director
Ms. Rashmi Choudhary	(29.06.2022 Ceased w.e.f 29.04.2023)	Company Secretary
Ms. Vasudha Aggarwal	17.06.2023	Company Secretary
Ms. Bhawana Gupta	08.04.2023	Whole time Director
Ms. Bhawana Gupta	24.08.2023	CEO
Ms. Meenakshi sharma	24.08.2023	CFO cum Whole time Director
Ms. Poonam Dhingra	24.08.2023	Independent Director
Ms. Seema Garg		Relative of Director

**(ii) Entity having significant influence over the entity**

Just Right Life Ltd having a significant influence over the Justride Enterprises Ltd.





<b>(iii) Terms and Conditions of transactions with related parties</b>			
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.			
			in Lakhs
Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>M/S. Just Right life Ltd.</b>			
Interest on Loan	3.13	2.80	-
<b>M/S. Just Right Life Ltd.</b>			
Opening Balance	73.34		
Unsecured Loan accepted	61.50	60.00	-
Unsecured Loan Given	1,012.86		-
<b>M/S. Just Right Life Ltd</b>			
Transaction			
Expenses Reimbursement	5.68	14.35	-
Interest Income	36.44	-	
<b>Seema Garg</b>			
Rental Expenses	0.15		
<b>Director Remnuration</b>			
Ms.Bhawana Gupta	3.75	-	-
Ms.Sukriti Garg	6.00	-	-
Meenakshi Sharma	1.99		
<b>Remnuration to KMP</b>			
Vasudha Aggarwal (Company Secretary)	5.02	-	-
<b>Unsecured Loan Repaid</b>			
M/S. Just Right Life Ltd.	134.84	3.54	-
Director : Shubhal Goel	-	9.54	-
<b>Unsecured Loan Received</b>			
M/S. Just Right Life Ltd.	1,012.86		-
<b>Director Remuneration</b>			
Director :- Shubhal Goel	-	0.50	-
<b>Closing Balance</b>			
<b>Director Remnuration</b>			
Ms.Bhawana Gupta	0.50	-	
Ms.Meenakshi Sharma	0.42		
<b>Remnuration to KMP</b>			
Vasudha Aggarwal (Company Secretary)	0.44	-	
<b>Rent Expenses</b>			
Seema Garg	0.15		
<b>M/S. Just Right life Ltd.</b>			
Expenses Reimbursement	5.68	-	
Unsecured Loan Given	-	73.34	





32. Fair value measurement and financial instruments

Financial instruments – by category and fair value hierarchy

The following table shows the carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Carrying Amount	
	31-Mar-24	31-Mar-23
<b>Financial assets</b>		
- At amortised cost		
<b>Non-Current Financial Assets</b>		
Other Financial assets	0.00	0.00
85.00		
<b>Current Financial Assets</b>		
Trade receivables	0.25	19.11
Cash and cash equivalents	655.64	2.16
4.78		
Other financial assets	0.26	0.00
0.00		
<b>656.15</b>		
<b>21.27</b>		
<b>89.78</b>		
<b>Financial liabilities</b>		
- At amortised cost		
Borrowings (non-current)	0.00	0.00
9.54		
Borrowings (current)	0.00	73.34
0.00		
Trade payables	11.88	10.33
150.15		
Other financial liabilities	7.50	0.90
0.00		
<b>19.38</b>		
<b>84.57</b>		
<b>159.69</b>		

The following methods / assumptions were used to estimate the fair values:

a) The carrying value of cash and cash equivalents, trade receivables and trade payables is approximate their fair values mainly due to short-term maturities of these instruments.

b) The fair value of other financial assets and other financial liabilities is estimated by discounting future cash flows using rates applicable to instruments with similar terms, currency, credit risk and remaining maturities. The fair values of other financial assets and other financial liabilities are assessed by the management to be same as their carrying value and is not expected to be significantly different; if estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The Company's borrowings have been contracted at fixed rate of interest which resets annually as per prevailing market rate. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

There are no significant unobservable inputs used in the fair value measurement.

**Fair value hierarchy**

All financial instrument for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs)



The following table presents the financial instruments measured at fair value, by level within the fair value measurement hierarchy:

	Level	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
Financial assets				
Financial assets				
- At amortised cost				
Non-Current Financial Assets				
Other Financial assets				
Current Financial Assets	Level 3	0.00	0.00	85.00
Trade receivables	Level 3	0.25	19.11	0.00
Cash and cash equivalents	Level 3	655.64	2.16	4.78
Other financial assets	Level 3	0.26	0.00	0.00
Financial liabilities		656.15	21.27	89.78
- At amortised cost				
Borrowings (non-current)	Level 3	0.00	0.00	9.54
Borrowings (current)	Level 3	0.00	73.34	0.00
Trade payables	Level 3	11.88	10.33	150.15
Other financial liabilities	Level 3	7.50	0.90	0.00
		19.38	84.57	159.69

During the period ended 31 March 2024, there were no transfers between Level 1, Level 2 or Level 3 fair value measurements.

**33. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, trade payables etc. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, security deposits, etc. that derive directly from its operations.

The Company is exposed to market risk (interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance frame work for the Company are accountable to the Board Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and Company's risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

**Credit risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



<b>Credit Risk Management</b>				
Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following Creditor ratings to each class of financial assets based on the assumption, input and factor specific to the class of financial assets.				
(i) Low credit risk				
(ii) Moderate credit risk				
(iii) High credit risk				
The company provides for expected credit loss based on the following:				
Nature	Assets covered	Basis of expected credit loss		
Low credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss		
Moderate credit risk	Loans and other financial assets	Life time expected credit loss or 12 month expected credit loss		
High credit risk	Loans	Life time expected credit loss or fully provided for		
The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet				
Particulars	Note No.	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Other Non-Current financial assets		0.00	0.00	85.00
Trade receivables	8	0.25	19.11	0.00
Cash and cash equivalents	9	655.64	2.16	4.78
Other financial assets	10	0.26	0.00	0.00
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.				
Credit risk on cash and cash equivalents and is generally limited as the Company transacts with Banks having a high credit ratings assigned by domestic credit rating agencies.				





**Liquidity risk**  
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities (other than derivatives) that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:-

Particulars	As at 31 March 2024				Total
	Carrying amount	Less than 6 months	6 to 12 months	> 12 to 2 years	
(a) Trade Payables	11.88	1.55	10.33	-	11.88
(b) Borrowings	-	-	-	-	-
(c) Other Financial Liabilities	7.50	1.83	5.67	7.50	7.50
Particulars	As at 31 March 2023				Total
Carrying amount	Less than 6 months	6 to 12 months	> 12 to 2 years		
(a) Trade Payables	10.33	10.33	-	-	10.33
(b) Borrowings	73.34	73.34	-	-	73.34
(c) Other Financial Liabilities	0.90	0.90	-	-	0.90
Particulars	As at 31 March 2022				Total
Carrying amount	Less than 6 months	6 to 12 months	> 12 to 2 years		
(a) Trade Payables	150.15	150.15	-	-	150.15
(b) Borrowings	9.54	-	9.54	-	9.54
(c) Other Financial Liabilities	-	-	-	-	-



**Market Risk – Interest rate risk**  
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates.

**Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on account of its borrowings, receivables and other payables in foreign currency. The functional currency of the company is Indian Rupee.  
The foreign currency exchange management policy is to minimize economic and transactional exposures arising from currency movements against the US dollar & Euro. The Company manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any. The company does not have borrowings, receivables and other payables in foreign currency and hence does not have any currency risk.

**34. Provision for Expected credit Losses**

As at 31st March, 2024	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision
Cash and cash equivalent	655.64		655.64
Trade Receivables	0.25		0.25
Other Financial Assets	0.26		0.26

As at 31st March, 2023	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision
Cash and cash equivalent	2.16		2.16
Trade Receivables	19.11		19.11
Other Financial Assets	0.00		0.00

As at 31st March, 2022	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision
Cash and cash equivalent	4.78		4.78
Trade Receivables	0.00		0.00
Other Financial Assets	85.00		85.00



**Note:35 Segment Reporting**  
**Operating segment**  
Operating Segment have been identified and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. In accordance with provisions of Ind AS-108, the company has determined marketing services & support services, trading of securities and hospitality business as the reportable segments.

**Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments**  
Operating segments:  
Trading of securities  
Marketing & Support Services  
Hospitality Business

**Identification of segments:**  
The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products and Services.

**Segment revenue and results**  
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities:**  
Assets used by the operating segments mainly consist of trade receivables, advance to suppliers, inventories. Segment liabilities include trade payables, advance from customers. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.

**1. Revenue by nature of products**

Particulars	For the period ended March 31st, 2024	For the period ended March 31st, 2023	For the period ended March 31st, 2022
(a) Trading of securities	29,610.82	-	-
(b) Marketing & Support Services	104.29	19.50	-
(c) Hospitality Business	5.05	-	-
<b>Total</b>	<b>29,720.16</b>	<b>19.50</b>	<b>-</b>

**2. Segment Results before tax**

Particulars	For the period ended March 31st, 2024	For the period ended March 31st, 2023	For the period ended March 31st, 2022
(a) Trading of securities	17.54	-	-
(b) Marketing & Support Services	97.11	18.81	-
(c) Hospitality Business	4.42	-	-
<b>Sub Total</b>	<b>119.07</b>	<b>18.81</b>	<b>-</b>
Less: Finance Cost	3.79	2.80	0.01
Add: Other Income	36.97	4.85	-
Less: Unallocated Expenses	109.76	13.12	6.06
<b>Profit before tax</b>	<b>42.49</b>	<b>7.73</b>	<b>(6.07)</b>
Less: Tax expenses	8.60	-	-
<b>Net profit/(loss) for the Period</b>	<b>33.89</b>	<b>7.73</b>	<b>(6.07)</b>

**3. Segment Assets and Liabilities**

Assets			
(a) Trading of securities	21.13	-	-
(b) Marketing & Support Services	-	19.11	-
(c) Hospitality Business	604.67	-	-
(d) Unallocated	753.99	2.55	89.78
<b>Total</b>	<b>1,379.78</b>	<b>21.66</b>	<b>89.78</b>
Liabilities			
(a) Trading of securities	-	-	-
(b) Marketing & Support Services	0.28	-	-
(c) Hospitality Business	0.30	-	-
(d) Unallocated	44.92	86.25	159.69
<b>Total</b>	<b>45.50</b>	<b>86.25</b>	<b>159.69</b>

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.







<b>Note No. 36 :</b>			
<b>Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.</b>			
<b>Particulars</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	11.22	10.33	Nil
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.*	Nil	Nil	Nil
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day .	Nil	Nil	Nil
The amount of interest due and payable for the year.	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	Nil	Nil	Nil
*Interest due on Micro and small Enterprises is nil, as confirmation from MSME creditors is received that no interest would be claimed or charged on outstanding balance with the company.			
<b>Note No.37: Capital Management</b>			
The primary objective of the Company's capital management policy is to ensure that the Company complies with capital adequacy requirements required by the Reserve Bank of India and maintain strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders value.			
The Company's capital management objectives are :			
-to ensure the Company's ability to continue as a going concern			
-to comply with externally imposed capital requirement and maintain strong credit ratings			
-to provide an adequate return to shareholders			
<b>Standalone Statement of change in equity for the year ended as at March 31, 2024</b>			
Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the sub-ordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets (including investments in Subsidiary companies). In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.			
<b>Particulars</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Net Debt*	-	71.18	4.76
Total Equity	1,334.29	(64.60)	(69.91)
<b>Net debt to equity ratio</b>	-	(1.10)	(0.07)
* Net debt includes debt securities + borrowings other than debt securities + sub-ordinated liabilities + interest accrued – cash and cash equivalents – bank balances other than cash and cash equivalents.			
<b>Note No.38:</b>			
<b>Contingent Liabilities and commitments</b>			
<b>Particulars</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Capital Commitment in respect of Purchase of Properties	2,197.94	Nil	Nil
*The Company has intended to purchase the property for Rs. 2442.15 Lakhs at Mohali Punjab. The Company has made the payment of Rs.244.22 Lakhs for the same till 31 March 2024 (also refer note no. 6). Balance payment will be done in due course at the time of possession and after successful completion of registration and other legal formalities.			





**ERAAYA LIFESPACES LIMITED  
(FORMERLY KNOWN AS JUSTRIDE ENTERPRISES LIMITED)  
RESTATEMENT NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024, MARCH 31, 2023, & MARCH 31, 2022.**

**Note 39: Additional Regulatory Information**

During the Period or previous years

- (a) There are no immovable property whose title deed are not in the name of company.
- (b) The Company has not revalued its Property, Plant and Equipment during the year.
- (c) The company does not have any "Benami Property", where any proceeding has been initiated pending against the company for holding any "Benami Property".
- (d) The company has advanced any loan or advances in the nature of loan to specified persons viz. Promoters, Directors, KMP, and Related Parties which are repayable on demand or where the agreement document specifies any terms or period of repayment.

**Discloser on Loans or Advances in the nature of loans:**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter		
Directors		
KMPs		
Related Parties*		

- \* During the year the company advanced unsecured interest bearing loan which was repayable on demand to its related party M/s. Just Right Life Ltd and received back the same within same financial year.
- (e) The company has not been declared as a wilful defaulter by any lender who has the power to declare a Company as a wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved.
- (f) The company has utilized funds raised from the issue of securities or borrowings from banks & financial institutions for the specific purposes, for which they were issued/taken refer note 13(a)
- (g) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - ii. Provide any guarantees, securities or the like on behalf of the ultimate beneficiaries
- h) The company has not received any funds from any person(s) or entity(ies), including foreign entity(ies) (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - ii. Provide any guarantees, securities or the like on behalf of the ultimate beneficiaries.
- i) There are no transactions and/or balances outstanding with companies struck off under section 248 of the Companies Act 2013.
- j) The company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961.
- k) The company has not traded or invested in cryptocurrency or virtual currency during the financial year
- l) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on Number of Layers) Rules 2017
- n) The company does not have any charges or satisfaction of charges which is yet to be registered with the registrar of companies (ROC) beyond the satisfactory period.



Note 40. Disclosure-Financials Ratios									
Financials Ratios	Numerator	Denominator	31-Mar-24	31-Mar-23	31-Mar-22	Change in Percentage 2024 vs 2023	Change in Percentage 2023 vs 2022	Remark 2024 vs 2023	Remark 2023 vs 2022
a) Current Ratio (no. of times)	Total Current Assets	Total Current Liabilities	15.86	0.25	0.03	62.18%	689%	Current assets increased and current liabilities decreased significantly as compare to previous year.	Current assets increased and current liabilities decreased significantly as compare to previous year.
b) Debt-Equity Ratio	Total Debts (Long term borrowing + Short term borrowings (including Current maturities of long term borrowings)	Equity	-	NA#	NA#				
c) Debt Service Coverage Ratio (no. of times)	Profit after tax + Finance Cost + Depreciation and amortization expenses	Finance costs + repayment of long term borrowings	NA	NA	NA				
d) Return on Equity (ROE) (%)	Net profit after taxes	Average Shareholder's Equity	0.05	NA#	NA#				
e) Inventory turnover ratio	Turnover	Average Inventory	NA	NA	NA				
f) Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	3,070.26	2.04	NA	150343%		The significant increase in the revenue during the current period as compare to previous year.	
g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	2,664.77	NA	NA				
h) Net Capital turnover ratio	Revenue from operations	Working capital	43.95	NA#					



i) Net profit ratio (%)	Net Profit after tax	Total Revenue	0.00	0.39	NA	-100%	The net profit not increased significantly as compare to increase in revenue from operations during the current period.	NA
j) Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed (Tangible net worth + Long term borrowings+ Deferred Tax Liability)	0.03	NA#	NA#			
k) Return on investment (ROI) (%)	Income generated from investments	Average value of investments	NA	NA	NA	NA		NA

NA# The ratio is not applicable as denominator is negative

NOTES TO ACCOUNTS: forming part of Financial Statement 1-40

As per our Report of even date attached

FOR KSMC AND ASSOCIATES

Chartered Accountants

FRN : 003565N



CA SACHIN SINGHAL

Membership No. 505732

UDIN : 24505732BKEGJH5553

Date : 11th April, 2024

Place : Delhi

*[Signature]*  
Sukriti Garg  
(Managing Director)  
DIN:09585946

For & on behalf of the Board of Directors of  
Eraaya Lifespaces Limited

*[Signature]*  
Bhawana Gupta  
(Whole Time Director)  
DIN:10101543

*[Signature]*  
Vasudha Aggarwal  
(Company Secretary)

*[Signature]*  
Meenakshi Sharma  
(Chief financial officer)

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**STATEMENT OF CAPITALISATION**

(Rs. in Lakhs)

Particulars	Pre-issue as at 31.03.2024	Post Issue
<b>Total Borrowings</b>		
Current Borrowing	-	•
Non-Current Borrowing	-	•
<b>Total Equity*</b>		
Equity Share Capital	1,512.32	•
Other Equity	(178.03)	•
Total Capital	1334.29	•
Ratio: Non-current borrowings/Total Equity	-	•

*\*Details as per Restated Financial Statements.*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Restated Financial Statements" beginning on page 102 of this Draft Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 22 and 14 respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2024, 2023 and 2022 included herein is based on the Restated Financial Statements, included in this Draft Letter of Offer. For further information, see "Restated Financial Statements" beginning on page 102 of this Draft Letter of Offer.*

*Neither we, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 12 of this Draft Letter of Offer.*

### **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023/24 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS**

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

1. In Continuation to the Share Purchase Agreement (SPA) dated April 20, 2022, an Open Offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 was made and the said Open Offer was closed on June 30, 2022. Total 770 shares were tendered by public shareholders in Open Offer.
2. Accordingly, erstwhile Promoter Mr. Shubhal Goel ceased to be the Promoters and ceased to have management control of the Company in terms of Offer Document circulated for the said Open Offer and Share Purchase Agreement, Ms. Sukriti Garg and M/s Just Right Life Limited took over the management of the Company w.e.f. March 31, 2023.
3. The company via Resolution passed by Circulation on May 23, 2023 has approved shifting of registered office of the Company within same state i.e from Flat No.133, C4E, Pocket No.11, Janakpuri, New Delhi-110058 to B-1, 34/1, Vikas House, Vikas Path Marg, East Punjabi Bagh, Delhi 110026 and w.e.f. May 23, 2023 the registered Office of the Company has changed and the Company has already filed INC-22 for the same.
4. The Board of Directors of our Company has approved to Increase the Authorised Capital of the Company from Rs. 5, 50,00,000/- to Rs. 30,00,00,000/- in the board meeting held on April 08, 2023. Subsequently the Shareholders of the company approved the increase in capital by passing a special resolution by remote e-voting in the duly convened Extra-ordinary General Meeting of the Company held on May 05, 2023.
5. The Board of Directors of our Company has approved the change in Objects of the Memorandum of Association of the company and the issuance and allotment of up to 1,62,50,000 (One Crore Sixty-Two Lacs Fifty Thousand only) fully Convertible Warrants ('Warrants'), carrying a right exercisable by the Warrant holder to subscribe to one Equity Share (face value of Rs. 10/-) per Warrant to persons belonging to 'Promoter & Promoter Group' and 'Non-Promoter, Public Category' on preferential basis at an issue

- price of Rs. 10/- (Rupees Ten Only) per Warrant. Subsequently the Shareholders of the company approved the same by passing a special resolution by remote e-voting in the duly convened Annual General Meeting of the Company held on August 16, 2023.
6. Subsequently the Board of Directors of the Company issued 1,36,50,000 Convertible Warrants to the allottees in a duly convened Board Meeting held on August 24, 2023. Further the Board of Directors of the company approved the conversion of 60,00,00,000 warrants in 60,00,00,000 Equity shares of the company in a duly convened Board Meeting held on September 15, 2023, and further Board of Directors of the company approved the conversion of 76,50,00,000 warrants in 76,50,00,000 Equity shares of the company by passing Resolution by Circulation as on October 10, 2023. After the above-mentioned the Paid up Capital of the Company increased from Rs. 1,47,31,600 to Rs. 15,12,31,600/-
  7. The Board of Directors of our Company have approved the change in Objects of the Memorandum of Association of the company along with the increase in Authorised Capital of the Company from Rs. 30,00,00,000/- to Rs. 75,00,00,000/-. The Board also approved the fund raising in accordance with the Companies Act 2013 and SEBI (ICDR) Regulations, 2015 which includes the fund raising via Right Issue as a mode of raising funds for the Company.
  8. The Board of Directors of our Company has, at its meeting held on October 21, 2023, approved the constitution of Fund-Raising Committee.
  9. Further, the name of the Company has been changed from “Justride Enterprises Limited” to “Eraaya Lifespaces Limited” after seeking the consent of the members of the Company after successfully conducting the Post Ballot under section 110 of Companies Act 2013, as on February 14, 2024.
  10. Thereafter the Registrar of Companies, NCT of Delhi & Haryana and Central Processing Centre have issued Fresh Certificate of Incorporation pursuant to change of name of the company from “Justride Enterprises Limited” to “Eraaya Lifespaces Limited” on March 20, 2024.
  11. Further BSE Limited also approved the change of name of the Company with effect from March 12, 2024 and accordingly, the SCRIP ID and Abbreviated Name of the Company for BOLT Plus System changed from “JRELTD” to “ERAAYA” on the BSE India Portal.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

### Compliance with environmental laws and regulations

We are subject to central and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations. In case of any change in environmental or pollution laws and regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management. In addition, failure to comply with environmental laws may result in the assessment of penalties and fines against us by regulatory authorities.

### Results of Operations

The following table sets out selected data from the Restated Standalone Financial Statements for Period ended Financial Year 2024, Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

<b>COMPARISON BETWEEN FINANCIA YEAR ENDED MARCH 31, 2024 &amp; MARCH 31, 2023</b>				
(Amount in Lakhs)				
Particulars	As at 31st	%	As at 31st	%
	March,2024		March,2023	
<b><u>I. Revenue</u></b>				
Revenue from Operations	29,720.16	99.87%	19.50	80.08%
Other Income	37.31	0.13%	4.85	19.92%
<b>Total Income</b>	<b>29,757.47</b>	<b>100.00%</b>	<b>24.35</b>	<b>100.00%</b>
<b><u>II. Expenses</u></b>				
Cost of materials consumed	-	0.00%	-	0.00%
Purchases of Stock -in-Trade	29,593.91	99.45%	-	0.00%
Changes in inventories	-	0.00%	-	0.00%
Employee benefit expenses	19.45	0.07%	0.50	2.05%
Finance costs	3.79	0.01%	2.80	11.51%
Depreciation and amortization expenses	3.48	0.01%	-	0.00%
Other Expenses	94.34	0.32%	13.38	54.93%
<b>Total Expenses</b>	<b>29,714.98</b>	<b>99.86%</b>	<b>16.68</b>	<b>68.50%</b>
<b>III Profit / (Loss) before exceptional Items</b>	<b>42.49</b>	<b>0.14%</b>	<b>7.67</b>	<b>31.50%</b>
Less : Exceptional Items				
<b>IV. Profit/(Loss) Before Tax</b>	<b>42.49</b>	<b>0.14%</b>	<b>7.67</b>	<b>31.50%</b>
<b>V. Tax Expense:</b>				
(1) Current Tax	17.73	0.06%	-	0.00%
(2) Deferred Tax	-9.13	-0.03%	-	0.00%
(Short)/Excess Provison of Tax	-	0.00%	-	0.00%
<b>VI. Profit / (Loss) from continued</b>		<b>0.03%</b>		<b>0.00%</b>



operations after tax	33.89		7.67	
VII. Profit / (Loss) from discontinued operations			-	
VIII. Tax Expense of discontinued operations			-	
IX. Profit/(Loss) from Discontinued Operations after Tax			-	
X. Profit/(Loss) for the period	33.89	0.03%	7.67	0.00%
<b>Other Comprehensive Income</b>				
A (i) Items that will not be reclassified to profit or loss			-	
(ii) Income tax relating to items that will not be reclassified to profit or loss			-	
B (i) Items that will be reclassified to profit or loss			-	
(ii) Income tax relating to items that will be reclassified to profit or loss			-	
XI. Total Comprehensive income for the year, net of tax	33.89	0.03%	7.67	0.00%
<b>XII. EARNINGS PER EQUITY SHARE</b>				
(1) Basic	0.22	0.00%	0.52	2.14%
(2) Diluted	0.22	0.00%	0.52	2.14%
Number of shares used in computing earnings per share (In No.)	1,51,23,160		14,73,160	

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Restated Financial Statements. For details of our significant accounting policies, please refer section titled "*Financial Information*" on page 102

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter "*Financial Information*" on page 102, there has been no change in accounting policies in last 3 years.

## RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, see section titled "*Financial Information*" on page 102.

## PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT REVENUE

The following descriptions set forth information with respect to the key components of the Financial Statements

### Comparison of Financial Year ended March 31, 2023 with Financial Year ended March 31, 2024

#### Revenue from Operations

Our turnover from Revenue from operation increased from ₹19.50 Lakhs in FY 2022-23 to 29720.16 in FY 2023-24.

#### Other Income

Our other income also Increased from ₹ 4.85 Lakhs in FY 2022-23 to 37.31 in financial year 2023-2024 Other Income comprise mainly Interest and other misc. income.

## **Other Expenses**

Our other expenses increased by from ₹ 13.38 Lakhs in financial year 2022-23 to ₹ 94.34 Lakhs in financial year 2023-24. Other expense mainly includes Audit Fees and other Business-related Expense.

## **PBT**

Our PBT increased from ₹ 7.67 Lakhs in financial year 2022-23 to ₹ 42.49 Lakhs in financial year 2023-24.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in this Draft Letter of Offer to our knowledge there are not any significant economic changes that materially affected or are likely to affect income from continuing operations

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled "*Risk Factors*" beginning on page 22 of this Draft Letter of Offer to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **4. Future relationship between Costs and Income.**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

Total turnover of each major industry segment in which the issuer company operates.

### **5. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Letter of Offer.

### **6. The extent to which the business is seasonal**

Our Company's business is not seasonal in nature.

### **7. Any significant dependence on a single or few suppliers or customers**

There is no significant dependence on a single or few suppliers or customers

### **8. Competitive Conditions**

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "*Our Business*" on page 84 of this Draft Letter of Offer.

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## MARKET PRICE INFORMATION

The Equity Shares are listed on the BSE. The Rights Equity Shares will be listed on the Stock Exchanges pursuant to the Issue. For further details, please see "*Terms of the Issue*" on page 166 of this Draft Letter of Offer. We have received in-principle approvals for listing of the Rights Equity Shares on the Stock Exchanges to be issued pursuant to the Issue from the BSE by letter dated [●]. Our Company will also make application to BSE to obtain the trading approval from the stock exchange for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of our Equity Shares for the year, or the month, as the case maybe;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of our Equity Shares, for the year, the month, or the week, as the case may be; and
4. In case of two days with the same high/low/closing price, the date with higher volume has been considered.

### Stock Market Data of the Equity Shares

The following table sets forth the high, low and average market prices of the Equity Shares recorded on the BSE during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded.

BSE									
FY	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Low (₹)	Date of Low	Volume on date of low (No. of Equity Shares)	Average (₹)		
2023-24	386.35	March 28, 2024	75	10.46	April 27, 2023	200	198.40		
2022-23	9.97	March 6, 2023	100	7.82	April 19, 2022	100	8.89		
2021-22	8.15	January 17, 2022	100	7.21	June 15, 2021	500	7.68		
2020-21	7.58	July 30, 2020	100	7.58	July 30, 2020	100	7.58		

(Source: [www.bseindia.com](http://www.bseindia.com))

The high and low prices and volume of Equity Shares traded on the respective date on the BSE during the last six months preceding the date of filing of this Draft Letter of Offer are as follows:

BSE							
Monthly	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Low (₹)	Date of Low	Volume on date of low (No. of Equity Shares)	Average (₹)
March 2024	386.35	March 28, 2024	75	270.95	March 01, 2024	110	328.65
February 2024	265.65	February 29, 2024	10	179.10	February 01, 2024	326	222.37
January 2024	175.60	January 31, 2024	20	116.25	January 01, 2024	20	145.92
December 2023	113.98	December 29, 2023	2	78.33	December 01, 2023	75	96.15
November 2023	76.80	November 30, 2023	15	51.77	November 01, 2023	277	64.28
October 2023	50.76	October 21, 2023	4	34.91	October 3, 2023	30	42.83

(Source: [www.bseindia.com](http://www.bseindia.com))

The total number of days trading during the past six months was 123. The average volume of Equity Shares traded on the BSE was 1405 Equity Shares per day.

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## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND DEFAULTS

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is 5% of Turnover or Net Worth of the Company for the immediately preceding financial year ("**Materiality Threshold**") or above.*

*Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.*

*Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.*

#### **I. Litigation involving our Company**

##### **A. Litigation filed against our Company**

###### **1. Criminal proceedings**

Nil

###### **2. Outstanding actions by regulatory and statutory authorities**

Nil

###### **3. Civil proceedings**

Nil

###### **4. Litigation/Matters involving Tax Liabilities**

Nil

##### **B. Litigation filed by our Company**

###### **1. Criminal proceedings**

Nil

###### **2. Civil proceedings**

Nil

###### **3. Litigation Involving Actions by Statutory/Regulatory Authorities**

Nil



4. **Tax proceedings**

(in ₹ Lakhs)

<b>Particulars</b>	<b>No. of cases</b>	<b>Amount involved</b>
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	Nil	Nil

**II. Litigation involving our Promoters**

A. *Litigation filed against our Promoter*

1. **Criminal proceedings**

**There is total 5 (five) matters are currently present against our Promoter Company i.e (Just Right Life Limited)**

(i) ***VRAJ ENTERPRISES A PARTNERSHIP FIRM V/S STATE OF RAJASTHAN & ORS. CRL.M.PET. 2287/2023 - HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR***

The Petitioner has filed a petition under section 482 Cr. PC for direct the Respondents (Just Right Life Limited) to remove the hold on 1,000 shares of Best Agro Life Limited purchased by the Petitioner firm on 03.11.2022 as the Petitioner has no connection whatsoever with the disputed subject matter raised by the Complainant in the FIR in question. Next date of hearing is May 06, 2024.

(ii) ***Jignesh Shah vs. State of Rajasthan & Ors. - CRL.M.PET. 5726/2023 - HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR***

The Petitioner has filed an petition under section 482 Cr. PC for Quashing / set aside the Respondent No.2's Order No. CL-11-17 /31/2021-0/o DGCoA-MCA dated 20/09/2022 directing SFIO inquiry in relation to companies related to the Petitioner; and Quash/ set aside the proceedings undertaken by SFIO and the summons dated 17.08.2023 issued by Respondent (Just Right Life Limited) to the Petitioner. Next date of hearing is May 06, 2024.

(iii) ***Atul Shah vs. State of Rajasthan & Ors. - CRL.M.PET. 3367/2023 - HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR***

The petition is filed by the Petitioner seeking quashing/ setting aside of the Respondent (Just Right Life Limited) Order No. CL-II-17 /31/2021-0/o DGCoA-MCA dated 20/09/2022, as also quashing of the consequential summons issued by Respondent (Just Right Life Limited) to the Petitioner directing his presence for the purposes of investigation and production of documents as also proceedings initiated by Serious Fraud Investigation Office (SFIO). Next date of hearing is May 06, 2024.

(iv) ***CHINTAN SANGHAVI S/O SHRI MAHENDRA SANGHAVI VS STATE OF RAJASTHAN & ORS - CRL.M.PET. 472/2021 - HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR***

Petition filed under section 482 Cr.P.C. For quashing the FIR. No.213/2020 lodged against the petitioner (Just Right Life Limited) and others at p.s. Shahjahanpur, district bhiwadi raj. Offence under sections 420 of I.P.C. Next date of hearing is May 06, 2024.

(v) ***ANIL SHAH S/O HEERALAL SHAH & ORS. VS STATE OF RAJASTHAN & ORS. HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR - CRL.M.PET. 471/2021***

Petitioner has filed an quashing petition under section 482 Cr.PC for quashing of F.I.R.No. 213/2020 dated 10.08.2020 registered at Police Station :Shajahanpur District Bhiwadi, for offence punishable under Section 420 IPC, which was filed by the Just Right Life Limited. Next date of hearing is May 06, 2024.

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Civil proceedings**

Nil

4. **Litigation Involving Actions by Statutory/Regulatory Authorities**

**NIL**

B. *Litigation filed by our Promoter*

5. **Criminal proceedings**

**There is only One matter (CrPC) is being filed by our Promoter Company i.e (Just Right Life Limited)**

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

The petitioner (Our Promoter Company i.e. Just Right Life Limited) has filed an writ petition under article 226 of the constitution of India read with section 482 of CrPC for issuance of appropriate writ/ order/ direction in the nature of mandamus or any other appropriate writ/order/directions thereby transferring the investigation pending in fir no. 26/2023 dated 16.01.2023 police station Punjabi Bagh to the economic offences wing (EOW) or any other special investigating agency/team given the peculiar facts and circumstances of the case& for filing of detailed status report as to the investigation undertaken including all companies operated by the accused persons;

6. **Civil proceedings**

**There are two matter (CPC) is being filed by our Promoter Company i.e (Just Right Life Limited)**

***Just Right Life Ltd. vs. State of Rajasthan & Ors. HIGH COURT OF JUDICATURE FOR RAJASTHAN BENCH AT JAIPUR - CRL.W. 867/2023***

The Petitioner has filed the present petition for call the record from serious fraud investigation office in relation to FIR No. 0213 /2020 transferred to the office vide order dated 15.12.2021 in Crl. Misc. Petition No. 5867/2020, examining the same in detail, accept/allow this writ petition, and further, this Hon'ble Court be pleased to: - (i) Issue an appropriate writ, order or directions to the SFIO to place on record the current status of investigation done so far; (ii) Issue an appropriate order or direction to refer the matter to Enforcement Directorate (ED) . (iii) By way of writ order or direction the SFIO be directed to bring on record if any notices are issued to either petitioner or the accused named in the FIR; (iv) By an appropriate writ, order or directions, the SFIO be directed to place on record how many companies are investigated whether accused named in the complaint are directly or indirectly involved; Next date of hearing is May 06, 2024.

***Just Right Life vs. M/s. cerebra Integrated tech. ltd & ors. - IN THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH, BENGALURU - C.P.(IB) No. 59/BB/2024***

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

7. **Litigation Involving Actions by Statutory/Regulatory Authorities**

**NIL**

8. *Tax proceedings*

(in ₹)		
<b>Particulars</b>	<b>No. of cases</b>	<b>Amount involved</b>
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	Nil	Nil

B

**III. Litigation involving our Directors**

A. *Litigation filed against our Director*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Civil proceedings**

Nil

4. **Litigation Involving Actions by Statutory/Regulatory Authorities**

**NIL**

B. *Litigation filed by our Director*

1. **Criminal proceedings**

Nil

2. **Civil proceedings**

Nil

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

Nil

4. **Tax proceedings**

(in ₹)		
<b>Particulars</b>	<b>No. of cases</b>	<b>Amount involved</b>
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	Nil	Nil

#### IV. LITIGATION INVOLVING OUR SUBSIDIARIES

1. Against Directors of the Subsidiary Company: NIL
2. By Directors of the Subsidiary Company: NIL

#### V. Litigations Involving Company's Group Entities

1. Against the Group Entities: NIL
2. By the Group Entities: NIL

#### VI. Other litigations involving any other entities which may have a material adverse effect on the Company.

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

#### Details of the past penalties imposed on the Company / Directors

- a. SEBI has imposed penalty of Rs. 6,00,000 on our promoter director Ms. Sukriti Garg along with Other Entities/Persons via order dated 21-Mar-2024 for non - disclosure of shareholding/changes in shareholding to stock exchanges as required under regulations 29(1) and 29(2) read with 29(3) of SAST regulations, 2011 in matter of BEST AGROLIFE LTD. (formerly known SAHYOG MULTIBASE LTD.); Further company has receive official SEBI letter for the payment of the same and company will adhere the same and pay accordingly within stipulated time period i.e. with in 45 days.
- b. SEBI has imposed penalty on our promoter director Ms. Sukriti Garg for delay in making disclosure of shareholding/changes in shareholding g to company and/or stock exchanges as required under regulation 29(2) of SAST Regulations, 2011 in matter of Sahyog Multibase Ltd. However, the same has been reached at a settlement along with a Settlement Charges of Rs.3,48,075 along with other Entities/Persons Vide consent Order dated 16-Jul-2019;

Except as disclosed above, there are no cases in the last five years in which penalties have been imposed on the Company or on Directors.

#### I. Outstanding dues to creditors

Details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2024, by our Company, are set out below:

Type of creditors	Amount involved
Micro, Small and Medium Enterprises	11.22
Other creditors	0.66
<b>Total</b>	<b>11.88</b>

#### Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Material Developments Subsequent to March 31, 2023 & 24*" on page 143 of this Draft Letter of Offer, there have not arisen, since the date of the last financial information disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 55 of this Draft Letter of Offer.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

This Issue has been authorized through a resolution passed by our Board at its meeting held on October 21, 2023 to raise funds by issuance and allotment of equity shares for aggregate amount of up to Rs. 50 Crore (Rupees Fifty Crore), by way of QIP's, ADR, GDR, FCCB or any other method or combination thereof including series of Right Issue(s), on such terms to be decided by the Board or a duly constituted committee of the Board at a later date, subject to the approval of shareholders, thereafter, the same was approved via Postal Ballot Notice dated October 21, 2023

Our Board/Rights Issue Committee, in its meeting held on [●] has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 4,990.00 lakhs. The Issue Price is ₹ [●] per Equity Share and has been arrived at by our Company in consultation with the Advisor to the Issue prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their respective letters each dated [●]. Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 166 of this Draft Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Our Company and certain Promoters have been penalized by SEBI for violations of provisions of SEBI Listing Regulations and of SEBI (SAST) Regulations, 2011 in the last 5 years. The penalties will be paid within the stipulated time period of Demand Notice and other than this, there are no outstanding SEBI actions against our Company or our Promoters and members of our Promoter Group as on the date of this Draft Letter of Offer. For details, see chapter titled "Outstanding Litigations and Default" on page 152 of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

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

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent it may be applicable to them as on date of this Draft Letter of Offer.

### **Eligibility for the Issue**

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

### **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

### **Compliance with Part B-1 of Schedule VI of the SEBI ICDR Regulations**

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

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

However, in terms of Clause (3) of Part B of Schedule VI of the SEBI ICDR Regulations, following issuers shall mandatorily make disclosures in the draft letter of offer/letter of offer as specified in Part B-1 of this Schedule:

(a) an issuer whose management has undergone any change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable and is making a rights issue of specified securities for the first time subsequent to such change and a period of three full years has not elapsed since such a change;

(b) an issuer whose specified securities have been listed consequent to the relaxation granted by the Board under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 for listing of its specified securities pursuant to a scheme sanctioned by a High Court under sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under sections 230-234 of the Companies Act, 2013, as applicable, and is making a rights issue of specified securities for the first time subsequent to such listing and a period of three full years has not elapsed since such listing.

Since the management of our Company has undergone change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, during the financial year 2022-23, the disclosures contained in the Draft Letter of Offer/Letter of Offer have been mandatorily made in terms of Part B-1 of Schedule VI of the SEBI ICDR Regulations.

### **DISCLAIMER CLAUSE OF SEBI**

**THE PRESENT ISSUE, BEING LESS THAN ₹5,000 LAKHS, OUR COMPANY IS IN COMPLIANCE WITH FIRST PROVISION TO REGULATION 3 OF THE SEBI ICDR REGULATIONS AND OUR COMPANY SHALL FILE A COPY OF THE DRAFT LETTER OF OFFER PREPARED IN ACCORDANCE WITH THE SEBI (ICDR) REGULATIONS WITH SEBI FOR INFORMATION AND DISSEMINATION ON THE WEBSITE OF SEBI FOR INFORMATIVE PURPOSES.**

### **Disclaimer from our Company and our Directors**



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

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

#### **Disclaimer in respect of Jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi only.

#### **Disclaimer Clause of BSE**

BSE Limited ("**the Exchange**") has given *vide* its letter dated [●], permission to this Company to use the Exchange's name in this Draft Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

#### **Listing**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

#### **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

## **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.**

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

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

## **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

## **Consents**

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, legal advisor, Bankers to the Company, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated April 16, 2024 from our Statutory Auditor to include their name in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated April 16, 2024 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

## **Expert Opinion**

Our Company has received written consent dated April 16, 2024 from our Statutory Auditor to include their name as required in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated April 16, 2024 and such consent has not been withdrawn as of the date of this Draft Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, our Company has not obtained any expert opinions.

## **Performance vis-à-vis objects – Public/Rights Issue of our Company**

The Company has not made any Right Issue in the previous years.

## **Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates**

Our Company does not have any listed subsidiaries or associate companies as on the date of this Draft Letter of Offer. Further, there have been no instances in the past.

## **Stock Market Data of the Equity Shares**

Our Equity Shares are listed on BSE. Our Equity Shares are traded on BSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled "*Market Price Information*" beginning on page 149 of this Draft Letter of Offer.

## **NOTICE TO INVESTORS**

**NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS DRAFT LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DRAFT LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS.**

## **Filing**

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

## **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011 and shall comply with the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014 and the SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 7, 2022 (SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150), in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Skyline Financial Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the Issue*" beginning on page 166 of this Draft Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

### **Registrar to the Company:**

**Name:** Skyline Financial Services Private Limited  
**Address:** D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020  
**Telephone Number:** 011-40450193/97  
**Contact person:** Mr. Anuj Rana  
**Website:** [www.skylinerta.com](http://www.skylinerta.com)  
**E-mail:** [Info@skylinerta.com](mailto:Info@skylinerta.com)

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

**Ms. Vasudha Aggarwal**, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

**Telephone:** +91 7065084854  
**E- mail:** [cs@eraayalife.com](mailto:cs@eraayalife.com)

*This place has been left blank intentionally*

## **SECTION VIII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

*This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in the Draft Letter of Offer.*

*The Eligible Equity Shareholders are requested to note that application in this issue can only be made through ASBA.*

### **OVERVIEW**

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

### **IMPORTANT**

#### **I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS**

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.



Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) our Company at [www.eraayalife.com](http://www.eraayalife.com);
- (ii) the Registrar at [www.skylinerta.com](http://www.skylinerta.com);
- (iii) the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) ; and

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.skylinerta.com](http://www.skylinerta.com) ) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.eraayalife.com](http://www.eraayalife.com)).

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter

of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue, will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

## **II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "**Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**" below.

Please note that one single Application Form shall be used by Shareholders to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Shareholders who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Shareholders will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Shareholders are required to submit a separate Application Form for each demat account.

Shareholders may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see "**Grounds for Technical Rejection**" below. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as

per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” below.

➤ **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- (v) renounce its Rights Entitlements in full.

➤ **Making of an Application through the ASBA process**

Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective

directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

**Do's for Shareholders applying through ASBA:**

- (a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

**Don'ts for Shareholders applying through ASBA:**

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (b) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (d) Do not submit Application Form using third party ASBA account.

➤ **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the

Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Eraaya Lifespaces Limited;
- (i) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (ii) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (iii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialised form;
- (vi) Number of Equity Shares entitled to;
- (vii) Number of Equity Shares applied for within the Rights Entitlements;
- (viii) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (ix) Total number of Equity Shares applied for;
- (x) Total amount paid at the rate of Rs. 1 per Equity Share;
- (xi) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (xiii) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xv) All such Eligible Equity Shareholders are deemed to have accepted the following:

*“I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our*

*residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a “U.S. Person” as defined in (“Regulation S”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

*I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com)

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders’ ASBA Accounts on or before the Issue Closing Date.

➤ **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either through email to the RTA at [ipo@skylinerta.com](mailto:ipo@skylinerta.com) or by post, speed post, courier or hand delivery, so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

#### **Application for Additional Equity Shares**

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “Basis of Allotment” mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

#### **Additional general instructions for Shareholders in relation to making of an application**

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their



respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

- (e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Manager.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- (h) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details

in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit multiple Applications.
- (s) No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.
- (t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

➤ **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

- (c) Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand.
- (o) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

- (a) Payment from third party bank accounts.

➤ • **Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “**Procedure for Applications by Mutual Funds**” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) an Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Capital Structure - Intention and extent of participation by our Promoter” mentioned above.

➤ **Procedure for Applications by certain categories of Shareholders**

**Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iii)

compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. 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.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

#### **Procedure for Applications by AIFs, FVCIs, VCFs and FDI route**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

#### **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid- up equity capital on a fully diluted basis or should not exceed 5% of the paid-up

value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Shareholders”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

### **Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is, [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “Basis of Allotment” mentioned below.

Please note that on the Issue Closing Date, applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing

about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### **Withdrawal of Application**

Shareholders who have applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Shareholders applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

### **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

## **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

### **➤ Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.skylinerta.com](http://www.skylinerta.com)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.eraayalife.com](http://www.eraayalife.com)).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer



by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <https://www.skylinerta.com> ). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self- attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the

Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

#### **IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

##### **➤ Renounees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well

##### **➤ Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

##### **➤ Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

**(a) On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

**(b) Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer

of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholders' ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Mode of payment for Resident Shareholders**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### **Mode of payment for Non-Resident Shareholders**

As regards the Application by non-resident Shareholders, payment must be made only through ASBA

facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “**The Issue**” beginning on mentioned above.

### **➤ Fractional Entitlements**

Since the Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1:1 (1 Equity Share for every 1 Equity Shares) held as on the Record Date. Accordingly, no circumstance would arise which would result in fractional entitlement.

### **➤ Ranking**

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the

Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank pari passu with the existing Equity Shares, in all respects including dividends.

➤ **Listing and trading of the Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to BSE for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 531035) under the ISIN: INE432F01024. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the regular ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

➤ **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see “**Capital Structure - Intention and extent of participation by our Promoter**” mentioned above.

➤ **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;

- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **VII. GENERAL TERMS OF THE ISSUE**

### **➤ Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is One Equity Share.

### **➤ Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

### **➤ Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **➤ Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.

### **➤ Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.



Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one Hindi language national daily newspaper with wide circulation being the regional language of New Delhi, where our Registered Office is situated.

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

➤ **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [www.skylinerta.com](http://www.skylinerta.com) . It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self- attested proof of address, passport, etc. at email id:

#### **ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE.**

#### **VIII. ISSUE SCHEDULE**

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENT</b>	<b>[•]</b>
<b>ISSUE OPENING DATE</b>	<b>[•]</b>
<b>LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS<sup>#</sup></b>	<b>[•]</b>
<b>ISSUE CLOSING DATE*</b>	<b>[•]</b>
<b>FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF ALLOTMENT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF CREDIT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF LISTING (ON OR ABOUT)</b>	<b>[•]</b>

*# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

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

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are

required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

## **IX. BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- b) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- c) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

## **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity

Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **XI. PAYMENT OF REFUND**

### **➤ Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through Unblocking amounts blocked using ASBA facility.

### **➤ Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

### **➤ Receipt of the Equity Shares in Dematerialized Form**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated August 10, 2015 with NSDL and an agreement dated August 03, 2023 with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

**SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a- vis such information with the Shareholders depository participant, would rest with the Shareholders. Shareholders' should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholders' depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
5. The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and,

if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

### **XIII. IMPERSONATION**

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 0.5 crore or with both.

### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **XVI. SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

- 1) Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
- 2) All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "ERAAYA LIFESPACES LIMITED – Rights Issue" on the envelope and postmarked in India or in the e- mail) to the Registrar at the following address:

Skyline Financial Services Private Limited  
D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020  
Telephone: 011-40450193/97  
Email: [ipo@skylinerta.com](mailto:ipo@skylinerta.com) ,  
Website: [www.skylinerta.com](http://www.skylinerta.com)  
Investor grievance e-mail: [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
SEBI Registration No.: INR000003241;  
Validity of Registration: Permanent  
Contact Person: Mr. Anuj Rana

- 3) In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar [www.skylinerta.com](http://www.skylinerta.com) . Further,

helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 011- 42541952.

- 4) The Shareholders can visit following links for the below-mentioned purposes:
- a) Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: [www.skylinerta.com](http://www.skylinerta.com)
  - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.skylinerta.com](http://www.skylinerta.com)
  - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.skylinerta.com](http://www.skylinerta.com)  
Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at email id at [ipo@skylinerta.com](mailto:ipo@skylinerta.com)

This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The FDI Policy prescribes the limits and conditions subject to which foreign investment can be made in different sectors of the Indian economy and FEMA regulates the precise manner in which such investment may be made.

The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Pursuant to the press release dated May 24, 2017, the Union Cabinet phased out the FIPB and it was replaced by the Foreign Investment Facilitation Portal (**FIFP**) to speed up the FDI inflow and to increase the transparency in the FDI approvals in the country. The DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities to grant approvals for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under the automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned Administrative Ministry/Department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP will identify the Competent Authority.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The DIPP, has issued a consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 ("**FDI Policy 2020**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force till that date. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, the FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to 100% without any prior approvals, however the foreign investor must follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the **FIFP**.

The transfer of shares between an Indian resident and a non-resident does not need 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 the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the extant policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognized as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non-institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

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

*This place has been left blank intentionally*

## **SECTION IX – STATUTORY AND OTHER INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

## 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 Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at [www.eraayalife.com](http://www.eraayalife.com) in from the date of this Draft Letter of Offer until the Issue Closing Date.*

### 1. Material Contracts for the Issue

- (i) Registrar Agreement dated [●] between our Company and the Registrar to the Issue.
- (ii) Bankers to the Issue Agreement dated [●] among our Company, the Registrar to the Issue and the Bankers to the Issue.
- (iii) Tripartite Agreement between our Company, NSDL and the Registrar to the Company.
- (iv) Tripartite Agreement between our Company, CDSL and the Registrar to the Company
- (v) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

### 2. Material Documents

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated October 21, 2023 in relation to the Issue and other related matters.
3. Copies of Annual Reports of our Company for the Financial Year ending March 31, 2023, March 31, 2022, March 31, 2021.
4. Resolution of Shareholder dated November 23, 2023 approving the issue.
5. Copy of the Resolution of Fund-Raising Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
6. Resolution of our Fund-Raising Committee dated [●] approving the Letter of Offer.
7. Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Bankers to our Company, Bankers to the Issue, Legal Advisor to the Issue, and the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer to act in their respective capacities.
8. Statement of Tax Benefits dated April 16, 2024 for our Company from the Statutory Auditors of our Company.
9. Audit Report for financial year ending on March 31, 2023, March 31, 2022 and March 31, 2021.
10. Restated Financials Statement for financial year ending on March 31, 2024, March 31, 2023.
11. In-principle approval issued by BSE dated [●].

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 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. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OF OUR COMPANY

Sd/-

\_\_\_\_\_  
**Sukriti Garg**  
(Managing Director, Executive Category)

Sd/-

\_\_\_\_\_  
**Bhawana Gupta**  
(Executive Director & CEO)

Sd/-

\_\_\_\_\_  
**Meenakshi**  
(Whole Time Director cum CFO)

Sd/-

\_\_\_\_\_  
**Poonam Dhingra**  
(Non-Executive Independent Director)

Sd/-

\_\_\_\_\_  
**Sony Kumari**  
(Non-Executive Independent Director)

Sd/-

\_\_\_\_\_  
**Swati Gupta**  
(Non-Executive Independent Director)

Sd/-

\_\_\_\_\_  
**Vasudha Aggarwal**  
(Company Secretary and Compliance Officer)

**Date:** April 17, 2024

**Place:** New Delhi