eMUDHRA LIMITED

Registered and Corporate Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149
Telephone: +91-080-4227 5300 | **E-mail:** companysecretary@emudhra.com | **Website:** www.emudhra.com | **CIN:** L72900KA2008PLC060368

Our Company was originally incorporated as '3i Infotech Consumer Services Limited,' as a wholly owned subsidiary of 3i Infotech Limited under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 16, 2008, issued by the Registrar of Companies, Maharashtra, at Mumbai. Pursuant to an acquisition of our Company by Indus Innovest Technologies Private Limited and our shareholders resolution dated November 16, 2010, the name of our Company was changed to 'eMudhra Consumer Services Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on December 22, 2010. The registered office of our Company was changed from Maharashtra to Karnataka, pursuant to which a fresh certificate of incorporation dated September 23, 2011 was issued by the Registrar of Companies, Karnataka, at Bangalore. The name of our Company was further changed to 'eMudhra Limited', pursuant to our shareholders resolution dated October 21, 2014, and a fresh certificate of incorporation was issued by Registrar of Companies, Karnataka, at Bangalore on November 5, 2014. For further details, please see "*General Information*" on page 274.

Issue of up to [●] equity shares of face value of ₹ 5 each of our Company ("**Equity Shares**") at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share (the "**Issue Price**"), aggregating up to ₹ [●] million (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 43.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT")

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTIONS 42 AND 62 OF THE COMPANIES ACT, OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "*RISK FACTORS*" ON PAGE 57 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE, EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on January 11, 2024, was ₹ 434.90 and ₹ 435.10 per Equity Share, respectively. In-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), for listing of the Equity Shares to be issued pursuant to the Issue, have been received from BSE and NSE on [●]. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges in due course. Our Company shall also make requisite filings with the RoC (as defined hereinafter), within the stipulated timeframe prescribed under the Companies Act and the PAS Rules (as defined hereinafter), as amended. This Preliminary Placement Document has not been reviewed by SEBI, the Stock Exchanges, RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (as defined hereinafter). For further details, see "*Issue Procedure*" on page 230. The distribution of this Preliminary Placement Document or the disclosure of its contents, without our Company's prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in *"offshore transactions"*, as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. See *"Selling Restrictions"* on page 246 for information about eligible offerees for the Issue and *"Purchaser Representations and Transfer Restrictions"* on page 253 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the website of the BRLM (as defined hereinafter) or any of its affiliates does not constitute nor form a part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Preliminary Placement Document is dated [●].

BOOK RUNNING LEAD MANAGER
IIFL SECURITIES
IIFL SECURITIES LIMITED

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations, on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through the Placement Document.

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company, our Subsidiaries and the Equity Shares which is material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, our Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company and our Subsidiaries. There are no other facts in relation to our Company, Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company, our Subsidiaries nor the Book Running Lead Manager has any obligation to update such information to a later date.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein, as applicable. The BRLM has not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of its respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM and/or by any of its respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company, our Subsidiaries and the Equity Shares or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied either on the BRLM or on any of its respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, our Subsidiary and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the BRLM. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares to be issued pursuant to this Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and certain other jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States, unless so registered, and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in *"offshore transactions"*, as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. For further information, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 246 and 253, respectively.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue in consultation with the BRLM or its representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of Equity Shares may be restricted in certain countries or jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any country or jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

In particular, no action has been nor will be taken by our Company or the BRLM which would permit an offering of the Equity Shares being offered in the Issue or distribution of this Preliminary Placement Document in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer , transfer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 246 and 253, respectively.

In making an investment decision, the prospective investors must rely on their own examination of our Company, our Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company or the BRLM are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to the Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, Rule 14 of the PAS Rules and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares or otherwise accessing the capital markets in India. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

Our Company and the BRLM are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes to the Issue only and upon the express understanding that it will be used for the purposes set forth herein.

The Company does not undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

The information on our Company's website, www.emudhra.com, or the the websites of any of its Subsidiaries or any website directly or indirectly linked to the website of our Company or on the website of the BRLM or any of its affiliates or agents, does not constitute nor form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

The Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 246 and 253, respectively.

Any information about our Company available on the website of the Stock Exchanges, our Company or the BRLM, other than this Preliminary Placement Document, shall not constitute a part of this Preliminary Placement Document and no investment decision should be made on the basis of such information.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section are to the prospective investors in this Issue. By bidding for and/or subscribing to any of the Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged and agreed to contents set forth in the sections "*Notice to Investors*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 1, 246 and 253, respectively, and to have represented, warranted and acknowledged to and agreed to our Company and the BRLM as follows:

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries which is not set forth in this Preliminary Placement Document;

- You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under the SEBI ICDR Regulations, the Companies Act and all other applicable laws in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

- You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

- If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document, you have a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of FEMA Rules, or (ii) a multilateral or bilateral development financial institution. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities including to the Equity Shares or otherwise accessing the capital markets. You confirm that you are not a FVCI. Additionally, you are aware that, in terms of the SEBI FPI Regulations, you are not permitted to acquire 10% or more of the post-Issue Equity Share capital of our Company;

- You will provide the information as required under the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

- You are eligible to invest and hold the Equity Shares of our Company in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules**.**

- If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges;

- You are aware that this Preliminary Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any

other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

- This Preliminary Placement Document has been filed, and the Placement Document will be filed, with the Stock Exchanges and this Preliminary Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchanges;

- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

- You are aware that, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. The BRLM or any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not, in any way, acting in any fiduciary capacity in relation to you;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM has advised you not to place undue reliance in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Preliminary Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

- All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding us or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially

different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. None of our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs, and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

- You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, "*Risk Factors*" on page 57;

- In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of us, the Equity Shares and the terms of the Issue, based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither the Company nor the BRLM nor any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a service provider and will not rely on the BRLM or any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including in relation to limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against us or the BRLM or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any managed accounts for which

you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the BRLM or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You are not a 'promoter' of our Company as defined under the Companies Act and the SEBI ICDR Regulations, and are not a person related to our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent our Promoters or members of our Promoter Group (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group or persons related to the Promoter, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares, the acquisition of which shall not deem you to be a Promoters or a person related to the Promoters;

- You agree that in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Preliminary Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Preliminary Placement Document and other filings required under the Companies Act, 2013;

- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/ Issue Closing Date (as defined hereinafter);

- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations as defined herein) and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

- Your aggregate equity shareholding in our Company, together with other Eligible QIBs that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

  (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise

control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIBs; and

(b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares, to be issued pursuant to this Issue, will be obtained in time or at all. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the BRLM has entered into a Placement Agreement with our Company whereby the BRLM has, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use its reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;

- You understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and that neither the BRLM nor any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and its respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the BRLM or any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "*Selling Restrictions*" on page 246 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" and *"Purchaser Representations and Transfer Restrictions"* on pages 246 and 253, respectively;

- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered

within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. For further details see, "*Selling Restrictions*" on page 246.

- You are outside the United States, and you are purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S of the U.S. Securities Act and in compliance with laws of all jurisdictions applicable to you and are not our Company's or the BRLMs' affiliate or a person acting on behalf of such an affiliate;

- You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S of the U.S. Securities Act) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act.

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bengaluru, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document.

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- You agree to indemnify and hold our Company, the BRLM and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

- You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than fifty percent or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM.

- You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate. However, affiliates of the BRLM, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see "*Offshore Derivative Instruments*" on page 12; •

- Our Company, the BRLM, their respective affiliates, directors, officers, counsels, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM; and

- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including affiliates of the BRLM, which is registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, the Investment Restrictions shall apply on the aggregate of the FPI investments and P-Notes positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

Bidders interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax

advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Please also see *"Selling Restrictions"* and *"Transfer Restrictions and Purchaser Representations"* on pages 246 and 253, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or

2. warrant that the Equity Shares to be issued pursuant to this Issue, will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company;

It should not, for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges 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.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'bidder', ''your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to "our Company", "the Company" or the "Issuer" are to eMudhra Limited on a standalone basis and references to 'we', 'us', 'our' or the 'Group' are to eMudhra Limited together with our Subsidiaries as well, on a consolidated basis.

Currency and units of presentation

All references to:

1. "Rupees" or "INR" or "Rs." or "₹" are to the Indian Rupee, the official currency of Republic of India; and
2. "USD" or "US$" or "$" or "U.S. Dollar" are to the United States Dollar, the official currency of the United States of America; and
3. "AED" are to the United Arab Emirates dirham, which is currency of the United Arab Emirates; and
4. "MUR" are to the Mauritian rupee, which is currency of the Mauritius; and
5. "SGD" are to the Singapore Dollar, which is currency of the Singapore; and
6. "EUR" are to the Euro, which is currency of the European unions; and
7. "IDR" are to the Indonesian rupiah, which is currency of the Indonesia

Except otherwise specified, our Company has presented certain numerical information in this Preliminary Placement Documents in "lakh", "million", "crores" "billion" and "trillion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Preliminary Placement Document in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All financial and statistical information in this Preliminary Placement Document have been presented in million or in whole numbers where the numbers have been too small to present in million, unless stated otherwise.

Unless otherwise specified, all financial numbers in parentheses represent negative figures.

Page numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial data and other information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to the terms "Fiscal", "Fiscals" or "Fiscal year", "FY", refer to the 12 month period ending March 31 of that particular year.

Our Company publishes its financial statements in Indian Rupees.

Unless stated otherwise or unless the context requires otherwise, the financial data in this Preliminary Placement Document is derived from the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements. The Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards ("**Ind AS**"), notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and the other accounting principles generally accepted in India and guidance notes specified by the Institute of Chartered Accountants of India, which have been included in this Preliminary Placement Document. The Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements should be read along with the respective reports issued thereon. For further information, see "*Financial Statements*" on page 277.

Our Company presents its financial statements under Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its audited consolidated financial statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices, Ind AS, the Companies Act, the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. All figures from or derived from the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements are in decimals and have been rounded off to two decimal points, as has been presented in the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements. Certain operational numbers may have been rounded off to one decimal point in some instances. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP financial measures

As used in this Preliminary Placement Document, a non-GAAP financial measure is one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable Ind AS measures. From time to time, reference is made in this Preliminary Placement Document to certain "non-GAAP financial measures," such EBITDA, EBITDA Margin, Operating Profit, and Monetary assets. Our management believes that EBITDA and other non-GAAP financial measures provide investors with additional information about our performance, as well as ability to incur and service debt and make capital expenditures and are measures commonly used by investors. The non-GAAP financial measures described herein are not a substitute for Ind AS (or IFRS) measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated. In addition, you should note, that other companies in the same industry as ours may calculate and present these data in a different manner and, therefore, you should use caution in comparing our data with data presented by other companies, as the data may not be directly comparable.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "*Cyber Security and Paperless Transformation Market*" dated October 5, 2023 ("**F&S Report**"), which is a report commissioned and paid for by us and prepared by Frost & Sullivan pursuant to engagement letter dated September 2, 2023, in connection with the Issue.

The F&S Report contains the following disclaimer:

"*Independent Market Report (IMR) on Cyber Security and Paperless Transformation Market*" has been prepared for the proposed qualified institutions placement of equity shares by eMudhra Limited (the "Company"). This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain. Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled "*Business*", "*Risk Factors*", "*Management's Discussions and Analysis of Results of Operations and Financial Condition*" and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the F&S Report from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors –We have commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data provided in the same* on page 83"

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "can", "could", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will pursue", "will achieve", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods. All statements regarding our expected financial condition, results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our 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 Preliminary Placement Document that are not historical facts.

These forward-looking statements and any other projections contained in this Preliminary Placement Document (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 our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

1. *Our success in business is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our resources to upgrade and enhance existing solutions and develop and introduce new solutions that meet the end users' needs on a timely basis. Any failure to do so, might impact our ability to compete effectively and could make our products obsolete, thereby adversely affecting our revenue, reputation, financial conditions, results of operations and cash flows.*

2. *As part of our growth strategy, we intend to expand our business operations to geographical areas in which we have limited operating history. We cannot assure you that our expansion plans will be profitable or that such expansion will not adversely affect our business, results of operations and financial condition.*

3. *Our Use of Proceeds of the Issue includes investing in eMudhra INC, one of our Subsidiaries, incorporated in United States of America for funding its working capital requirements and for product development (PQC). The expenditure proposed to be incurred is subject to external factors and uncertainty of the outcome of such expenditure.*

4. *We are highly dependent on technology in carrying out our business activities and it forms an integral part of our business. If we face failure of our technology platform, we may not be able to compete effectively which may result in lower revenue, higher costs and would adversely affect our business and results of operations.*

5. *If our solutions fail to perform properly due to defects, delays or similar problems, and if we fail to develop enhancements to resolve any defect or other problems, we could lose customers, become subject to service performance or warranty claims or incur significant costs.*

Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in "*Risk Factors*", "*Our Business*", *"Industry Overview"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 57, 146, 116 and 173, respectively.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by and information currently available to the management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and neither we, the BRLM nor any of its affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or cash flows or financial condition of our Company and our Subsidiaries could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent oral or written forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. All our Directors and Key Management Managerial Personnel and Senior Management Personnel named in this Preliminary Placement Document, are residents of India and a significant portion of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding 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:

1. where the judgment has not been pronounced by a court of competent jurisdiction;

2. where the judgment has not been given on the merits of the case;

3. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

4. where the proceedings in which the judgment was obtained were opposed to natural justice;

5. where the judgment has been obtained by fraud; and

6. where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgement, and we cannot assure that such approval will

be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. It is unlikely that an Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our Company and the Book Running Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$), Pound sterling (in ₹ per GBP), Euro (in ₹ per EUR), United Arab Emirates Dirham (in ₹ per AED), Indonesian Rupiah (in ₹ per IDR), Kenyan Shilling (in ₹ per KES), Mauritian Rupee (in ₹ per MUR) and Singapore Dollar (in ₹ per SGD) for the periods indicated. The exchange rates are based on the reference rates released by the RBI, Financial Benchmark India Private Limited ("**FBIL**") and Currency Converter, Live UK, which are available on their respective websites. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars or any other exchange rates at any particular rate, the rates stated below, or at all.

(₹ per US$)

	Period end[(1)]	**Average[(2)]**	**High[(3)]**	**Low[(4)]**
Fiscal ended:				
March 31, 2023	82.22	80.39	83.20	75.39
March 31, 2022	75.81	74.51	76.92	72.48
March 31, 2021	73.50	74.20	76.81	72.29
Month ended				
December 31, 2023	83.12	77.12	82.92	73.05
November 30, 2023	83.35	77.01	82.88	73.80
October 31, 2023	83.27	76.75	83.20	73.14
September 30, 2023	83.06	75.79	81.90	72.82
August 31, 2023	82.68	77.80	83.13	73.15
July 31, 2023	82.25	77.75	82.68	74.28

(Source: www.rbi.org.in and www.fbil.org.in)

(₹ per GBP)

	Period end[(1)]	**Average[(2)]**	**High[(3)]**	**Low[(4)]**
Fiscal ended:				
March 31, 2023	101.87	96.83	102.23	86.62
March 31, 2022	99.55	101.78	104.58	99.36
March 31, 2021	100.95	97.06	102.66	91.95
Month ended				
December 31, 2023	106.11	99.86	102.23	98.00
November 30, 2023	105.87	98.01	102.48	92.59
October 31, 2023	101.16	96.95	103.46	90.41
September 30, 2023	101.67	95.66	101.98	86.62
August 31, 2023	105.09	100.38	106.25	93.35
July 31, 2023	105.76	99.69	107.64	93.27

(Source: www.rbi.org.in and www.fbil.org.in)

(₹ per EUR)

	Period end[(1)]	**Average[(2)]**	**High[(3)]**	**Low[(4)]**
Fiscal ended:				
March 31, 2023	89.61	83.72	90.26	78.34
March 31, 2022	84.66	86.56	90.51	83.48
March 31, 2021	86.10	86.67	90.31	81.50
Month ended				
December 31, 2023	92.00	87.31	90.31	84.05
November 30, 2023	91.48	85.31	88.33	80.72
October 31, 2023	88.32	84.86	87.42	79.79
September 30, 2023	87.94	84.21	87.37	78.34
August 31, 2023	90.22	86.78	91.06	79.25
July 31, 2023	90.58	86.50	92.29	79.83

(Source: www.rbi.org.in and www.fbil.org.in)

(₹ per AED)

	Period end[1]	Average[2]	High[3]	Low[4]
Fiscal ended:				
March 31, 2023	22.39	21.89	22.66	20.53
March 31, 2022	20.64	20.29	20.95	19.74
March 31, 2021	20.01	20.20	20.91	19.68
Month ended				
December 31, 2023	22.66	21.44	22.73	19.89
November 30, 2023	22.70	21.35	22.72	20.10
October 31, 2023	22.69	21.39	22.73	19.86
September 30, 2023	22.65	20.79	22.72	19.20
August 31, 2023	22.51	21.18	22.63	19.92
July 31, 2023	22.40	21.17	22.51	20.23

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/AED-INR.html)

(₹ per IDR)

	Period end[1]	Average[2]	High[3]	Low[4]
Fiscal ended:				
March 31, 2023	0.006	0.005	0.006	0.005
March 31, 2022	0.005	0.005	0.005	0.005
March 31, 2021	0.005	0.005	0.005	0.005
Month ended				
December 31, 2023	0.01	0.01	0.01	0.01
November 30, 2023	0.01	0.01	0.01	0.01
October 31, 2023	0.01	0.01	0.01	0.00
September 30, 2023	0.005	0.005	0.005	0.005
August 31, 2023	0.005	0.005	0.006	0.005
July 31, 2023	0.005	0.005	0.006	0.005

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/IDR-INR.html)

(₹ per KES)

	Period end[1]	Average[2]	High[3]	Low[4]
Fiscal ended:				
March 31, 2023	0.62	0.66	0.69	0.62
March 31, 2022	0.66	0.67	0.70	0.65
March 31, 2021	0.67	0.68	0.73	0.66
Month ended				
December 31, 2023	0.53	0.64	0.68	0.53
November 30, 2023	0.55	0.64	0.69	0.54
October 31, 2023	0.55	0.65	0.69	0.55
September 30, 2023	0.56	0.64	0.68	0.56
August 31, 2023	0.57	0.65	0.70	0.57
July 31, 2023	0.58	0.66	0.71	0.58

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/KES-INR.html)

(₹ per MUR)

	Period end[1]	Average[2]	High[3]	Low[4]
Fiscal ended:				
March 31, 2023	1.81	1.80	1.90	1.68
March 31, 2022	1.67	1.75	1.87	1.67
March 31, 2021	1.79	1.86	1.95	1.79
Month ended				
December 31, 2023	1.89	1.84	1.90	1.70
November 30, 2023	1.89	1.83	1.89	1.69
October 31, 2023	1.88	1.83	1.88	1.73
September 30, 2023	1.86	1.80	1.87	1.71
August 31, 2023	1.83	1.80	1.89	1.70
July 31, 2023	1.78	1.79	1.89	1.72

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/MUR-INR.html)

(₹ per SGD)

	Period end[1]	Average[2]	High[3]	Low[4]
Fiscal ended:				
March 31, 2023	61.75	58.50	62.61	55.22
March 31, 2022	56.02	55.24	56.77	54.28
March 31, 2021	54.43	54.35	55.52	53.01
Month ended				
December 31, 2023	63.08	58.53	63.10	54.77
November 30, 2023	62.34	57.66	62.67	54.47
October 31, 2023	60.80	57.04	61.14	53.73
September 30, 2023	60.89	56.53	61.15	53.51
August 31, 2023	61.16	56.99	61.77	53.83
July 31, 2023	61.86	56.90	62.17	53.53

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/SGD-INR.html)

1. *The price for the period end refers to the price as on the last trading day of the respective annual or monthly periods.*
2. *Average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

Note:

- *In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.*
- *High, low and average are based on the RBI reference rates and rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document 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 Preliminary Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "*Industry Overview*", "*Statement of Possible Tax Benefits*", "*Legal Proceedings*" and "*Financial Statements*" on pages 116, 262, 268 and 277, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
Our Company / the Company / the Issuer	eMudhra Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No 12-P1-A & 12-P1-B,Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149
the Group / us / we / our	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries.

Company Related Terms

Term	Description
Articles / Articles of Association / AoA	The articles of association of our Company as amended from time to time
Audit Committee	The audit committee of our Board of Directors
Audited Consolidated Financial Statements	Collectively, the audited consolidated financial statements of our Company, its Subsidiaries and Associates as of and for the years ended March 31, 2023, 2022 and 2021 which have been prepared in accordance with the Ind AS, as specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 to the extent applicable, each comprising of the consolidated balance sheet, consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity , including summary of significant accounting policies and other explanatory information to the respective consolidated financial statements.
Auditors or Statutory Auditors	The current statutory auditors of our Company, namely, Suri & Co., Chartered Accountants
Board of Directors / Board	The board of directors of our Company or any duly constituted committee thereof, as the context may require
Chief Financial Officer	As on the date of this PPD, we do not have a Chief Financial Officer. For further details please see "*Risk Factors – Our erstwhile chief financial officer of the Company resigned with effect from November 17, 2023 due to personal reasons. If we are unable to appoint a replacement within the statutory timelines as provided under the Companies Act, 2013 and the SEBI Listing Regulations, our Company, every Director and Key Managerial Personnel who are in default, may be punishable under the provisions of the Companies Act, 2013, which could adversely affect our reputation, operations and business.*"
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Johnson Xavier.
Corporate Promoter	Taarav Pte. Limited.

Term	Description
Corporate Social Responsibility Committee	The corporate social responsibility committee constituted by our Board of Directors
Director(s)	Director(s) on the Board of our Company, unless otherwise specified
ESOP Scheme or ESOP Schemes	eMudhra ESOP Scheme 2016
Equity Shares	The equity shares of our Company of face value of ₹ 5 each
F&S	Frost & Sullivan
F&S Report	Company commissioned F&S Report titled "*Cyber Security and Paperless Transformation Market"* dated October 5, 2023
Independent Director(s)	The non-executive and independent Directors of our Company appointed as per the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in "*Board of Directors and Senior Management*" on page 205.
Key Management Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, which includes key managerial personnel in terms of the Companies Act, 2013, as disclosed in "*Board of Directors and Senior Management*" on page 205.
Material Subsidiaries	eMudhra DMCC and eMudhra INC
Memorandum/ Memorandum of Association / MoA	The memorandum of association of our Company, as amended from time to time
Nomination, Remuneration and Compensation Committee	The nomination, remuneration and compensation committee constituted by our Board of Directors
Non-Executive Non-Independent Director	Non-executive non-independent directors of our Company. For details, see "*Board of Directors and Senior Management*" on page 205.
Promoter Group	The persons and entities constituting the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company, namely, Venkatraman Srinivasan and our Corporate Promoter Taarav Pte. Limited.
Registered Office	Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka – 562149
Risk Management Committee	The risk management committee constituted by our Board of Directors
Shareholder(s)	The holders of the Equity Shares of our Company, from time to time
Subsidiaries	The subsidiaries of our namely (i) eMudhra Technologies Limited (ii) eMudhra Consumer Services Limited (iii) eMudhra (MU) Limited (iv) eMudhra DMCC (v) eMudhra INC (vi) eMudhra PTE Limited (vii) eMudhra BV; (viii) PT eMudhra Technologies Indonesia; and (ix) eMudhra Kenya Limited.
Stakeholders' Relationship Committee	The stakeholders' relationship committee constituted by our Board of Directors
Senior Management Personnel	Senior Management Personnel of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as disclosed in "*Board of Directors and Senior Management*" on page 205.
Unaudited Consolidated Financial Statements	The unaudited consolidated financial results of our Company and our Subsidiaries for the half year ended September 30, 2023, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and as per the presentation and disclosure requirements of Regulation 33 of the SEBI Listing Regulations and which have been subject to a limited review by our Auditors in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The Unaudited Consolidated Financial results also include the comparative information of the unaudited consolidated financial results of our Group for the six-month period ended September 30, 2022.

Issue Related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares following the determination of the Issue Price to investors on the basis of Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	The issue and allotment of Equity Shares pursuant to this Issue
Allottee(s)	Bidders who are Allotted Equity Shares of our Company pursuant to this Issue
Application Form	The form (including any revisions thereof) pursuant to which a Bidder indicates its interest to subscribe for the Equity Shares of our Company pursuant to the Issue
Bid(s)	An indication of interest by an Eligible QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares to be issued pursuant to this Issue. The term "Bidding" shall be construed accordingly.
Bidder(s)	Any prospective investor, being an Eligible QIB who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Bidding Period/ Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids including any revision and/or modifications thereof
Book Running Lead Manager/ BRLM	IIFL Securities Limited
CAN/ Confirmation of Allocation Note	Note or advice or intimation to Bidders confirming the Allocation of Equity Shares to such Eligible QIBs after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such Eligible QIBs
Closing Date	The date on which the Allotment of the Equity Shares offered pursuant to this Issue shall be made, i.e., on or about [●], 2024
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the BRLM
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law. In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.
Escrow Account	The account titled "EMudhra Ltd-QIP" to be opened with the Escrow Bank, subject to the terms of the Escrow Agreement, into which the application monies payable by Bidders in connection with subscription to Equity Shares pursuant to the Issue shall be deposited
Escrow Bank	Kotak Mahindra Bank Limited
Escrow Agreement	The escrow agreement dated [●] entered into amongst our Company, the Escrow Bank and the BRLM for collection of the Bid Amounts and remitting refunds, if any, of the amounts collected, to the Bidders in relation to the issue.
Floor Price	The floor price ₹ [●] per Equity Share, which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded through a special resolution passed in the EGM held through video conference facility on September 22, 2023 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended.

Term	Description
Issue	The offer, issuance and Allotment of [●] Equity Shares each at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million pursuant to Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●],2024 the last date up to which the Application Forms and the Bid Amount shall be accepted by our Company (or the BRLM, on behalf of our Company)
Issue Opening Date	[●], 2024 the date on which the acceptance of the Application Forms and the Bid Amount shall have commenced by our Company (or the BRLM, on behalf of our Company)
Issue Price	A price per Equity Share of ₹ [●]
Issue Size	The aggregate size of the Issue, up to [●] Equity Shares aggregating up to ₹ [●] million
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	Agreement dated [●] entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the Net Proceeds of the Issue, after deducting fees, commissions and expenses of the Issue
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Pay-In Date	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
Placement Agreement	The placement agreement dated [●] between our Company and the BRLM
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document dated [●] issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
QIBs/ Qualified Institutional Buyers	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	[●] which is the date of the meeting wherein the Board of Directors, or a duly authorised committee, decides to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Issue Shares
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/Abbreviations

Term	Description
AED	United Arab Emirates Dirham
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
BSE	BSE Limited

Term	Description
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Civil Code	The Indian Code of Civil Procedure, 1908
Companies Act/ Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder to the extent in force pursuant to the notification of the Notified Sections
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
DIN	Director Identification Number
EGM	Extraordinary general meeting
EUR	Euro
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FDI Policy	Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade (Formerly Department of Industrial Policy and Promotion), Ministry of Commerce and Industry, GoI by circular DPIIT file number 5(2)/2020-FDI Policy, with effect from October 15, 2020
Feedback Advisory	Feedback Advisory Services Private Limited
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year/ Fiscal/ FY	A period of 12 months ending March 31, unless otherwise stated
Form PAS-4	Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI/ Foreign Portfolio Investor(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
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
GAAP	Generally accepted accounting principles
GAAR	General Anti-Avoidance Rules
GBP	Great Britain Pound Sterling
GDP	Gross domestic product
GoI/ Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Indian GAAP	Generally accepted accounting principles in India
Income Tax Act/IT Act	The Income tax Act, 1961
JPY	Japanese Yen
Ltd.	Limited
MCA	Ministry of Corporate Affairs

Term	Description
Networth	Paid up share capital plus all reserves and surplus (excluding revaluation reserves)
Non-Resident Indian(s)/ NRI	Non-Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
Revenue	Revenue from operations is net of Goods and Service Tax as applicable.
Rs/Rupees/Indian Rupees	The legal currency of India
RoC / Registrar of Companies	Registrar of Companies, Karnataka
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S.$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
USA/ U.S./ United States	The United States of America
Video Conferencing / Other Audio-Visual Means facility or VC / OAVM facility	Audio- visual electronic communication facility employed which enables all the persons participating in a meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting
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

Technical and Industry Terms

Term	Description
BFSI	Banking, Financial Services and Insurance
CA	Certifying Authority
CLM	Certificate Lifecycle Management
CRM	Customer relationship management
CSR	Corporate Social Responsibility
DIKSHA	Digital Infrastructure for Knowledge Sharing
DSC	Digital Signature Certificate
DV	Domain Validated

Term	Description
EAL	Evaluation Assurance Level
emAS	Enterprise Solutions product offering authentication solutions
emCA	Enterprise Solutions product offering public key infrastructure solutions
emSigner	Enterprise Solutions product offering eSignature workflow solutions for paperless office
EU-GDPR	European Union General Data Protection Regulation
EV	Extended Validation
IAM	Identity and Access Management
IoT	Internet of Things
IP	Internet Protocol
ISO	International Organization for Standardization
KPI	Key Performance Indicator
OTP	One time password
OV	Organizational Validation
PKI	Public key infrastructure
QPL	Qualified Product List
QR code	Quick Response code
SLA	Service Level Agreement
SSL	Secure Sockets Layer
SSO	Single sign-on
TLS	Transport Layer Security
WAP	Wireless Application Protocol

SUMMARY OF BUSINESS

Overview

We are the largest certifying authority ("**Certifying Authority**") in India with a market share of 39.8% in the Digital Signature Certificates ("**DSC**") market space in Financial Year 2023 (*Source: F&S Report)* having grown from 37.9% in Financial Year 2021. We are engaged in the business of Digital Trust Services and Enterprise Solutions to individuals and organisations functioning in various industries.

As part of our Digital Trust Services business, we issue a range of certificates including digital certificates (including remote signing), Secure Sockets Layer / Transport Layer Security ("**SSL/TLS**") certificates and device certificates (used in Internet of Things ("**IoT**") use cases) to build a strong digital trust backbone. Under our Enterprise Solutions business, we offer a diverse portfolio of cyber security and paperless transformation solutions, complementing our Digital Trust Services business, to customers engaged in different industries. This makes our Company a 'one stop shop' solution provider in secure digital transformation providing a wide spectrum of services and solutions from issuance of certificates as a Certifying Authority to offering identity, authentication and signing solutions.

As of September30, 2023, with more than 60 million DSCs issued since inception, our Company caters to all kind of subscribers who use DSCs for uses such as, income tax return filing, filings with the Ministry of Corporate Affairs (Registrar of Companies), tenders, foreign trade, banking, railways and many other needs. Our Company works closely with large government and banking customers including, public and private sector banks and state governments. We have been mentioned as a "Representative Vendor" in the 2023 Gartner's "Market Guide for User Authentication" in 2023. We have also been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector 2019' by CIO Review India. We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). We have a strong DSCs expertise and is recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing us to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. (*Source: F&S Report*).

Our Strengths

Our competitive strengths are as follows:

1. **We are a one stop shop solution provider in secure digital transformation and are well-positioned to capture the favourable industry dynamics in India and globally.**

   Digital identity and trust are foundational to the growth of enterprises in the era of digital transformation as it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing competitive pressure to deliver personalized and seamless omni-channel experiences and also focus on secure digital identity and transaction management as a key strategic initiative to provide distinguished experiences. Our Company, with a view of capitalising this opportunity ventured into the Enterprise Solutions business in the year 2012 to customers engaged in different industries. Our Company's Enterprise Solutions business is majorly divided into four broad categories *viz*., eSignature workflow solutions for paperless office ("**emSigner**"), authentication solutions ("**emAS**"), PKI solutions ("**emCA**"), certificate lifecycle management platform ("**emDiscovery**"). As part of these offerings, we provide capabilities, such as password-less authentication that free users from the challenges and security risks associated with weak and forgotten credentials. As part of our Enterprise Solutions, we also provide eSignature solutions with global, full service, enterprise delivery capabilities that allows us to cater to paperless transformation of large enterprises with complex enterprise workflows going beyond simple document signing use cases with support for scalability, data security and ease of use. As of September 30, 2023, our Enterprise Solutions were used by 10 out of top 10 banks, 6 of top 10 automotive companies and 18 out of top 20 companies amongst the top 500 ranked companies in India by Economic Times in Financial Year 2022.

   With our Digital Trust Services and Enterprise Solutions businesses, we provide an integrated and complete

product portfolio in secure digital transformation to enterprises, private customers, banks, financial institutions and public customers such as government and administrative bodies, *etc*. During the prevailing times where enterprises are saddled with complex, heterogeneous IT environments driven by the accumulation of a myriad of applications and infrastructures, our integrated solutions provide the necessary respite to our customer and makes us a '*one stop shop*' player in secure digital transformation. Our Company has, in addition to providing Digital Trust Services, developed cyber security and paperless transformation solutions for customers engaged in different industries. For instance, we have developed specialised products by utilising the proceeds from initial public offer, such as: (a) emDiscovery – this focuses on managing the lifecycle of certificates to enterprises to easily manage and renew certificates; (b) Remote signing this helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally; (c) IoT device certificates – this helps secure devices and communication in IoT ecosystems and ensures authenticity and confidentiality of data exchange amongst authorized devicesbanking version which caters to the specific needs and requirements of our customers engaged in the banking industry. Our Company also supports flexible deployment models for our solutions with deployments on premise and on dedicated private clouds allowing customers to host within their country and comply with data residency requirements. For instance, our Company deployed our product, emSigner for one of our customers engaged in the banking industry for enterprise-wide paperless transformation within the bank's data centre to support compliance with the applicable local laws and data residency requirements.

There is a drive for enterprise-wide digital transformation with a focus on security, organizations are looking for one stop shop providers who manage all layers of identity, authentication and authorization with support for local data residency and on-premise or private cloud offering to support data privacy and confidentiality. Global trends are driving digital transformation in India where there is a lot of push through the 'Digital India' programme, 'Mission Mode' projects and other initiatives such as eInvoicing and eStamping. Our Digital Trust Services and Enterprise Solutions support secure digital transformation of enterprises by helping them better protect user identity and data, ensure stronger authentication and digitally sign documents that are legally valid. As our solutions help eliminate paper through the use of digital signatures, they also support reduction of carbon footprint and support the environment in a positive way. Our products, technology and team have matured over time with implementations across number of marquee reference customers providing us an understanding of use cases and business opportunities in various sectors. Given that we have been a part of a number of projects as part of Digital India initiatives, we are seen as a credible player with a track record and understanding of the digital trust, security and transformation business.

Separately, as a result of data going digital and focus on ESG providing opportunity for our business solutions, there is a push for strong cyber security and Zero Trust/ paperless transformation push by many countries. A brief description on platform capability; legality, quality and security; thought leadership and strong partner network is provided as below:

During the last one year, we have strengthened our presence in overseas markets by opening branches in Qatar

and Saudi Arabia and have also incorporated a new Subsidiary in Kenya. We have also appointed one senior executive in each of the branches and in the new Subsidiary incorporated in Kenya. Our overseas revenue has therefore, increased from ₹ 348.91 million in Financial Year 2022 to ₹ 891.20 million in Financial Year 2023 and to ₹ 981.60 million for the six-month period ended September 30, 2023.

Our international expansion has also been supported by a reliable enterprise partner network which we have built and nurtured over a period of time. Our leadership teams hold important positions in bodies such as the Cloud Signature Consortium and Asia PKI Consortium allowing us to get insights to trends and directions of the industry and helping us better align our products to global market needs and trends. We believe that our dedicated focus on providing unique product capability and features, flexible deployment models to support client data residency needs, and ensuring customer success through local presence will help us grow and expand rapidly in international markets.

2. Largest licensed Certifying Authority in India.

We are the market leaders in the DSC market space in India with a market share of 39.8% in Financial Year 2023. (*Source: F&S Report).* We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). We have a strong DSCs expertise and is recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing us to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. (*Source: F&S Report*).

Our relevant experience in the cyber security and paperless transformation solutions industry enabled us in identifying and capitalising the market opportunity offered by the Indian digital certificates market and garner the capabilities of serving all kind of subscribers who use digital certificates. DSC is used in government procedures like income tax return filing, GST, e-tendering, patent and trademark e-filing, IRCTC, government eProcurement Marketplace Portal, EPFO, MCA e-filing, and more, in addition to other official activities like in banking (customer onboarding, lending), enterprise (paperless office solutions), government (digital transformation in citizen initiatives), mutual funds and capital markets (customer onboarding and interactions for redemption), etc (*Source: F&S Report).* As part of our signature and authentication solutions, we also offer products including, secure domain validation certificates with capabilities of securing sensitive information stored on websites through padlock and business information authentication services, securing devices and communication in IoT ecosystems, ensuring authenticity and confidentiality of data exchanges, etc. Our diverse business operations and leading market position provides us the leverage to serve large government and banking customers, including public and private sector banks and state governments. We have experienced a consistent rise in our business operations in the Digital Trust Services vertical, the DSCs issued by us increased from 2.28 million in Financial Year 2021 to 2.94 million in Financial Year 2023.

3. Technology backed infrastructure to support quality and security of services and solutions.

Our Digital Trust Services and Enterprise Solutions businesses are backed by technological infrastructure including our data centres located in India and proposed to be set up in overseas locations, with appropriate virtualization, computing and storage, physical and logical isolation, network firewalls and disaster recovery site to support high availability, uptime and redundancy. The DSCs issued by us are based on asymmetric cryptographic key pairs (private and public key) which have the following properties:

(a) a private key can only have one and only one corresponding public key and therefore a document signed with a private key can only be validated with its corresponding public key;

(b) the process of affixing the identity to a public key results in a certificate and the process of signing involves hashing the document and then encrypting the hash with the private key; and

(c) for hashing and encryption secure algorithms are used which make it mathematically complex for current

computing to crack using brute force methods.

Consequently, the above technological infrastructure makes our Digital Trust Services and Enterprise Solutions resilient and secure and digital signatures legally non-repudiable.

Our intellectual property is developed in house through our own research and development ("**R&D team**") team with talent focused on building cutting edge technology. As of September 30, 2023, we have 275 employees in the R&D Team (with skills across cyber security, cryptography, cloud and DevSecOps) which constitutes 34.63% of the total employees of our Company. The R&D team is focused on continuous functionality enrichment as well as ensuring our technology stack is compliant and compatible with new developments in cloud infrastructure and carry out DevOps based deployments using Docker and Kubernetes to support continuous integration/continuous delivery models. We intend to continue to enhance our R&D team to develop new products and technologies which complement our business verticals and provide advanced solutions to our customers.

We also have cloud teams that work on ensuring our technology products can be deployed across various cloud platforms enabling easy transition for enterprises who wish to move workloads to dedicated environments on cloud instead of managing infrastructure on-premise. We also work on extensive security and stress testing of our applications to meet our clients' scale and performance needs. Our various solutions are available across a wide range of globally renowned platforms. Artificial intelligence is important to us as it acts as a key enabler in enhancing our value proposition, we have invested into building artificial intelligence as a layer in extracting document intelligence, analysing structured and unstructured data and for adaptive authentication of users. We have a history of developing high-end cybersecurity and paperless transformation products catering to the needs of the global markets.

4. Partnerships with leading Indian and global channel partners and enterprise solution partners

As of September 30, 2023, we have 116,011 channel partners for the Digital Trust Services business spread across various States and Union Territories in India and out of our 638 enterprise solution partners, 333 are present in India and 305 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. We have built a reliable channel partner network across the globe. (Source: *F&S Report*). Our large system integrated partners and enterprise solution partners constantly work with the partners to keep them updated on latest developments with respect to our solutions and provide feedback to us with regard to changing needs of customers and any regulatory requirements.

We are not dependent on a single or small group of channel partners or enterprise solution partners for the distribution of our solutions and seek to establish and maintain collaborative relationships with various partners. As of September 30, 2023, we have 116,011 channel partners and 638 enterprise solution partners.

We believe that the distribution reach and selling capabilities of our extensive partner network will continue to drive our business growth and provide us a competitive advantage in the market as well as serve as a barrier to entry for new entrants. In order to maintain a healthy relationship with our partners and coordinate business development activities effectively, we host regular meetings with our partners to discuss the challenges encountered by them and find suitable solutions. These solutions are aimed at enhancing overall partner satisfaction and may address issues like pricing, our partner rewards system, end user satisfaction and business development policies. We believe these meetings foster effective dialogue between our partners and us, and among the partners themselves, increase partner satisfaction and retention, and enhance our understanding of users' requirements as well as improve our market intelligence.

5. Diverse and growing customer base

Our Company services marquee customers through our Digital Trust Services and Enterprise Solutions businesses and has been able to form a portfolio of renowned customers in private as well as in public sectors. Our Company works closely with large government and banking customers, including public and private sector banks and state governments. We have been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector - 2019' by CIO Review India. As of September 30, 2023, our Enterprise Solutions were used by 10 out of top 10 banks, 6 of top 10 automotive companies and 18 out of top 20 companies amongst

the top 500 ranked companies in India by Economic Times in Financial Year 2022.

We have a strong global channel network, enterprise solution network and large system integration partnerships and therefore have evolved as a strategic player in the DSCs market. Revenue from operations from our top five enterprises represented an increase from 12.14% in Fiscal 2021 to 26.63% in Fiscal 2023. Our retail customers grew from 115,905 as of March 31, 2021 to 249,380 as of March 31, 2023. Further, our enterprise customers grew from 518 as of March 31, 2021 to 870 and 945 as of March 31, 2023 and September 30, 2023, respectively. A summary of the revenue from operations earned from our business verticals has been provided below:

(₹ in million)

S. No.	Particulars	September 30, 2023	Financial Year 2023	Financial Year 2022	Financial Year 2021
1.	Digital Trust Services	533.06	850.04	845.60	672.50
2.	Enterprise Solutions	1,227.43	1,637.53	980.77	643.43

A break-up of our customer retention ratio during the preceding two Financial Years has been provided below:

S. No.	Particulars	Financial Year 2023	Financial Year 2022
1.	Enterprise Solutions (in %)	91.82	92.31

We serve our customers across overseas regions such as, Americas, Europe, Middle East and Africa and Asia Pacific Revenue from our international operations during the six months period ended September 30, 2023, and the Financials Year 2023, 2022 and 2021 aggregated to ₹ 981.60 million, ₹ 891.20 million, ₹ 348.91 million and ₹ 254.81 million, respectively.

6. Technology certifications, accreditations and membership in international bodies

We are the market leaders in the DSC market space in India with a market share of 39.8% in Financial Year 2023 (*Source: F&S Report)* We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). All the services provided under trust solutions, are compliant with the quality standard of ISO 9001 and are certified by the applicable certification body. Further, our cloud offerings are compliant with SOC2 Type 2 and our eSignature workflow solutions, emSigner is listed on the SAFE Identity Qualified Product List ("**QPL**"). We have obtained the following certifications certifying the quality of our services and diverse product offerings:

S. No.	Issuing authority	Quality standard	Description
1.	Universal Registrars	ISO/IEC 27018:2014	Certificate of compliance on implementation of techniques in line with information technology and security technique codes of practice for protection of personally identifiable information system under ISO/IEC 27018:014
		EU-GDPR	Certificate of compliance for confirming to the requirements of EU-GDPR.
2.	Univate Solutions Private Limited	CMMIDEV/5	Certificate of appraisal of our product development center issued under CMMI DEV Version 1.3.
3.	LMS Certification Limited	ISO/IEC 20000-1:2018	Certificate of compliance for confirming to the information technology service management system standard of ISO/IEC 20000-1:2018.
		ISO 9001: 2015	Certificate of compliance of the quality management system with the requirements of ISO 9001:2015.
4.	SN Registrars (Holdings) Limited	ISO/IEC 27001:2013	Certificate of approval for meeting the requirements of information security management system of ISO/IEC 27001:2013.
		ISO 9001:2015	Certificate of approval for meeting the requirements of quality management system of ISO 9001:2015.
5.	TÜV SÜD South Asia	ISO 22301:2019	Certificate of compliance for confirming to the

S. No.	Issuing authority	Quality standard	Description
	Private Limited		requirements of ISO 22301:2019.

We are also subject to regular audits and inspections under Indian and international laws. Our offerings under Enterprise Solutions and Digital Trust Services for health care related product development are regularly audited and supervised by third parties to ensure their compliance with Health Insurance Portability and Accountability Act, 1996.

Further, our Company has been awarded EAL 4+ Common Criteria certification for our product emCA by the Cyber Security Agency of Singapore. Our product, emCA is used for issuing DSCs to individuals, organizations, websites and devices in highly trusted environments, and therefore offers a security assurance to customers when deploying our solution to manage their trust service business.

7. Experienced promoter, board of directors and senior management team

Our management team's collective experience and deep knowledge of the digital trust, security and transformation space allows us to maintain our position as a leader in the DSCs market. They are the driving force behind our vision, mission, culture, and focus on customer success. Our leadership enables us to continuously deliver products and solutions that enterprises need and want. They are also critical in building upon our culture which we believe is vital to our success.

Our business is customer-driven. Our experienced Promoters and a qualified senior management team have helped us to offer high standards of customer service and support to our end customers across Enterprise Solutions and Digital Trust Services business.

Venkatraman Srinivasan, our Promoter and Executive Chairman has over three decades of experience in the industry, in which we operate. Further, he is a board member of European Cloud Signature Consortium, Chairman of Asia PKI Consortium and was the Chairman of India PKI. We are also supported by our Senior Management that has a significant expertise in the markets we serve and in developing similar businesses. Our management team operates under the leadership of our Executive Chairman. Our Whole-time Director, Venu Madhava, has been with our Company for over 13 years. Our Senior Vice President & Head Product and Delivery, Kaushik Srinivasan has a master's degree in engineering in Networked Information Systems and is a member of the CFA Institute. Our Senior Vice President & Head International Business, Arvind Srinivasan holds a bachelor of Science degree from Rutgers, the state University of New Jersey and Master of Science degree in finance from the University of Michigan. Our Senior Vice President & Head – Customer Success, Janarthanan S has over 15 years of experience. Our Senior Vice President & Sales Head India and APAC, Biju Varghese has overall more than 17 years of experience; Our Vice President & Head – Customer Operations, A.M. Kiran has over 15 years of experience. The team also comprises our Senior Vice President and –Chief Technology Officer, Vijay Kumar, and our Company Secretary, Johnson Xavier. Our Board and senior management have a proven track record and an understanding of the Digital Trust Services and Enterprise Solution business in India and globally.

Our Board comprises personnel with experience in various industries and functions including technology, finance, law and human resources, to support our cross-functional business model. Beyond our senior management team, we are focused on attracting and retaining the best talent at all levels throughout the organization. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies.

Our Strategies:

1. Capitalize on industry opportunities in cyber security and paperless transformation market by establishing a comprehensive "One-Stop Shop" ecosystem.

Increasing threats to the data security and the prevalent trend of working from home during the pandemic, has opened up new opportunities for the cyber security and the paperless solutions industry. Digital identity is foundational to the growth of enterprises in the era of digital transformation because it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing

competitive pressure to deliver personalized and seamless omnichannel experiences and often compromise on experience or security to achieve these outcomes. This competitive pressure is driving enterprises to focus on digital trust, security and transformation as a key strategic initiative to provide differentiated experiences to increase loyalty with consumers, enhance productivity for employees and mitigate risk and fraud in a secure environment. Data security, trust services and enterprise solution is still an underpenetrated sector in India and across the world. Initiatives under the Digital India programme are examples of how technology is being leveraged to power India's transition to a presence-less and paperless society. Our strategic vision centers on our Company's transformation into a key player in the cyber security and paperless transformation market by establishing a 'One-Stop Shop' ecosystem. Through innovation, adaptability, and a commitment to excel, we aim to shape the cyber security and paperless transformation landscape globally, setting new standards and benchmarks along the way. Our strategy depends on three key pillars:

(a) Product Depth and Range: With diversification in product's depth and range, we aim to diversify the product portfolio to cover every aspect of cyber security and paperless transformation solution offering. We further aim to provide comprehensive set of services (that includes trust services, identity and authentication and certificate lifecycle management) to address customer demands ensuring scalability, security and ease of use of the products.

(b) Global Reach: Our aim is to continue to expand our footprint across continents, leveraging strategic partnerships and collaborations. This will enable us to penetrate new markets while strengthening our presence in the markets where we are located presently. We propose to establish regional hubs to address the local requirements while maintaining a consistent global standard of service and security.

(c) Verticalized Offerings: Our aim is to recognize the unique needs of different industries with continued efforts towards research and development. Our Company proposes to develop vertical-specific solutions that addresses stringent requirements of sectors like Banking, Financial Services and Insurance ("**BFSI**") and Government. We continue to develop our products by adhering with industry regulations, standards and applicable law to ensure that our products are not only secure but are also compliant with the applicable law.

Further, to capture the opportunities arising out of the initiatives undertaken by the Government, the changing regulatory requirements and the growing demand for data privacy, data protection and digital transformation, our Company is proposing to further penetrate the domestic and international market and further expand and diversify our customer base to cater to diverse industries through expansion of our channel partner and enterprise partner network, enabling more customers to buy directly through online channels and continuous innovation in solutions related to our industry.

We propose to focus on platform partnerships to drive platform integrations for our product and service offering with renowned software products including in the ERP, CRM, HRMS and Cloud Platforms for easy adoption and scalability of our products. We plan to further adapt our products to various international local market requirements to allow us to expand into international markets.

2. Enhance solution offerings to tap growing needs of digital transformation.

We believe that adoption of digital identity, security and paperless transformation solutions are now forming part of strategic initiatives for global enterprises to meet the increasing need for personalized and omnichannel experiences. As enterprises compete with new age technology, they have to quickly adopt and implement solutions that are plug and play, offer high level of scalability and support compliance with regulatory needs. We offer wide spectrum of opportunities with respect to emSigner (eSignature workflow), emAS (identity and access management), emDiscovery (Certificate Lifecycle Management Platform) and emCA (PKI solutions) ("**Existing Products**") to cater to enterprise digital transformation needs. We have been working relentlessly with several large and small businesses to build seamless digital and paperless experiences with their clients without compromising on security by leveraging most advanced technologies in AI, ML and Automation. We have been consistently designing and developing diverse products under various product lines – Digital Trust Services business, cyber security solutions and paperless transformation (including issuance of certificates as a Certifying

Authority to offering products across identity, authentication and signing solutions with strong platform capability) – by understanding customer requirements and implementing solutions to address their challenges. Most of the products come with in-depth features and easy to infer User Experience making it easily deployable. Our solutions come with on-premise and cloud versions making it a solution of choice for the highly regulated industry verticals like BFSI and the Government. Our products are developed by adhering to various industry regulations and mandates.

Digital identity is a unique identifier assigned to users in cyberspace. The user can be an individual, an organization, or a device. The digital identity is linked to multiple sub-identifiers such as email account, social login, department, or privilege. The Digital Trust Services market which includes SSL/TLS certificates, DSCs and IoT device certificates has strong growth potential. We have constantly invested into augmenting product capabilities to build ourselves as a "One-Stop Shop" player in digital transformation, innovating and developing new products in the areas of digital identity management, authentication and authorization or digital signatures for our customers. In view of the above, we plan to invest in development of our new products in areas, namely, PQC, Fully Homomorphic Encryption ("**FHE**") and Mobile PKI ("**New Products**"). To develop such New Products, we propose to utilise the Net Proceeds of the Issue ₹ 407.80 million. To build these New Products, we will need to hire technical teams with the right skillset to develop, support and manage these products and also propose to invest and buy the right tools and platforms to support the proposed product development. Our Company has incurred capital expenditure incurred towards developing our intellectual property aggregating to ₹ 223.64 million during the six month period ended September 30, 2023 and ₹ 159.79 million, ₹ 49.46 million and ₹ 53.62 million during the Financial Years 2023, 2022 and 2021, respectively. Our revenue from operations grew at a CAGR of 37.50% between Financial Years 2021 to 2023 which reflects the market acceptance of our Existing Products such as emSigner, emAS, emDiscovery and emCA, which in turn has provided the necessary growth impetus to our Company. Our Company in order to achieve consistent growth needs to continuously invest in our R&D team and resource to develop New Products around cyber security and paperless transformation. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three years and the six months period ended September 30, 2023:

(₹ in million)

Particulars	**Six months period ended September 30, 2023**	**Financial Year 2023**	**Financial Year 2022**	**Financial Year 2021**
Employee costs towards product development	77.00	100.02	43.06	36.95
Purchase of related software/services	146.64	59.77	6.40	16.67
Total	**223.64**	**159.79**	**49.46**	**53.62**

We have constantly invested into augmenting product capabilities to build ourselves as a 'one stop shop' player in digital transformation, innovating and developing new products in the areas of identity management, authentication and authorization or digital signatures for our customers and plan to continuously invest in our R&D team and resources to consistently develop new and diverse products around cyber security and paperless transformation.

3. Strong focus on IP development/ services to cater to Zero Trust.

We have a history of developing high-end cybersecurity and paperless transformation products catering to global markets. We propose to invest into R&D on allied areas such as PQC, FHE and Mobile PKI. Our vision centers on transformation of our Company into a dominant player in a cyber security framework called as the 'Zero Trust' by leveraging our diverse range of PKI and trust services offerings to the customers. Zero Trust feature is business critical as it ensures protection against cyber threats, protects reputation, provides for comprehensive security and compliance with applicable laws.

We believe the offerings developed so far caters seamlessly with the features of Zero Trust in view of the following:

1. Comprehensive Portfolio: Our product offerings align seamlessly with the core features of Zero Trust. By providing identity verification, robust encryption, and secure authentication services, we provide the building

blocks necessary for a Zero Trust environment.

2. Importance of Identity and Traceability: In Zero Trust, identity becomes the primary perimeter, and traceability ensures that actions are audited and attributed. Our offerings excel in bolstering identities through advanced certificates and authentication mechanisms, while our trust services enhance traceability through secure timestamps and digital signatures.

3. Seizing an Emerging Opportunity: The Zero Trust market is substantial and, according to public sources, still in its infancy. As organizations recognize the limitations of perimeter-based security models, the demand for Zero Trust solutions is on the rise. This provides us with an opportunity to establish ourselves as a dominant player in international and local markets.

4. Grow presence in overseas markets.

During the last one year, we have strengthened our presence in overseas markets by opening branches in Qatar and Saudi Arabia and have also incorporated a new Subsidiary in Kenya. We have also appointed one senior executive in each of the branches and in the new Subsidiary incorporated in Kenya. Our overseas revenue has therefore, increased from ₹ 348.91 million in Financial Year 2022 to ₹ 891.20 million in Financial Year 2023 and to ₹ 981.60 million for the six-month period ended September 30, 2023.

The international market for our business products and services are huge, we propose to put special emphasis on growing international markets by setting up and strengthening further presence, setting up partnerships with system integrators, product vendors and IT resellers. We also propose to strengthen its inside sales and support functions in India to support increased sales opportunities in the overseas markets.

Our customers use our data centres and digital solutions to access business systems and store data concerning, among other things, their employees, contractors, partners and customers. Considering the growing need of digital signature services in the Indian and International markets, we are in process to set up a global data center under the wholly owned subsidiary, eMudhra BV, Amsterdam.

We continue to make investments into business development, local team support for handling direct/partner sales complemented by inorganic opportunities that provide market access. While we continue to innovate and provide better products and services to our customers in India, there is a large opportunity for us to leverage our technology infrastructure and expand to international markets. Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. Europe was the fastest growing market from FY 2018 to FY 2023 however, APAC is likely to be the fastest growing market for the next 5 years (with CAGR of 23.4%). (*Source: F&S Report*).

The below table summarises the past and the projected revenue contribution of APAC to the Cyber Security and Paperless Transformation Market:

Particulars	**FY** 2018	**FY** 2019	**FY** 2020	**FY** 2021	**FY** 2022	**FY** 2023	**FY** 2024*	**FY** 2025*	**FY** 2026*	**FY** 2027*	**FY** 2028*
Rev. ($ Mn.)	1,392.5	1,569.8	1,771.0	2,000.7	2,507.7	3,052.3	3,685.6	4,543.6	5,636.2	6,972.4	8,272.4
YoY (%)	12.0	!2.7	12.8	13.0	25.3	21.7	20.7	23.3	24.0	23.7	25.2

**Projected, Base Year is FY 2023, APAC = includes South Asia, ANZ, China/GCR and other east Asian countries;*
Source: F&S Report

The Americas Digital Trust Services market was estimated to be $722.4 Mn. in FY 2023 and likely to grow ~1.7 fold in the next 5 years. The European market is driven by growth from the western part of the continent and likely to become $765.3 Mn. by end of FY 2028. MEA is the smallest market among all regions with growth estimated in the range of CAGR 13.6%. APAC sees high growth from countries like Singapore, Australia, Japan, South Korea and India and likely to grow the fastest at CAGR 17.1% in half a decade time. In the verticals

perspective, both the Government and BFSI sectors are believed to grow at CAGR 14.5% and 14.4% respectively, although government (28.5% market share) is currently the biggest consumer of Digital Trust Services. Leading players in Digital Trust Services include DigiCert (USA), Sectigo (USA), Entrust (USA), GlobalSign (Belgium), GoDaddy (USA), IdenTrust (USA), Comodo (USA), and more. (*Source: F&S Report*)

North America continues to prove its dominance in the global cyber security solutions market with Americas currently valued at $5,919.7 Mn. However, the region would lose market share to faster growing markets like APAC (CAGR 19.8%) and Europe (CAGR 19.2%) till FY 2028. Europe has seen the émergence of stronger industry regulations formulated by the European Union (EU) across energy &utilities, medical devices, automotive, industrial, etc. which thereby has pushed forward the use the of PKI solutions. With seriousness around data security, more regulations are likely to come in the course of time that will increase awareness and demand for PKI among businesses. (*Source: F&S Report*)

Paperless transformation is a mature market in North America. Some of the large organizations have already transformed their business processes to improve process efficiency and reduce the use of paper. Europe is also fast catching up and accepting the change. Both APAC and Europe is expected to remain as the fastest growing markets contributing to 20.4% and 28.8% of the total market by end of FY 2028. Key global players offering paperless transformation and workflow solutions include Adobe (USA), OneSpan (USA), DocuSign (USA), Alpha Trust (USA), WISeKey (Switerland), eMudhra (India), etc. (*Source: F&S Report*)

In pursuit to tap these opportunities and to harbour the benefits offered by the market in United States of America to companies functioning in the IT sector, we propose to invest ₹ 270.00 million out of the Net Proceeds in our Subsidiary, eMudhra INC for funding its working capital requirement in the ordinary course of their business. Our R&D team plays an integral role in designing and developing new products and technology and diversifying our product portfolio and we rely on skilled personnel and technical professionals for product development and product enhancement. We propose to utilize our existing team of professionals as well as engage new skilled professionals and technical staff on a contractual basis and outsource part of the software development work to appropriate vendors to carry out the development process and enable us to achieve the desired outcome.

We propose to expand our Digital Trust Services backbone to international markets either directly using our global root or through setup of local trust service operations or through various trust service and enterprise solution partners. We will continue to explore international opportunities, especially in the developed markets including, the United States of America, where we can either launch our services and solutions independently or collaborate with partners to launch diverse products and services specific to digital certification and signature requirements.

5. Expand share of revenues among existing customers and broaden our partner network and customer base.

Our Company has a wide and diversified customer base in the domestic and international markets. These customers offer significant cross-selling and up-selling opportunities as they adopt more use cases for paperless transformation or enhance their cyber security framework. We have a strong global channel partner network, enterprise partnerships and large system integration partnerships who are integral to our Company's business operations. We presently cater to customers operating in various industries such as banking, eGovernment, automotive, information technology, consumer durables, *etc*. and propose to enhance our presence in various other industries such as manufacturing, logistics, healthcare *etc*.

We also intend to cater to new age industries which are significantly more dependent upon an enhanced cyber security framework and would therefore require our trust and digital signature services on a regular basis. These include use cases in the electric vehicle space and smart cities where devices connected to the internet need to be identified and authenticated securely. We also plan to continue to expand our channel and enterprise partner network while also deepening our partnerships with existing partners. We will continue to expand our service offerings and innovate to offer wider selection of trust and Enterprise Solutions some of which may be verticalized to cater to domain specific needs. While we already have a large and diversified customer and partner base, we believe that there is continuous scope for expansion given the under-penetration of the various products and services we offer. We endeavour to continue to increase the engagement and retention of our consumers and merchants on our ecosystem by offering them better products. Please see below key project wins by way of

representation of the following map:

as of September 2023
****Location pins are for indicative purposes only***

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections "*Risk Factors*", "*Use of Proceeds*", "*Placement*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 57, 94, 244, 230 and 258 respectively.

Issuer	eMudhra Limited
Face value	₹ 5 per Equity Share
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Floor Price	₹ [●] per Equity Share, calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. Our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded through their special resolution dated September 22, 2023 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of [●] Equity Shares, aggregating up to ₹ [•] million, at a premium of ₹ [●] each. A minimum of 10% of the Issue Size, i.e., at least [●] Equity Shares shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion may be Allotted to other Eligible QIBs.
Date of Board / Fund Raising Committee resolution authorizing the Issue	August 24, 2023
Date of Shareholders' resolution authorizing the Issue	September 22, 2023
Dividend	See "*Description of Equity Shares*" and "*Dividends*" on pages 258 and 115.
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, see "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 230, 246 and 253, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM.
Equity Shares issued and outstanding immediately prior to the Issue	78,072,371 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Issue procedure	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 230.
Listing and trading	Our Company has obtained in-principle approvals dated [●] from BSE and NSE in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.

	Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final listing and trading approval for the Equity Shares, to be issued pursuant to this Issue. The trading of the Equity Shares would be in dematerialised form and only in the cash segment of each of the Stock Exchanges.	
Lock-up	For details of the lock-up, see "*Placement – Lock-up*" on page 244.	
Transferability restrictions	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. See "*Issue Procedure*", "*Selling Restrictions*" *and "Purchaser Representations and Transfer Restrictions"* on pages 230, 246 and 253, respectively.	
Use of proceeds	The gross proceeds from the Issue will be aggregating to approximately ₹ [●] million. The net proceeds from the Issue, after deducting fees, commissions and Issue related expenses is expected to be approximately ₹ [●] million. See "*Use of Proceeds*" on page 94 for information regarding the use of Net Proceeds from the Issue.	
Risk factors	See "*Risk Factors*" on page 57 for a discussion of risks you should consider before investing in the Equity Shares.	
Indian taxation	See *"Statement of Possible Tax Benefits"* on page 262.	
Closing Date	The Allotment of the Equity Shares is expected to be made on or about [●], 2024.	
Ranking and dividends	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of dividends. The Shareholders who hold Equity Shares as on the relevant record date will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. Please see "*Dividends"* and "*Description of the Equity Shares"* on pages 115 and 255, respectively.	
Security Codes/ Symbols for the Equity Shares	**ISIN**	INE01QM01018
	BSE Code	INE01QM01018
	NSE Symbol	EMUDHRA

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements. For further details, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", on pages 173 and 277, respectively.

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Summary of audited consolidated balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021

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

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	914.93	658.50	657.12
Right-of-use assets	84.78	104.65	133.79
Capital work-in-progress	366.05	429.16	44.98
Goodwill	39.19	29.28	52.91
Other Intangible assets	581.52	382.25	402.28
Intangible assets under development	106.24	-	-
Financial assets			
(i) Other financial assets	18.67	-	-
(i) Investments	-	-	137.87
(ii) Other non-current assets	4.90	63.02	37.47
Total Non-current assets	**2,116.28**	**1,666.86**	**1,466.42**
Current assets			
Inventories	10.34	21.38	7.14
Financial assets			
(i) Investments	209.46	-	0.62
(ii) Trade receivables	672.24	442.23	149.10
(iii) Cash and cash equivalents	669.80	132.55	77.13
(iv) Bank balance other than (iii) above	314.00	-	-
(v) Loans	0.49	30.63	30.61
(vi) Other financial assets	18.80	-	-
Other current assets	588.04	307.75	188.12
Total current assets	**2,483.17**	**934.54**	**452.72**
Total assets	**4,599.45**	**2,601.40**	**1,919.14**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	374.87	350.90	350.90

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Other equity	3,541.09	1,171.92	722.69
Non-controlling intersts	8.18	12.96	92.59
Total equity	**3,924.14**	**1,535.78**	**1,166.18**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	-	197.69	220.91
(ii) Lease Liabilities	61.97	103.27	127.87
(b) Provisions	27.61	27.49	32.65
(c) Deferred tax liabilities (Net)	25.65	17.92	13.64
(d) Other non-current liabilities	0.05	15.51	14.68
Total Non-current liabilities	**115.28**	**361.88**	**409.75**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
Short term borrowings	156.50	255.88	87.15
(ii) Lease liabilities	34.75	24.13	26.33
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises, and	54.13	0.55	19.29
Total outstanding dues of creditors other than micro enterprises and small enterprises.	128.01	88.04	15.69
(iv) Other financial liabilities	57.55	113.69	66.18
(b) Other current liabilities	62.30	46.56	35.97
(c) Provision	39.59	174.89	92.60
(d) Current Tax Liabilities (Net)	27.20	-	-
Total current liabilities	**560.03**	**703.74**	**343.21**
Total liabilities	**675.31**	**1,065.62**	**752.96**
Total equity and liabilities	**4,599.45**	**2,601.40**	**1,919.14**

Summary of audited consolidated statement of profit and loss for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

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

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Income from operations			
Revenue from operations	2,487.57	1,826.37	1,315.93
Other income, net	52.99	10.98	8.61
Total Income from operations (Net)	**2,540.56**	**1,837.35**	**1,324.54**
Expenses			
Operating expenses	300.55	119.93	129.12
Purchase of stock-in -trade	287.62	311.32	179.56
Changes in inventories of stock-in-trade	11.04	(14.26)	7.50
Employee benefit expense	643.61	468.15	417.11
Finance costs	33.85	52.72	8.41
Depreciation and amortisation expense	158.45	130.70	87.67
Other expenses	371.65	264.20	183.37
Total expenses	**1,806.77**	**1,332.76**	**1,012.74**
Profit/(Loss) before exceptional items and tax	**733.79**	**504.59**	**311.80**
Exceptional items	-	-	-
Profit/(Loss) before tax	**733.79**	**504.59**	**311.80**
Tax expense			
Tax expenses (including deferred tax)	**121.81**	**93.22**	**58.21**
Profit/(Loss) for the year	**611.98**	**411.37**	**253.59**
Other comprehensive income/(Loss)			
Items that will not be reclassified to profit or loss (net of tax) Remeasurement (loss)/gain on defined benefit plan (net of tax)	(4.64)	7.98	(3.31)
Items that will be reclassified to profit or loss (net of tax) Exchange differences on translation of foreign operations (net of tax)	(43.96)	-	-
Other comprehensive income/(loss) for the period/year	**(48.61)**	7.98	(3.31)
Total comprehensive income for the period/year	**563.37**	**419.35**	**250.28**
Net Profit/(Loss) attributable to			
Owners of eMudhra Limited	616.77	414.05	174.60
Non-controlling interests	(4.79)	(2.68)	78.99
other comprehensive income attributable to			
Owners of eMudhra Limited	(48.61)	7.98	(3.35)
Non-controlling interests	-	-	0.04
Total comprehensive income attributable to			
Owners of eMudhra Limited	568.16	422.03	171.25

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Non-controlling interests	(4.79)	(2.68)	79.03
Paid-up-equity share capital (Face Value of Rs. 5/- each)	374.87	350.90	350.90
Other Equity	3,541.09	1,171.92	722.69
Earnings per share (Face value of share Rs. 5/- each) (not annualised)			
Basic (in Rs.)	8.35	5.86	2.49
Diluted (in Rs.)	8.01	5.86	2.49

Summary of audited consolidated cash flow statement for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

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

Particulars	Year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
A. Operating activities	-	-	-
Profit before tax	733.79	504.59	311.80
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
Depreciation and amortisation expense	158.45	130.70	87.67
Interest on lease liabilities	20.00	16.41	2.30
Interest income from bank deposits and others	(33.05)	(3.11)	(6.77)
Gain/premium on redemption of shares	-	-	(0.12)
Provision for doubtfull debts	9.24	-	-
Interest income on security deposit	(0.64)	-	-
Net gain on assets measured at fairvalue through profit/ loss	(1.47)	-	-
Share based payment	31.64	-	-
Provision written back	-	-	-
Profit on sale of investments	(0.49)	-	-
Sundry creditors written back	(2.69)	-	-
Profit on sale of property, plant and equipment	(0.06)	-	-
Movement in minority interest	(4.79)	-	-
Working capital adjustments:			
Decrease/(Increase) in inventories	11.04	(14.24)	7.50
Decrease/(Increase) in other non-current and current financial assets	(254.07)	(91.74)	(30.20)
Decrease/(Increase) in trade receivable	(239.26)	(293.13)	84.89
Decrease/(Increase) in loans	14.65	(0.03)	0.40
Increase/(Decrease) in non-current and current other financial liabilities	24.50	47.51	21.61
Increase/(Decrease) in non-current and current provision	(4.32)	33.47	18.76
Increase/(Decrease) in non-current and current liabilities	12.80	11.41	(5.63)
Increase/(Decrease) in trade payables	37.00	53.62	(42.89)
Increase/(Decrease) in lease liability	(25.95)	-	-
Total cash from operations	**486.32**	**395.46**	**449.32**
Income taxes refund/(paid)	(150.68)	(45.27)	(39.88)
Net Cash flow from operating Activities (A)	**335.64**	**350.19**	**409.44**
B. Investing activities			
Purchase of property, plant and equipment	(620.70)	(236.59)	(181.08)
Sale proceeds from property, plant and equipment	0.10	-	-
Purchase of intangible assets	-	(230.51)	(27.98)
Proceeds from sale of intangible assets	-	-	3.02
Increase in Right- of Use of asset	-	-	(138.62)

Particulars	Year ended		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Goodwill on consolidation	-	23.63	(1.05)
Gain/premium on redemption of shares	-	-	0.12
Investments in mutual funds	(282.49)	138.49	(136.99)
Redemption of mutual funds	75.00	-	-
Movement in minority interest	-	(76.95)	4.23
Interest received	33.05	1.61	7.55
Increase / (Decrease) from term deposits & other bank balances	(272.20)	-	-
Net cash used in investing activities (B)	**(1,067.24)**	**(380.32)**	**(470.80)**
C. Financing Activities			
Proceeds/(repayment) from short term borrowing (net)	(189.72)	168.68	(37.86)
Proceeds/(repayment) from long term borrowings (net)	(197.69)	(23.21)	(41.44)
Proceeds(payment) of public issue expenditures	(112.91)	(51.93)	-
Proceeds from issuance of equity shares (Initial public offering)	1,610.00	-	-
Proceeds from issuance of equity shares (Private placement)	390.00	(0.63)	-
Foreign exchange movement on consolidation	-	30.59	(16.07)
Payment of preference share capital	(86.00)	-	-
Payment of equity & preference dividend	(94.83)	(2.72)	(6.56)
Movement in Other comprehensive income	-	7.98	(3.35)
Proceeds of equity share capital	-	-	-
Payment of lease liabilities	(23.97)	(26.79)	154.20
Interest paid on lease liabilities	(20.00)	(16.41)	(2.30)
Net cash used in financing activities(C)	**1,274.88**	**85.56**	**46.62**
Foreign exchange differences on translation of foreign operations (D)	43.96	-	-
Net increase in cash and cash equivalents(E=A+B+C+D)	**587.25**	**55.43**	**(14.74)**
Cash and cash equivalents at the beginning of the financial year (F)	**82.55**	**77.13**	**91.86**
Cash and cash equivalents at the end of the year (E+F)	**669.80**	**132.55**	**77.13**
Components of cash and cash equivalents as at end of the year			
	March 31,2023	**March 31,2022**	**March 31,2021**
Balance with banks:			
- On current account	**645.55**	**82.29**	**36.97**
Deposit accounts	**24.00**	**50.00**	**40.00**
- Cash on hand	**0.25**	**0.26**	**0.16**
Total cash and cash equivalents as per Balance Sheet	**669.80**	**132.55**	**77.13**
Cash and cash equivalents as per Statement of Cash Flow	**669.80**	**132.55**	**77.13**

Summary of unaudited consolidated financial statements for the six-month periods ended September 30, 2023 and September 30, 2022

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

Particulars	Six month period ended	
	September 30, 2023	September 30, 2022
Income from operations		
Revenue from operations	1760.49	1107.04
Other income, net	13.85	19.83
Total Income from operations (Net)	**1774.34**	**1126.87**
Expenses		
Operating expenses	418.31	108.72
Purchase of stock-in -trade	160.05	102.64
Changes in inventories of stock-in-trade	(17.66)	(4.59)
Employee benefit expense	413.02	292.24
Finance costs	6.50	14.07
Depreciation and amortisation expense	99.45	79.14
Other expenses	266.47	175.65
Total expenses	**1346.14**	**777.05**
Profit/(Loss) before exceptional items and tax	**428.20**	**349.82**
Exceptional items	**-**	**-**
Profit/(Loss) before tax	**428.20**	**349.82**
Tax expense		
Tax expenses (including deferred tax)	**76.82**	**47.97**
Profit/(Loss) for the year	**351.38**	**301.85**
Other comprehensive income/(Loss)		
Items that will not be reclassified to profit or loss (net of tax)	0.09	(2.65)
Items that will be reclassified to profit or loss (net of tax)	(6.86)	(1.32)
Other comprehensive income/(loss) for the period/year	(6.95)	(3.97)
Total comprehensive income for the period/year	358.33	297.88
Net Profit/(Loss) attributable to		
Owners of eMudhra Limited	339.42	305.30
Non-controlling interests	11.96	(3.45)
other comprehensive income attributable to		
Owners of eMudhra Limited	6.95	(3.97)
Non-controlling interests	-	-
Total comprehensive income attributable to		
Owners of eMudhra Limited	346.37	301.33

Particulars	Six month period ended	
	September 30, 2023	September 30, 2022
Non-controlling interests	11.96	(3.45)
Paid-up-equity share capital (Face Value of Rs. 5/- each)	378.65	390.36
Other Equity	-	-
Earnings per share (Face value of share Rs. 5/- each) (not annualised)		
Basic (in Rs.)	4.48	4.02
Diluted (in Rs.)	4.35	4.02

Consolidated statement of assets and liabilities as at September 30, 2023 and March 31, 2023

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

Particulars	As at	
	September 30, 2023	March 31, 2023
ASSETS	**(Unaudited)**	**(Audited)**
Non-current assets		
Property, plant and equipment	1,055.70	914.93
Right-of-use assets	66.51	84.78
Capital work-in-progress	155.02	366.05
Goodwill	513.26	39.19
Other Intangible assets	599.08	581.52
Intangible assets under development	325.46	106.24
Financial assets		
(i) Other financial assets	28.22	18.67
(ii) Other non-current assets	5.99	4.90
Total Non-current assets	**2,749.24**	**2,116.28**
Current assets		
Inventories	28.00	10.34
Financial assets		
(i) Investments	155.68	209.46
(ii) Trade receivables	1,040.92	672.24
(iii) Cash and cash equivalents	441.04	669.80
(iv) Bank balance other than (iii) above	26.48	314.00
(v) Loans	16.83	0.49
(vi) Other financial assets	15.58	18.80
Other current assets	633.40	588.04
Total current assets	**2,357.93**	**2,483.17**
Total assets	**5,107.17**	**4,599.45**
EQUITY AND LIABILITIES		
Equity		

Particulars	As at	
	September 30, 2023	**March 31, 2023**
Equity share capital	378.65	374.87
Other equity	3,803.72	3,541.09
Non-controlling intersts	59.70	8.18
Total equity	**4,242.06**	**3,924.14**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ia) Lease Liabilities	47.76	61.97
Provisions	27.29	27.61
Deferred tax liabilities (Net)	46.01	25.65
Other non-current liabilities	-	0.05
Total Non-current liabilities	**121.06**	**115.28**
Current liabilities		
Financial liabilities		
(i) Borrowings	174.37	156.50
(ia) Lease liabilities	33.33	34.75
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises, and	33.07	54.13
Total outstanding dues of creditors other than micro enterprises and small enterprises.	107.54	128.01
(iii) Other financial liabilities	131.38	57.55
Other current liabilities	72.88	62.30
Provision	172.76	39.59
Current Tax Liabilities (Net)	18.71	27.20
Total current liabilities	**744.04**	**560.03**
Total liabilities	**865.10**	**675.31**
Total equity and liabilities	**5,107.17**	**4,599.45**

Consolidated cash flow statement for the half year ended September 30, 2023 and September 30, 2022

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

Particulars	Half year ended	
	September 30, 2023	September 30, 2022
	(Unaudited)	(Unaudited)
A. Operating activities		
Profit before tax	428.20	349.82
Adjustments for:		
Depreciation and amortisation expense	99.45	79.14
Interest on lease liabilities	6.35	8.08
Interest income from bank deposits and others	(6.25)	(18.84)
Provision for doubtfull debts	15.92	5.81
Interest income on security deposit	(0.37)	-
Net (gain)/loss on assets measured at fairvalue through profit & loss	0.23	-
Share based payment	20.17	-
Profit on sale of investments	(5.45)	-
Movement in Non controlling interest	(11.96)	-
Operating profit before working capital changes	**546.28**	**423.99**
Working capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(48.13)	(112.08)
Decrease/(Increase) in inventories	(17.66)	4.59
Decrease/(Increase) in trade receivable	(384.60)	(178.00)
Decrease/(Increase) in loans	(16.34)	16.35
Increase/(Decrease) in non-current and current other financial liabilities	73.76	(9.97)
Increase/(Decrease) in non-current and current provision	133.14	(44.93)
Increase/(Decrease) in non-current and current liabilities	10.53	104.76
Increase/(Decrease) in trade payables	(41.53)	(22.96)
Cash generated from operations	**255.44**	**181.77**
Income taxes refund paid (net)	(64.94)	(32.37)
Net Cash flow from / (used in) operating Activities (A)	**190.50**	**149.40**
B. Cash flow from Investing activities:		
Purchase of Property, plant and equipment and Intangible assets	(247.69)	(290.63)
Purchase towards acquisition of business (net of assets acquired)	(474.08)	-
Investments in mutual funds	(211.99)	-
Redemption of mutual funds	271.00	-
Interest received	11.15	8.93
Increase / (Decrease) from term deposits & other bank balances	278.33	-
Net cash used in investing activities (B)	**(373.28)**	**(276.43)**
C. Cash flow from Financing Activities		
Proceeds/(repayment) from short term borrowing (net)	17.87	(58.03)
Proceeds/(repayment) from long term borrowings (net)	-	(288.03)
Payment of lease liabilities	(16.29)	(33.37)

Particulars	Half year ended	
	September 30, 2023	September 30, 2022
Proceeds from exercise of share options	3.78	-
Proceeds towards security premium on issuance of equity shares (net)	-	1,850.49
Proceeds from Issuance of equity shares	-	39.46
Payment of equity & preference dividend	(94.02)	(100.17)
Increase in Non-controlling interests	51.52	-
Interest paid on lease liabilities	(5.70)	(8.08)
Payment of security deposit in connection with public issue	-	(21.28)
Net cash from/ (used in) financing activities(C)	**(42.84)**	**1,380.99**
Foreign exchange differences on translation of foreign operations (D)	(3.14)	22.03
Net increase/(decrease) in cash and cash equivalents(E=A+B+C+D)	**(228.76)**	**1,275.99**
Cash and cash equivalents at the beginning of the financial year (F)	**669.80**	**132.55**
Cash and cash equivalents at the end of the year (E+F)	**441.04**	**1,408.54**
Components of cash and cash equivalents as at end of the year	**September 30, 2023**	**September 30, 2022**
Balance with banks:		
- On current account	440.70	231.93
Deposit accounts	0.00	1,176.14
- Cash on hand	0.34	0.46
Total cash and cash equivalents as per Balance Sheet	**441.04**	**1,408.54**
Cash and cash equivalents as per Statement of Cash Flow	**441.04**	**1,408.54**

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. To obtain a more detailed understanding of our business and operations, please read this section in conjunction with the sections titled "Industry and Market Data", "Summary of Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 17, 32, and 173, respectively, as well as other financial and statistical information contained in this Preliminary Placement Document. Unless otherwise indicated or unless the context requires otherwise, our financial information used in this section are derived from our Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements.

In making an investment decision, you must rely on your own examination of us and the terms of the Issue, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Preliminary Placement Document also contains 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 but not limited to the considerations described below. For details, see "Forward-Looking Statements" beginning on page 18.

Unless otherwise indicated, industry and market data used in this section has been derived from the F&S Report, which has been exclusively commissioned and paid for by us in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular period, refers to such information for the relevant period.

INTERNAL RISK FACTORS

1. ***Our success in business is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our resources to upgrade and enhance existing solutions and develop and introduce new solutions that meet the end users' needs on a timely basis. Any failure to do so, might impact our ability to compete effectively and could make our products obsolete, thereby adversely affecting our revenue, reputation, financial conditions, results of operations and cash flows.***

   The cyber security and paperless transformation market is characterized by rapid technological change, evolving industry standards, and changing regulations, as well as changing customer needs, requirements, and preferences. The success of our business is dependent, in part, on our ability to anticipate, adapt, and respond effectively to these changes on a timely and cost-effective basis. In addition, as our customers' technologies and business plans grow more complex, we expect them to face new and increasing challenges. We are engaged in the business of providing Digital Trust Services and Enterprise Solutions to our customers operating in diversified industries and are dependent on our research and development team ("**R&D Team**") to continuously improve our existing product portfolio and develop products and solutions which make their usage easier as well as time and cost effective. We have, in recent quarters, increased our R&D efforts and expect to continue to dedicate significant financial and other resources to our R&D efforts in order to maintain our competitive position. For the six months period ended September 30, 2023 and in Fiscals 2023, 2022 and 2021, we spent ₹ 223.64 million, ₹ 159.79 million, ₹ 49.46 million and ₹ 36.95 million, respectively, on capital expenditure incurred towards developing

our intellectual property, which formed 12.70%, 6.42%, 2.71% and 2.81% of our revenue from operations in these periods. We might have to invest a significant amount of our resources and funds in our R&D activities to ensure that we continue to provide diverse products and services and provide solutions to our customers which effectively identify and respond to challenges without disrupting the performance of our customers' IT systems or interrupting their business operations. As a result, we must continually modify and improve our offerings in response to changes in our customers' IT infrastructures and operational needs or end-user preferences. The success of any enhancement to our existing offerings or the deployment of new offerings depends on several factors, including the timely completion and market acceptance of our offerings. Any enhancement to our existing offerings or new offerings that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges including:

- ensuring the timely release of new offerings, features, and platform enhancements;
- adapting to emerging and evolving industry standards, technological developments by our competitors and customers, and changing regulatory requirements;
- interoperating effectively with existing or newly-introduced technologies, systems, or applications of our existing and prospective customers;
- resolving defects, errors, or failures in our platform or offering;
- extending the operation of our offerings and services to new and evolving platforms, operating systems, and hardware products, such as mobile and IoT devices; and
- managing new offerings, features, and service strategies for the markets in which we operate.

The development of improved solutions to new threats can be challenging and time-consuming. We define R&D-related expenses to include salaries paid for R&D employees, fees for technical services, expenditure incurred on product development that is outsourced and technological subscription charges. Funding of expenditure relating to product development in the areas of Post Quantum Cryptography, Fully Homomorphic Encryption and Mobile PKI of ₹ 407.80 million is also one of the Use of Proceeds of the Issue. For details, see "*Use of Proceeds"* on page 94. Investing in R&D, developing new solutions and enhancing existing solutions is an expensive and time-consuming process, and there is no assurance that such activities will result in significant new marketable solutions or enhancements to our solutions, design improvements, cost savings, revenues or other expected benefits. Further, our limited experience with the development of new products may expose us to new challenges which may in turn also impact our product mix and revenues in future If we spend significant time and effort on R&D and are unable to generate an adequate return on our investment, our business, results of operations and cash flows may be materially and adversely affected. If we fail or are perceived to fail to respond to the rapidly changing needs of our end-users by developing upgraded solutions and introducing them on a timely basis that effectively protect against new security threats, our competitive position, reputation and business prospects could be harmed. Further, we propose to utilise the proceeds of this Issue towards Investment in eMudhra INC for funding its working capital requirements. We have not identified the manner of investment which shall be made in eMudhra INC and therefore we shall not be able to disclose the mode of investment which shall be made in eMudhra INC at this stage.

Our solution enhancements or new solutions could fail to attain sufficient market acceptance for many reasons, including:

- delays in releasing enhancements or new solutions;
- negative publicity about the performance or effectiveness of our introduced solutions;
- introduction or anticipated introduction of competing products by our competitors; and
- difficulties in installation, configuration or usage errors by our users.

In the event we fail to anticipate, adapt, and respond effectively to the changes in the market needs on a timely and cost-effective basis or failed to successfully manage our product mix, address the new risks and challenges in relation to new offerings, or if our new offerings, platform upgrades, and services are not competitive or do not achieve market acceptance, our business, financial condition, and results of operations, growth prospects may be materially and adversely affected.

2. As part of our growth strategy, we intend to expand our business operations to geographical areas in which

we have limited operating history. We cannot assure you that our expansion plans will be profitable or that such expansion will not adversely affect our business, results of operations and financial condition.

As part of our growth strategy, we intend to expand our global footprint through our Subsidiaries which have been set up in India, United States, United Arab Emirates, Kenya, Netherlands, Singapore, Indonesia and Mauritius. We believe that our investments in our Subsidiaries will serve to improve and expand our platform, the products and services that we offer to our customers and enable us to globally expand our customer base and market outreach. As of September 30, 2023, our aggregate investment in the equity share capital of all our Subsidiaries amounted to ₹ 688.23 million.

Our limited operating history in international markets and evolving business could make it difficult to evaluate our future prospects and the risks and challenges we may encounter. These risks and challenges include our ability to:

- accurately forecast our revenue and plan our expenses;
- retain and expand relationships with local customers;
- successfully introduce new offerings and services in foreign jurisdictions;
- successfully compete with local competitors;
- adapt to advanced technologies used in international markets and by international competitors as well as anticipate and respond to macroeconomic and technological changes and changes in the markets in which we operate;
- maintain and enhance the value of our reputation and brand;
- maintain and expand our relationships with partners in foreign markets;
- successfully execute on our sales and marketing strategies globally;
- adapt to the ways consumers interact with technology in different markets;
- hire, integrate, and retain talented technology, sales, customer service, and other personnel; and
- effectively manage rapid growth in our personnel and operations.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above, our business, financial condition, and results of operations could be adversely affected. Further, because we have a limited historical financial data with respect to our international operations and since, we operate in a rapidly evolving market, any predictions about our future revenue and expenses may not be as accurate as they would be if we had a longer operating history or operated in a more predictable market. If our assumptions regarding the risks and uncertainties, which we use to plan and operate our business in foreign markets, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition, and results of operations could be adversely affected.

3. Our Use of Proceeds of the Issue includes investing in eMudhra INC, one of our Subsidiaries, incorporated in United States of America for funding its working capital requirements and for product development (PQC). The expenditure proposed to be incurred is subject to external factors and uncertainty of the outcome of such expenditure.

In our pursuit to tap growth opportunities and enhance our presence in the United States of America through our Subsidiary, eMudhra INC, we propose to invest ₹ 270.00 million out of the Net Proceeds for funding its working capital requirement and ₹ 183.92 million out of the Net Proceeds for product development (PQC). For details, see "*Use of Proceeds*" on page 94. However, currently we have a limited direct presence in the United States of America. Pursuant to the proposed investment in eMudhra INC, the expenditure for funding their working capital requirement, for product development (PQC) and other related costs shall be undertaken by eMudhra INC, which may evolve from time to time depending on external factors such as increased demand for our products and solutions in the United States of America, increase in taxes, exchange rates, attrition rates, rate of escalation, availability of technical staff, *etc*. Expenditure for funding the working capital requirement of eMudhra INC may be disproportionate to the revenue generated or customers acquired or retained. If consumer conversion rates may not commensurate with our expenditure in this regard, our expenditure may be disproportionate to our returns on such investments.

Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. (*Source: F&S Report*) Also, basis our experience in the technology sector, our Company has identified the United States of America as a suitable jurisdiction to source the relevant highly skilled technical professionals required in relation to the development of PQC. Consequently, our Company has decided to deploy a portion of Net Proceeds for investments in product development (PQC) in the United States of America, through our Subsidiary – eMudhra INC.

Further, the deployment of the Net Proceeds towards investment in eMudhra INC will lead to an indirect growth of the overseas business through eMudhra INC and in turn may result in creation of a tangible asset for our Company to the extent our Company holds shares of and/or have extended loans to eMudhra INC. Our Company also has not identified the manner of investment which shall be made in eMudhra INC and therefore we shall not be able to disclose the mode of investment which shall be made in eMudhra INC at this stage. For further details, see "*Use of Proceeds*" at page 94.

4. We are highly dependent on technology in carrying out our business activities and it forms an integral part of our business. If we face failure of our technology platform, we may not be able to compete effectively which may result in lower revenue, higher costs and would adversely affect our business and results of operations.

Our continued growth depends on the ability of our existing and potential customers to access our technology platform without interruption or degradation of performance. While there have been no major instances of disruptions, outages and other performance problems with our technology infrastructure, and there have been no customer complaints or claims, we have in the past, we may in the future experience disruptions, 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 or other security-related incidents. Our technology infrastructure has been designed to handle peak load by provisioning horizontally scalable compute and storage infrastructure. Thus, we believe that the systems are scalable enough to handle peak usage and increased traffic. However, we cannot assure you that we will be able to respond to such instances in a timely and effective manner or identify the cause or causes of these performance problems immediately or in short order. We may also not be able to maintain the level of service uptime and performance required by our customers, especially during peak usage times and as our offerings become more complex and our user traffic increases. While there have been no significant instances in the past, wherein our technology platform was unavailable or our customers were unable to access our offerings or deploy them within a reasonable amount of time, or at all, however we cannot assure you that such instances will not occur in the future and consequently our business would not be harmed. Frequent or persistent interruptions in our products and services could cause customers to believe that our products and services are unreliable, leading them to switch to our competitors or to otherwise avoid our products and services.

The adverse effects of any service interruptions on our reputation and financial condition may be disproportionately heightened due to the nature of our business and the fact that our customers expect continuous and uninterrupted access to our offerings and have a low tolerance for interruptions of any duration. Since our customers rely on our offerings to provide and secure access to their IT infrastructures and to support customer-facing applications, any interruption of our technology platform would impair the ability of our customers to operate their businesses, which would negatively impact our brand, reputation and customer satisfaction. Additionally, our insurance policies may be insufficient to cover a claim made against us by any customers affected by any disruptions, outages, or other performance or infrastructure problems. Since, there have been no major instances of disruptions, outages and other performance problems with the technology infrastructure in the preceding three years, there have been no claims against us in connection with such events.

Our technology platform is accessed by a large number of customers, often at the same time. As we continue to expand the number of our customers and offerings available to our customers, our technology may not be able to scale to accommodate the increased capacity requirements, which may result in interruptions or delays in service. In addition, the failure of third-party internet service providers or other third-party service providers whose services are integrated with our platform to meet our capacity requirements could result in interruptions or delays in access to our platform or impede our ability to scale our operations. While any of the above instances have not

occurred significantly in the past, however occurrence of any such circumstances or events in the future, may harm our reputation, cause customers to terminate their association with us, impair our ability to obtain subscription renewals from existing customers, impair our ability to grow our customer base, result in the expenditure of significant financial, technical and engineering resources, subject us to financial penalties and liabilities under our service level agreements, and otherwise could adversely affect our business, financial condition, and results of operations.

5. ***If our solutions fail to perform properly due to defects, delays or similar problems, and if we fail to develop enhancements to resolve any defect or other problems, we could lose customers, become subject to service performance or warranty claims or incur significant costs.***

The software underlying our platform and products, particularly in our Digital Trust Services and Enterprise Solutions business, is complex and may contain design inadequacies, defects or errors that could be difficult to detect and correct, particularly when first introduced or when new features or capabilities are released. In addition, our platform and products depend on the ability of our software to store, retrieve, process and manage immense amounts of data. Any real or perceived defects, errors, failures, bugs or vulnerabilities could result in negative publicity, cybersecurity breaches and other data security, privacy, access, retention issues, performance issues and customer terminations and may impair our ability to enter into client contracts for our platform, products and solutions in the future. Some errors, bugs or vulnerabilities inherently may be difficult to detect and may only be discovered after code has been released for external or internal use. The costs incurred in correcting any defects in our solutions may be substantial and could adversely affect our results of operations and the efficacy of our products and solutions. For example, we may need to expend significant financial and development resources to analyse, correct, eliminate, or work around errors or defects or to address and eliminate vulnerabilities.

Although we continually test our solutions for defects and work with customers to identify and correct errors, if any defects/ errors are detected it can cause interruptions to the availability of our platform and products or other performance issues that could result in, among other things:

- lost revenue or delayed market acceptance in relation to our platform and products;
- early termination of customer agreements or loss of customers;
- credits or refunds to customers;
- product liability lawsuits and other claims against us;
- diversion of development resources;
- increased expenses associated with remedying any defect, including increased technical support costs;
- injury to our brand and reputation; and
- increased maintenance and warranty costs.

The combination of our insurance coverage, cash flows and reserves may not be adequate to satisfy product liabilities we may incur in the future. Any future meritless claims could subject us to adverse publicity, hinder us from securing insurance coverage in the future, require us to incur significant legal fees, decrease demand for the platform or any products that we successfully develop, divert management's attention, and force us to limit or forgo further development and commercialisation of the platform and these products, thereby impacting our business, financial condition, and results of operations.

6. ***Our industry is competitive, and we face significant competition from both established and new companies offering trust services, cyber security and paperless transformation solutions, which may have a negative effect on our ability to add new customers, retain existing customers and grow our business. Our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows.***

The cyber security and paperless transformation market is competitive, and we expect competition to increase in the future from established competitors and new market entrants. We face competition including from large global players like Adobe and DocuSign. With the continued increase in merger and acquisition transactions in the technology industry, there is a significant likelihood that we will compete with other large technology companies in the future. These companies could have significant name recognition, considerable resources and existing IT infrastructures, and powerful economies of scale and scope, which allow them to rapidly develop and deploy new

solutions. A significant number of companies are developing products that currently, or in the future may, compete with some or all aspects of our proprietary platforms. We may not be successful in convincing the management teams of our potential customers to deploy our products in lieu of existing software solutions or in-house software development projects or other competitive products and services. Many of our existing competitors have, and some of our potential competitors could have, substantial competitive advantages such as greater name recognition and brand awareness, longer operating histories, larger customer bases, larger sales and marketing budgets and resources, broader distribution and established relationships with partners and customers, greater professional services and customer support resources, greater resources to make acquisitions and enter into strategic partnerships, lower labor and research and development costs, larger and more mature intellectual property portfolios, and substantially greater financial, technical and other resources. Certain of our competitors may also have greater ease of implementation of their products with customers in our market, as well as flexibility, scale, and breadth of integration points. Our competitors include large enterprise software companies and system integrators, and we may face competition from emerging companies as well as established companies who have not previously entered this market. Additionally, we may be required to make substantial additional investments in our research, development, services, marketing, and sales functions in order to respond to competition, and there can be no assurance that we will be able to compete successfully in the future and therefore, in the event of occurrence of any such events in the future could adversely impact our business, financial condition, and results of operations.

In addition, some of our larger competitors have substantially broader product offerings and leverage their relationships based on other products they offer or incorporate functionality into existing products to gain business in a manner that discourages users from purchasing our offerings. Potential customers may also prefer to purchase from their existing suppliers rather than a new supplier regardless of product performance or features. Conditions in our market could change rapidly and significantly as a result of technological advancements or partnering by our competitors, or continuing market consolidation. Additionally, start-up companies that innovate and large competitors that are making significant investments in research and development may invent similar or superior products and technologies that compete with our solutions or solution packages. Consolidation in the markets in which we compete may affect our competitive position. This is particularly true in circumstances where customers are seeking to obtain a broader set of solutions and services than we are currently able to provide. In addition, some of our competitors may enter into new alliances with each other or may establish or strengthen cooperative relationships with system integrators, third-party consulting firms, or other parties. Any such consolidation, acquisition, alliance, or cooperative relationship could lead to pricing pressure and loss of our market share and could result in a competitor with greater financial, technical, marketing, service, and other resources, all of which could harm our ability to compete. Furthermore, organizations may be more willing to incrementally add solutions to their existing infrastructure from competitors than to replace their existing infrastructure with our offerings. In the event any failure to meet and address the foregoing could adversely affect our business, financial condition, and results of operations.

7. ***We rely on our data centers for efficient functioning of our technology platform, and any interruption or delay in service from these facilities could impair the delivery of our technology platform and products and adversely impact our business and results of operations.***

We currently serve several of our customers through our own data centres located, at Bengaluru and Chennai. As part of the proceeds from the initial public offer, we have set up new data centres in Bangalore and Chennai. While the Chennai data centre is operational, the Bangalore data centre is awaiting certain approvals. We are also in the process of setting up a global data centre under the wholly owned subsidiary, eMudhra BV, Amsterdam.

Some of these facilities are located in areas prone to natural disasters and may experience events such as earthquakes, floods, fires, severe weather events, power loss, computer or telecommunication failures, service outages or losses, and similar events and therefore, we may face instances of outages in our data centres. They may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct or cybersecurity issues, human error, terrorism, improper operation, unauthorised entry and data loss. In the event of significant physical damage to one of these data centres, it may take a significant period of time to achieve full resumption of our services, and our disaster recovery planning may not account for all eventualities. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data centres that we use.

We practice business continuity measures, which includes disaster recovery measures as prescribed in ISO 22301 and is certified for the same. Our disaster recovery measures include:

- Application and database failover;
- Telecom infrastructure failover;
- Onsite and offsite backups;
- Operational redundancy; and
- Emergency response teams and a separate disaster recovery site in a different seismic zone.

Although we carry professional indemnity and commercial general liability insurance policies, it may not be sufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business that may result from interruptions in our platform, products or services. As we grow and continue to add new data centres in India and internationally and expand operations, we may move or transfer our data and our customers' data. Despite precautions taken during this process, any unsuccessful data transfers may impair the delivery of our platform and products. Any damage to, or failure of, our systems, could result in interruptions on our products platform or damage to, or loss or compromise of, our data and our customers' data. Any impairment of our or our customers' data or interruptions in the functioning of our platform and products, whether due to damage to, or failure of, data centres or unsuccessful data transfers, may reduce our revenue, result in significant fines, cause us to issue credits or pay penalties, subject us to claims for indemnification and other claims, litigation or disputes, result in regulatory investigations or other inquiries, cause our customers to terminate their contracts and adversely affect our reputation, renewal rates and our ability to attract new customers. Our business will also be harmed if our existing and potential customers believe our platform and products are unreliable or not secure.

8. If we are unable to maintain successful relationships with our partners, our business, results of operations and financial condition could be harmed.

We rely significantly on our channel partners and our enterprise solution partners to sell and support our Digital Trust Services business and we expect that sales through such partners will continue to account for a significant percentage of our revenues. Our channel partners market and distribute our Digital Trust Services business and our enterprise solution partners help us market and sell our Enterprise Solutions to end users in India and abroad. Our enterprise solution partners are broadly categorized into system integrators which comprise of large IT companies who bundle our solution as part of a larger turnkey offering to the end customer; technology partners with whom our Company has a direct integration for selling our products on their platform; and lastly, resellers and distributors, who resell or distribute our products and solutions to their customer base. As of September 30, 2023, we have 116,011 channel partners for Digital Trust Services spread across various States and Union Territories in India and out of our 638 enterprise solution partners, 333 are present in India and 305 are present internationally in Americas, Europe, Middle East and Africa and Asia Pacific. Further, our channel partner network has grown from 55,294 in the Financial Year 2021 to 116,011 as September 30, 2023. Although, our channel partner network has significantly grown in the preceding years, our dependence on such partners has also grown and any reduction in our partners may adversely affect our business and results of operations.

Our arrangements with our partners are non-exclusive, meaning our partners may offer customers digital secure solutions and products from other companies, including products that compete with our solutions. Though we set minimum sales targets for our partners which we review annually, we have limited control over the amount of our services and solutions that our partners will eventually purchase from us or sell on our behalf. If our partners do not effectively market and sell our solutions or choose to use greater efforts to market and sell their own solutions or the solutions of our competitors, our business operations will be adversely affected.

Our partners may cease or de-emphasise the marketing of our solutions with limited or no notice and with little or no penalty. Further, any new partners will require extensive training and may take several months or more to achieve the desired level of sales and productivity. The loss of a substantial number of our partners, the inability to replace them or the failure to recruit additional channel partners could materially and adversely affect our results of operations and cash flows. In the eventuality of any adverse changes in our partner network or relationships with our partners, the quantity and pricing of the solutions offered by us which may in turn materially

and adversely affect our business prospects, financial condition, results of operations and cash flows. It is also possible that, from time to time, our channel partners may violate the terms of our arrangements, such as the pricing terms, and hence we may need to sever ties with certain of our channel partners. We may also become aware of fraud and financial irregularities on behalf of our channel partners which may have legal or financial implications for us.

9. ***We could incur substantial costs in protecting or defending our proprietary rights, and any failure to adequately protect our rights could impair our competitive position and we may lose valuable assets, experience reduced revenue and incur costly litigation to protect our rights. Further, our Company vide a deed of assignment has assigned one of its trademarks to its Subsidiary, eMudhra Consumer Services Limited, and breach of any of the clauses of this deed, could have a material impact on our goodwill, business operations, financial condition and results of operations.***

Our success and ability to compete depends, in part, on our ability to protect our trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights, so that we can prevent others from using our proprietary information and property. We generally rely on common law trade secret and trademark laws, and confidentiality or license agreements with our employees, consultants, vendors, customers and other third parties, and generally limit access to and distribution of our proprietary information, in order to protect our intellectual property rights and maintain our competitive position, however, we cannot guarantee that the steps we take to protect our intellectual property rights will be effective.

As on the date of this Preliminary Placement Document, we have 12 trademarks registered in the name of our Company. Our Company has entered into a deed of assignment dated February 04, 2021 with one of our wholly owned Subsidiaries, eMudhra Consumer Services Limited ("**Assignee**") for assigning our trademark and wordmark 'emSigner', including the goodwill of its business relating to the said trademarks. However, by way of separate transfer pricing agreement dated March 08, 2021 the right to sell trademark and wordmark 'emSigner' exists with the parent company of the Assignee and its other foreign subsidiaries. Pursuant to the deed of assignment and transfer pricing agreement, our Company though have a right to sell the trademark and wordmark 'emSigner' but it is not an exclusive right. Further, the Company do not have the right to market its products under the 'emSigner' trade name. Therefore, our Company though may not be directly able to exercise any of its rights (except the right to sell) including marketing its products under the 'emSigner' trade name, thereby restricting our right to directly deal in such products. For further details, see "*Our Business – Intellectual Property*" on page 170, respectively of this Preliminary Placement Document. In the event, the Assignee files litigation against us for any breach or termination of the contract, such litigation could be time consuming and costly, and the outcome cannot be guaranteed.

As we expand our activities globally, our exposure to unauthorised copying and use of our products and platform capabilities and proprietary information will likely increase. We are currently unable to measure the full extent of this unauthorised use of our products, platform capabilities, software, and proprietary information. We believe, however, that such unauthorised use can be expected to be an issue that negatively impacts our revenue and financial results. Additional uncertainty may result from recent and future changes to intellectual property legislation and from interpretations of the intellectual property laws by applicable courts and agencies. Further, although we endeavour to enter into non-disclosure agreements with our employees, licensees and others who may have access to confidential and proprietary information, we cannot assure that these agreements or other steps we have taken will prevent unauthorised use, disclosure or reverse engineering of our technology. If we fail to protect our intellectual property rights adequately, our competitors might gain access to our technology or use of our brand, and our business might be adversely affected. Moreover, third parties may independently develop technologies or products that compete with ours, and we may be unable to prevent this competition. We might be required to spend significant resources to defend, monitor, and protect our intellectual property rights, such as by initiating claims or litigation against third parties for infringement of our proprietary rights or to establish the validity of our proprietary rights. While there have been no litigations in the past three Fiscals and for the six-month period ended September 30, 2023, pertaining to trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights of our Company and there are no outstanding litigations against our Company in relation to our intellectual property. However, we may not prevail in any lawsuits that we may initiate, and the damages or other remedies awarded,

if any, may not be adequate to compensate us for the harm suffered. Additionally, we may provoke third parties to assert counterclaims against us. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results.

10. ***Our security measures may in the future be, compromised. Consequently, our services and solutions may be perceived as not being secure. This may result in customers curtailing or ceasing their use of our solutions, our reputation being harmed and incurring of significant liabilities and lead to an adverse effect on our results and growth prospects.***

As a provider of identity and security solutions, we pose a potential target for cyber-attacks. The security measures we have integrated into our internal systems and platform, which are designed to detect unauthorized access or activity and prevent or minimize security breaches, may not function as expected or may not be sufficient to protect our internal networks and platform against certain attacks and other security incidents. In addition, techniques used to sabotage or to obtain unauthorized access to networks in which data is stored or through which data is transmitted change frequently, become more complex over time and generally are not recognized until launched against a target. As a result, we may be unable to anticipate these techniques or implement adequate preventative measures quickly enough to prevent either an electronic intrusion into our systems or services or a compromise of customer data, and we may face difficulties or delays in identifying or otherwise responding to any potential security breach or incident. Additionally, our remediation efforts and other response to any potential security breach or incident may not be successful or timely.

Our customers' use of our data centres and digital solutions to access business systems and store data concerning, among other things, their employees, contractors, partners and customers is essential to their use of our platform, which collects, uses, stores, transmits, and otherwise processes customers' proprietary information and personal data. Although, there have been no significant instances of IT security failure and other security breaches including any significant insurance claims in the last three Fiscals and the six months period ended September 30, 2023 against us, if a breach of customer data on our platform were to occur, as a result of third-party action, technology limitations, employee or contractor error, malfeasance or otherwise, and the confidentiality, integrity or availability of our customers' data or systems was disrupted, we could incur significant liability to our customers and to individuals or businesses whose information was being stored by our customers, and our platform may be perceived as less desirable, which could negatively affect our business and damage our reputation. In addition, occurrence of security breaches or incidents impacting our platform in the future could result in a risk of loss or unauthorized disclosure of critical information, including personal data, or the denial of access to this information, which, in turn, could lead to enforcement actions, litigation, regulatory or governmental audits, investigations, inquiries and possible significant liability, and increased requests by individuals regarding their personal data. Security breaches and incidents could also damage our relationships with and ability to attract customers and partners, and trigger indemnification, and other contractual obligations. Security breaches and incidents may also cause us to incur significant investigation, mitigation, remediation, notification and other expenses, including necessitating that we put in place additional measures designed to prevent further security breaches or incidents.

We may be required to expend significant capital and financial resources to protect against such threats or to alleviate problems caused by breaches in security. Furthermore, as a provider of identity and security solutions, any such breach, including a breach of our customers' systems, could compromise systems secured by our products, creating system disruptions, or slowdowns and exploiting security vulnerabilities of our or our customers' systems, and the information stored on our or our customers' systems could be improperly accessed, publicly disclosed, altered, lost or stolen, which could subject us to liability and cause us financial harm. While we have availed professional indemnity and commercial general liability insurance policies, our insurance may be insufficient to cover all liabilities incurred in these incidents, and any incidents may result in loss of, or increased costs of, our insurance policies. There have been no significant instances of IT security failure and security breaches of our Company in the preceding three years and the six months period ended September 30, 2023. Further, there have been no significant claims made against the Company in connection with such events, no insurance claim has been made by our Company. However, we also cannot assure you that our existing insurance coverage will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large claims related to a security incident or breach, or that the insurer will not deny coverage

as to any future claim.

Any breaches, or any perceived breach, of our systems, our customers' systems, or other systems or networks secured by our products, whether or not any such breach is due to a vulnerability in our platform, may also undermine confidence in our platform or our industry and result in damage to our reputation and brand, negative publicity, loss of partners, customers and sales, increased costs to remedy any problem, costly litigation, and other liability. In the event there is a breach of the security measures of any of our partners, it could result in the exfiltration of confidential corporate information or other data that may provide additional avenues of attack, and if a high profile security breach occurs with respect to a comparable identity and access management provider, our customers and potential customers may lose trust in identity and access management providers generally, which could adversely impact our ability to retain existing customers or attract new ones, potentially causing a negative impact on our business. Any of these outcomes could negatively impact market acceptance of our platform and our business, financial condition, and results of operations could be adversely affected.

11. We may be accused of infringing or misappropriating intellectual property rights or confidential know how of third parties.

Claims by third parties that we infringe, misappropriate or otherwise violate their proprietary technology or other intellectual property rights could harm our business. A number of companies in our industry hold a large number of patents and also protect their copyrights, trade secrets and other intellectual property rights, and there is considerable patent and other intellectual property development activity in our industry. We expect that software companies will increasingly be subject to claims of infringement, misappropriation and other violations of intellectual property rights as the number of products and competitors grows and the functionality of products in different industry segments overlaps. While there have been no litigations in the past three fiscals and the six months period ended September 30, 2023 pertaining to intellectual property and proprietary rights of our Company and there are no such outstanding litigations against our Company, however as we face increasing competition and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against us grows.

In addition, the intellectual property portfolios of many of our competitors are larger than ours, and this disparity may increase the risk that our competitors may sue us for intellectual property infringement and may limit our ability to counterclaim for such infringement or settle through patent cross-licenses. Our use of third-party software and other intellectual property rights also may be subject to claims of infringement or misappropriation. Although, there have been no instances in the past where we have been accused of infringing or misappropriating intellectual property rights or confidential know how of third parties, a claim may, for instance, be made relating to technology that we acquire or license from third parties. In addition, to the extent we hire personnel from competitors; we may be subject to allegations that such personnel have divulged proprietary or other confidential information to us. Further, we may be unaware of the intellectual property rights of others that may cover some or all of our technology and may be required to indemnify our customers for liability arising from intellectual property infringement claims with respect to our software. These indemnification obligations could be significant, and we may not have adequate insurance coverage to protect us against all claims.

Any claim of infringement, misappropriation or other violation, regardless of its merit or our defences, could:

- require costly litigation to resolve or the payment of substantial damages, ongoing royalty payments, or other significant amounts to settle such disputes;
- require significant management time and attention;
- cause us to enter into unfavourable royalty or license agreements, which may not be available on commercially reasonable terms, if at all;
- require us to discontinue the sale of some or all of our platform, remove, or reduce features or functionality of our platform or comply with other unfavourable terms;
- require us to indemnify our customers or third-party service providers; or
- require us to expend additional development resources to redesign our platform.

Any of the foregoing could adversely affect our business, financial condition, and results of operations.

12. ***If our existing clients or customers do not renew their agreements with us, or expand the scope of services we provide to them, or if our long-term relationships with some of our clients or customers are impaired or terminated, our revenue could decline, and our results of operations would be adversely impacted.***

We derive a significant portion of our revenue from existing clients in the form of long-term agreements, and increasing the scope and type of service we provide to our existing clients is a major part of our growth strategy. Revenue from operations from our top five enterprise customers together represented, 29.49%, 26.63%, 24.48%, and 12.14% of our revenue from operations for the six month period ended September 30, 2023 and in the Fiscals 2023, 2022 and 2021, respectively. Further, revenue from operations from our top five channel partners together represented 7.42%, 22.37% and 24.65% of our revenue from operations in the Fiscals 2023, 2022 and 2021, respectively. None of our top enterprise customers include any related parties.

It is important to our continued growth that we retain our existing clients. Our clients typically have no obligation to renew or expand their agreements with us after the terms of their existing engagements or arrangements have expired. If one or more of our clients terminate their agreements with us, whether for convenience, for default in the event of a breach by us, or for other reasons specified therein, as applicable, our business and results of operations could be adversely affected. This adverse impact would be even more pronounced for clients that represent a material portion of our revenue or business operations. Our customer retention or our customers' use of our platform and services may decline or fluctuate as a result of a number of factors, including our customers' satisfaction with our platform and offerings, our prices and pricing plans, the competitiveness of other identity and access management offerings and services, reductions in our customers' spending levels, user adoption of our platform and offerings, deployment success, utilization rates by our customers, new releases, and changes to our platform or offerings.

Our ability to increase sales to existing clients depends on several factors, including their experience with implementing our offerings and using our platform and the existing offerings they have implemented, their ability to integrate our offerings with existing technologies, and our pricing model. As we expand our market reach, we may experience difficulties in gaining traction and raising awareness among potential clients regarding the critical role that our offerings play in securing their businesses and we may face more competitive pressure in such markets. Further, we cannot accurately predict renewals and retention rate given the diversity of our customer base, the size of our industry, and geography. In the event of impairment of long term relationships with our clients, and/ or termination/ non-renewal of agreements with such customers, or reduction in the scope of service provided to them, our renewals and retention rate may decline or fluctuate as a result of a number of factors, many of which are outside our control, including our clients' satisfaction or dissatisfaction with our services, reliability of our solutions, our pricing, the effects of general economic conditions, competitive offerings or alternatives, or reductions in our clients' spending levels. If our clients do not renew or expand their agreements with us or if they renew for shorter lengths or on other terms less favorable to us, our revenue may grow more slowly than expected or decline, and our business could suffer. Our business, financial condition, and results of operations would also be adversely affected if we face difficulty collecting our accounts receivable from our clients. In addition, our clients' decisions to expand the scope of services we offer to them depends on a number of factors, including general economic conditions, quality and accuracy of our solutions, our ability to assist our clients in appropriately identifying challenges faced, mapping out a feasible framework, achieving success with data-driven initiatives, and our clients' satisfaction with our solutions. If our efforts to expand within our existing client base are not successful, our business, results of operations and financial condition may be adversely impacted.

13. ***We have not disclosed the reason for not having spent the prescribed amount towards our corporate social responsibility requirements in the report issued by our Board for Fiscal 2023.***

Companies meeting certain financial thresholds are required to ensure that at least 2% of the average net profits of the company (calculated in accordance with the Companies Act, 2013 and the relevant rules thereunder) made during the three immediately preceding financial years are spent for corporate social responsibility activities. If a company fails to spend the prescribed amount towards its CSR obligation, in accordance with Section 135(5) of the Companies Act, the board of directors are required to include a specific reason in their report for the relevant fiscal year. Accordingly, while we were required to spend approximately ₹4.97 million towards CSR activities in Fiscal 2023, we spent ₹ 3.80 million towards the CSR activities and a shortfall of ₹ 1.17 million was recorded at

the end of the year. However, a specific reason for not spending the requisite amount towards our CSR obligations was not recorded in our Boards' report. While no action has been initiated against us in this regard by any authority, we cannot assure you that no action will be initiated against us in the future. In case we are subjected to any action or penalty by any authority, it may have an impact on our reputation and financial condition

14. ***If our third-party service providers and key vendors are not able to or do not fulfil their service obligations, our operations could be disrupted and our operating results could be harmed.***

We depend on a number of service providers and key vendors, such as software and hardware vendors, outsourced hosting providers and hardware and software maintenance providers who are critical to our operations. These service providers and vendors are involved in our offerings, communications equipment, hardware and software and related support and maintenance. Our operations could be disrupted if we do not successfully manage relationships with our service providers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. In the event the third-party service providers and key vendors fails to fulfil their service obligations, it could adversely affect our reputation, business, financial condition and results of operations.

15. ***We use open-source software in our products, which could subject us to litigation or other action.***

We use open-source software in connection with our development of technology infrastructure. From time-to-time, companies that use open-source software have faced claims challenging the use of open source software and/or compliance with open source license terms. As on date of this Preliminary Placement Document, there are no claims or outstanding litigations on account of usage of open-source software(s), and as a result there is no impact on our business, operations and financials. However, we may in the future be subject to suits by parties claiming ownership of what we believe to be open - source software, or claiming non-compliance with open source licensing terms. While we monitor the use of open-source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open-source agreement, such use could inadvertently occur, in part because open-source license terms are often ambiguous. Any requirement to disclose our proprietary source code or pay damages for breach of contract could be harmful to our business, results of operations or financial condition, and could help our competitors develop secure products and services that are similar to or better than ours.

16. ***If we do not set optimal prices for our platform and offerings, our business, financial condition, and results of operations could be adversely affected.***

We generally quote prices for our products and solutions on a case-to-case basis, depending upon the specific requirement of our customers, nature of the products or digital signature certificates or the length of the commitment of our services. Since, we do not have a standard price set for our products and services, we may have to adjust our prices either for individual customers in connection with long-term agreements or for a particular offering. Further, as competitors introduce new products that compete with ours or reduce their prices, we may be unable to attract new customers or retain existing customers based on our historical pricing and we may have to revise our pricing. We believe as we expand internationally, we also must determine the appropriate price to enable us to compete effectively in each respective geographic region. In addition, if our mix of offerings changes, then we may need to, or choose to, revise our pricing model. If we do not optimally price our platform and offerings and manage risks related to changing our prices or pricing model, our business, financial condition, and results of operations could be adversely affected.

17. ***We are subject to various Indian and international laws and regulations regarding privacy and data security, and we or our clients may be subject to regulations related to the handling and transfer of certain types of sensitive and confidential information. Changing laws, rules and regulations and legal uncertainties, may adversely affect our business, results of operations, cash flows and financial condition. Any failure to comply with these laws and regulations could impose significant civil, criminal or monetary liability.***

In our processing of transactions, we receive and store a large volume of personally identifiable data. This data is increasingly subject to legislation and regulations in numerous jurisdictions around the world, such as the Indian Information Technology Act, 2000 ("**IT Act**"), as amended, which would subject us to civil and criminal liability

including compensation to persons affected, penalties (including imprisonment of relevant persons in our Company) for various cyber related offences including from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information that we possess in our computer systems, networks, databases and software. The IT Act also imposes stringent punishment, including imprisonment in case a person (including an intermediary), while providing services as per a contract, accesses, reveals or discloses personal information about another individual in violation of the contract or without consent of such other individual, knowing that the same will cause wrongful loss or wrongful gain. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information. In addition to the above, the Government of India, has recently, notified the Digital Personal Data Protection Act, 2023 on August 11, 2023 ("**Data Protection Act**"). The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with such Data Protection Act. The Indian Government has also been mooting a legislation governing non-personal data. If these or similar legislation are enacted, we may incur additional compliance costs, it may affect us in ways that we are currently unable to predict and our business, results of operation and financial condition may be adversely affected.

Other countries in Asia, Europe and UAE have passed or are considering similar privacy regulations, resulting in additional compliance burdens and uncertainty as to how some of these laws will be interpreted. Any liability we may incur for violation of such laws and regulations and related costs of compliance and other burdens may adversely affect our business and profitability. We could be adversely affected if legislation or regulations are expanded to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, results of operations or financial condition.

During the course of digital secure solution offerings, we often receive and store a large volume of user data, including personal data. We face risks inherent in handling large volumes of data and in protecting the security of such data. We face a number of challenges, including protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behaviour or improper use by our employees. User data is increasingly subject to legislation and regulations in various jurisdictions, including India, and governments are increasingly acting to protect the privacy and security of personal information that is collected, processed and transmitted in or from the governing jurisdiction. As issues like privacy and data protection gain more importance in India, we may also become exposed to potential liabilities, including criminal liability. For example, under the Information Technology Act, 2000, as amended, we may become subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software.

Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

While we are in compliance with all the laws, regulations, statutes, to the extent applicable to us, in case of any adverse change in the regulations governing our business activities, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, there may be an adverse impact on our operations. Further, 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 and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and financial condition. Our Company may be required to alter our business activities and process of offering products and solutions and incur capital expenditure to achieve compliance with such new regulatory requirements. We cannot assure you that we will be able to comply with the regulatory requirements. Consequently, there is an

inherent risk that we may inadvertently fail to comply with such regulations, which could lead to forced shutdowns of our business operations and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products and solutions, which may adversely impact our business, results of operations and financial condition.

18. If we are unable to attract new customers, our revenue growth will be adversely affected.

To continue to grow our business, it is important that we continue to acquire new customers. Our success in adding new customers depends on numerous factors, including our ability to (1) offer a compelling identity and access management platform and effective offerings, (2) execute our sales and marketing strategy, (3) attract, effectively train, and retain new sales, marketing, professional services, and support personnel, (4) develop or expand relationships with partners, (5) expand into new geographies and vertical markets, (6) deploy our platform or offerings for new customers, (7) provide quality customer support once deployed, (8) effectively manage and forecast our customer count, and (9) expand our use cases for our existing customers.

Our ability to increase revenue also depends in part on our ability to increase the number of identities managed by our platform and sell more use cases or offerings to our existing and new customers. If we are unable to successfully acquire new customers our business, financial condition, and results of operations could be adversely affected.

19. Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations. Further, we have obtained various international certifications or accreditations, the cancellation of which could adversely impact our business and financial condition.

Our business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licences. Our failure to obtain such licences and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties.

Further, fresh and renewal applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes. While we have made fresh applications for few approvals and licenses, we cannot assure you that we will receive these approvals in a timely manner or at all. Further, in future we will be required to apply for the renewal of approvals and permits for our business operations to continue. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices or warehouses and face other consequences due to which our business operations may be adversely affected.

We have been admitted as a member of European Cloud Signature Consortium as well as Certifying Authority/Browser Forum. *(Source: F&S Report)*. Further, we have also received WebTrust accreditation, owing to which our digital signature certificate roots are directly recognized by browsers across the world allowing us to issue digital signature certificates in many countries globally. Our international operations under our Digital Trust Services vertical are largely dependent upon our WebTrust accreditation. In the event, we fail to meet the necessary criteria for such accreditation or commit an act or omission which could affect our ability to continue as a WebTrust accredited certifying authority, it would adversely impact our business, results of operations and financial condition. Further, cancellation of our certifications or accreditations with renowned bodies due to our ineligibility or for providing sub-standard services or for any other reasons which are not within our control could impact our business and reputation.

20. The success in business of our products and solutions depends to a large extent on the success of our end use customers. Prolonged volatility or downturns affecting the industries in which our end use customers operate, may impact our business and financial condition.

The demand of our products and solutions are directly proportional to the success of the businesses in which our

customers are engaged. Therefore, the success of our business is highly dependent on the commercial viability, demand and success of the products and services of our end use customers. Any downturn in the industry or the business carried out by our end use customers could have a direct impact on the demand of our products and solutions and our business operations. Any disturbance in the industry in which our end use customers operate could adversely impact our business due to our high dependence on our end use customers. A reduction in the demand, development and production activities in the industries, in which our end use customers function may correspondingly cause a decline in the demand for our products and solutions due to a slump in the business activities of our customers, while there have not been any material instances in the past, any disturbance in the industry in which our end use customers operate, could adversely affect our business, prospects, results of operations and financial condition.

21. Our recent rapid growth may not be indicative of our future growth, and, if we continue to grow rapidly, we may not be able to manage our growth effectively.

We have experienced, and may continue to experience, rapid growth and organisational change, which has placed, and may continue to place, significant demands on our management, operational and financial resources. In addition, we operate globally, and have incorporated subsidiaries in United States, United Arab Emirates, Netherlands, Singapore, Indonesia, Mauritius and Kenya. We plan to continue to expand our international operations into other countries in the future, which will place additional demands on our resources and operations. We have also experienced significant growth in the number of enterprises, end users, transactions and amount of data that our platform, product offerings and associated hosting infrastructure support. Our number of retail users has grown from 115,905 as of March 31, 2021 to 249,380 as of March 31, 2023, and to 301,649 customers as of September 30, 2023 and number of enterprise users has grown from 518 as of March 31, 2021 to 870 as of March 31, 2023, and to 945 customers as of September 30, 2023. Our revenue from operations grew at a CAGR of 37.50% between Financial Years 2021 to 2023.

Further, in order to successfully manage our growth, our organisational structure has become, and may continue to become, more complex. We may need to scale and adapt our operational, financial and management controls further, as well as our reporting systems and procedures to manage this complexity. This will require us to invest in and commit significant financial, operational and management resources to grow and change in these areas without undermining the corporate culture that has been critical to our growth so far. These investments will require significant expenditures, and any investments we make will occur in advance of the benefits from such investments, making it difficult to determine in a timely manner if we are efficiently allocating our resources. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, or if we are unable to achieve a high level of efficiency as our organisation grows, in a manner that preserves the key aspects of our culture, our business, results of operations and financial condition may be adversely affected.

Further, our success will also depend in part upon the ability of our senior management to manage our projected growth effectively. To do so, we must continue to increase the productivity of our existing employees and to hire, train and manage new employees as needed. To manage the expected domestic and international growth of our operations and personnel, we will need to continue to improve our operational, financial and management controls and our reporting systems and procedures. The additional investments we are making will increase our cost base, which will make it more difficult for us to offset any future revenue shortfalls by reducing expenses in the short term. In the event we are not successful in scaling our operations and increasing productivity, we will be unable to execute our business plan, which could materially adversely affect our business prospects and results of operations.

22. The market for our Digital Trust Services and Enterprise Solutions is evolving. If the market does not develop further, develops more slowly, or in a way that we do not expect, our business will be adversely affected.

We believe that our success and growth will depend to a large extent on the widespread acceptance and adoption of cyber security and paperless transformation solutions in general, and of the products offered under our Enterprise Solutions such as emSigner, emAS, emCA and emDiscovery, in particular. The market for our business offerings, *viz*., Digital Trust Services and Enterprise Solutions is rapidly evolving and has not yet reached widespread adoption and if this market fails to grow or grows more slowly than we currently anticipate, demand

for our products and solutions could be adversely affected. The cyber security and paperless transformation industry is subject to rapidly changing user demand and trends and as a result it is difficult to predict enterprise adoption rates and demand for our products and solutions, the future growth rate and size of our market or the impact of competitive solutions. The expansion of the industry depends on a number of factors, including awareness of the importance of adopting cyber security and digital signature or eSignature solutions generally, ease of adoption and use, cost, features, performance and overall platform experience, data security, protection and privacy, interoperability and accessibility across devices, systems and platforms and perceived value. If trust services, cyber security and paperless transformation solutions do not continue to achieve market acceptance, or there is a reduction in demand for such solutions for any reason, including a lack of category or use case awareness, technological challenges, weakening economic conditions, data security, protection or privacy concerns, competing technologies and products or decreases in information technology spending, our business, results of operations and financial condition may be adversely affected.

23. If we are unable to continue to innovate or if we fail to pursue inorganic opportunities and/or integrate it successfully with our business or adapt to changes in our industry, our business, financial condition, cash flows and results of operations would be adversely affected.

Our future success will depend on our ability to adapt and innovate. To attract new customers and increase revenue from our existing customers, we will need to enhance and improve our existing platform and introduce new products, features and functionality based on continuing changes in technology, industry standards and client preferences. Enhancements and new products that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects and may have interoperability difficulties with our platform or other products.

We may also invest in the acquisition of complementary businesses and technologies that we believe will enhance our platform. We, through our Subsidiary eMudhra INC, have acquired 51% membership interest in Ikon Tech Service LLC on May 15, 2023, for an amount aggregating to $ 6.12 million. However, we may not be able to integrate these acquisitions successfully or achieve the expected benefits of such acquisitions. In the event, we are unable to successfully develop, acquire or integrate new products, features and functionality or enhance our existing platform and products to meet the needs of our existing or potential customers in a timely and effective manner, or if a customer is not satisfied with the standard of our platform or products or with the technical support services rendered, we could incur additional costs to address the situation and our business, results of operations and financial performance could be adversely affected. An inability to recognise and incorporate evolving technology for the improvement of our platform or products, whether due to technology capability or capital constraints could also have a significant adverse impact on our business and competitive advantage. In addition, because our platform and products are designed to integrate and operate with a variety of networks, applications, systems and devices, we will need to continually modify and enhance our platform and products to keep pace with technological advancements in such networks, applications, systems and devices. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, or successfully adopt such advancements and deploy it profitably, our platform and products may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

24. If we are not successful in executing our strategy of enhancing solution offerings to tap growing needs of digital transformation, our results of operations may suffer.

We have constantly invested into augmenting product capabilities to build ourselves as a "One-Stop Shop" player in digital transformation, innovating and developing new products in the areas of digital identity management, authentication and authorization or digital signatures for our customers. In view of the above, we plan to invest in development of our new products in areas, namely, Post Quantum Cryptography, Fully Homomorphic Encryption and Mobile PKI (together, the "**New Products**"). Our Company in order to achieve consistent growth needs to continuously invest in our R&D team and resources to develop New Products around cyber security and paperless transformation. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three years and the six months period ended September 30, 2023:

(₹ in million)

Particulars	Six months period ended September 30, 2023	Financial Year 2023	Financial Year 2022	Financial Year 2021
Employee costs towards product development	77.00	100.02	43.06	36.95
Purchase of related software/services	146.64	59.77	6.40	16.67
Total	**223.64**	**159.79**	**49.46**	**53.62**

If we do not achieve the anticipated returns on the capital expenditure, our business, financial condition, results of operations, and growth prospects could be materially and adversely affected.

25. The implementation process of our platform and products may in some cases be time consuming, and any failure of our products to satisfy our customers or perform as desired could harm our business, results of operations, and financial condition.

Our platform, products and services are intricate in nature and may be deployed in a wide variety of network environments. In the event there is any abnormal delay in the implementation process of our platform and products implementing our platform and products can be a complex and lengthy process. Inability to meet the unique needs of our customers may result in customer dissatisfaction and/or damage to our reputation, which could materially harm our business. Further, the proper use of our platform and products may require training of the customer and the initial or ongoing services of our technical personnel over and above the term of our service. If training and/ or ongoing services require more of our expenditures than we originally estimated, our margins will be lower than projected.

In addition, if our customers do not use our platform and products as intended, inadequate performance or outcomes may result. It is possible that our platform and products may also be intentionally misused or abused by customers or their employees or third parties who obtain access and use of our platform and products. As our customers rely on our platform and products and services to address important business goals and challenges, the incorrect or improper use or configuration of our platform and products, failure to properly train customers on how to efficiently and effectively use our platform and products, or failure to properly provide implementation or analytical or maintenance services to our customers. may result in contract terminations or non-renewals, reduced customer payments, negative publicity, or legal claims against us.

Further, if customer personnel are not well-trained in the use of our platform and products, customers may defer the deployment of our platform, products and services, may deploy them in a more limited manner than originally anticipated, or may not deploy them at all. If there is substantial turnover of the company or customer personnel responsible for procurement and use of our platform and products, our platform and products may go unused or be adopted less broadly, and our ability to make additional sales may be substantially limited, which could negatively impact our business, results of operations, and growth prospects.

26. If we fail to offer high quality support, our business and reputation could suffer.

Our end users depend on us or our channel partners to resolve installation, technical or other issues relating to our solutions. We provide multi-mode support to our users through phone, email, chat and remote access. This helps us to resolve any user issues in a more time-efficient manner thereby helping us to increase user satisfaction. We believe that a high level of end customer support is critical for the successful marketing and sales of our solutions as well as for retaining our existing users. If we or our partners do not provide accurate technical assistance or otherwise succeed in helping our users resolve issues related to the use of our solutions, our reputation could be harmed and our results of operations and cash flows could be adversely affected.

While our Company and our partners provide technical and installation support, our users are ultimately responsible for effectively using our solutions and for ensuring that their IT staff is properly trained in the use of our solutions. The failure of our users to correctly use our solutions, or our failure to effectively assist users in installing our solutions and providing effective ongoing support, may result in an increase in the vulnerability of our users' IT systems and sensitive business data. Additionally, if our partners do not effectively provide support

to the satisfaction of our users, we may be required to provide support to such users, which would require us to invest in additional personnel and systems, which requires significant time and resources. In the event if there is a failure to provide satisfactory maintenance and technical support services, it could have a material and adverse effect on our business, results of operations and cash flows.

As the number of users increases, we may be unable to respond quickly enough to accommodate short to medium-term increases in user demand for support services. Further, as part of the objects of this Issue, we propose to finance expenditure in relation to developing new products in areas namely, Post Quantum Cryptography, Fully Homomorphic Encryption and Mobile PKI. Our strategy of enhancing our product portfolio would also require us to invest and enhance our support services for the new products to aid our customers with the intricate details of the new products. We also may be unable to modify the format of our support services to compete with changes in support services provided by competitors or successfully integrate support for our users. We might be required to either increase our investment in support services or hire technical staff that are aware of the latest updates or train our existing employees in view of the latest technological developments to keep pace with the changing industry trends. We may also need to outsource part of this function to be more efficient and cost-effective. In the event, any such instances of increase in user demand for support services, without corresponding revenue happens in the future, it could increase our costs and adversely affect our operating results.

In addition, to the extent that we are unsuccessful in hiring, training, and retaining adequate support resources, our ability to provide adequate and timely support to end users will be negatively impacted, and our end users' satisfaction with our solutions may be adversely affected. Our Company's failure to provide and maintain high quality support services, especially as our business grows, could materially adversely affect our business prospects, results of operations and cash flows.

27. ***We are currently, and may in the future be, subject to legal proceedings and litigation, including intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.***

As on the date of this Preliminary Placement Document, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition. However, we do not foresee the outstanding litigations against our Company as significant enough to require provisioning, and hence, as on date, there are no provisions with the regard to the outstanding litigations.

A summary of the pending litigations involving our Company is provided below:

Type of Proceedings	Number of cases	Amount* (₹ in million)
Cases against our Company		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation proceedings	2	Not Quantifiable
Total	2	Not Quantifiable
Cases by our Company		
Criminal proceedings	Nil	N.A.
Claims related to direct and indirect taxes	1	32.29
Other pending material proceedings	Nil	N.A.
Total	1	32.29
Cases against our Subsidiaries		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.

Type of Proceedings	Number of cases	Amount* (₹ in million)
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation proceedings	Nil	N.A.
Total	Nil	N.A.
Cases by our Subsidiaries		
Criminal proceedings	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material proceedings	Nil	N.A.
Total	Nil	N.A.
Cases against our Directors		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
Total	Nil	N.A.
Cases by our Directors		
Criminal proceedings	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
Cases against our Promoters		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
Total	Nil	N.A.
Cases by our Promoters		
Criminal proceedings	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
Total	Nil	N.A.

**To the extent quantifiable*

For further details, please refer to the section titled "*Legal Proceedings*" on page 268 of this Preliminary Placement Document.

28. Our business is seasonal in nature.

As part of our Digital Trust Services and Enterprise Solutions, we offer products and solutions that cater to secure digital identity and transaction management requirements of our consumers. Our Digital Trust Services vertical is dependent upon the frequent usage of our solutions by our customers in their day-to-day transactions and for the occasional regulatory filings such as filing of income tax returns, annual, quarterly and half yearly filings under the Companies Act, *etc*. We have historically experienced seasonal fluctuation in the sales/ usage of our technology platform, with higher sales volumes and usage associated with the regulatory filings during the second and third quarters of each Financial Year. These seasonal variations in consumer demand subject our sector to a considerable degree of volatility. As a result, our revenue and profits may vary during different quarters of the Financial Year and certain periods may not be indicative of our financial position for a full Financial Year or future quarters or periods and may be below market expectations. Since our business is seasonal in nature, we are vulnerable to non-availability of adequate resources such as employees and technical staff and software and hardware infrastructure to respond to the increased demand of products and solutions during the peak filing season. In the event, we are unable to source adequate resources and effectively respond to the increased demand, we may face the risk of losing our customers to our competitors which could lead to significant reduction in our customer base. Our inability to effectively and in a timely manner respond to the above-mentioned events might affect our brand image and our ability to capitalise the opportunities which such spurred demand offers for our business and in turn could adversely affect our cash flows, financial condition and business operations.

29. Our registered office and data centres through which we operate have been taken on lease and we cannot assure you if such lease will be renewed from time to time.

Our Registered Office located in Bengaluru and our data centres located in Bengaluru and Chennai Tamil Nadu are at premises leased by us. For details, please refer to the chapter titled "*Our Business - Property*" on page 172 of this Preliminary Placement Document. There can also be no assurance that our Company will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. Further, there can be no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such leave and license and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee will adversely affect our business operations. Accordingly, we may not be accorded legal protection in the event of any dispute pertaining such leased premises and may have to vacate the premises prior to the completion of the lease term and/ or may have to forfeit any security deposits paid for such premises. Further, we may not be able to obtain alternate office space in a timely manner and on similar terms or at all which may disrupt our business and divert management time affecting our financial condition, results of operations and cash flows.

30. Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the purposes described in the "*Use of Proceeds*" on page 94. The funding requirements mentioned as a part of the objects of the Issue have not been appraised by any bank or financial institution. While a monitoring agency will be appointed for monitoring utilisation of the Net Proceeds, the proposed utilisation of the Net Proceeds is based on current conditions, internal management estimates, estimates received from the third party agencies and are subject to changes in the external circumstances or costs, or in other financial condition, business or strategy as discussed further below.

Based on the competitive nature of our industry, we may have to revise our business plan and / or management estimate from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows. Further, pending utilisation of Net Proceeds towards the Use of Proceeds, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1939. Accordingly, prospective investors in the Issue will need to rely on our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilisation of the Net Proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the Net Proceeds and our business and financial results may suffer.

31. The schedule of deployment of Net Proceeds from the Issue as set out in the section "Use of Proceeds" will be at the discretion of our management

Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceeds.

We intend to utilize portions of the Net Proceeds for (i) Funding of expenditure relating to product development by our Company and by eMudhra INC, one of our Subsidiaries; (ii) Investment in eMudhra INC for funding their working capital requirements; (iii) Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries; and (iv) General corporate purposes. These estimates are based on various factors, including current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies and the passage of time. Further, for details of certifications and quotations which form basis of such estimates, please see "*Use of Proceeds*" on page 94. If we engage someone other than the identified third-party vendors and contractors from whom we have obtained quotations or if the quotations obtained expire, such vendor's / contractor's estimates and actual costs may differ from the current estimates. Our management will have broad discretion to use the Net Proceeds and you will be relying on

the judgment of our management regarding the application of these Net Proceeds. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, price fluctuations, business and strategy, negotiation with our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law.

32. Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we offer our products and services directly or through our partners to our customers without taking any advance payment or security deposit against the orders placed by them. We periodically review the payments due from customers, and the outstanding trade receivables of our Company and actively pursue such customers to make such payments. Although there have been no instances of material default from customers which have occurred in the past, any such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. For the six month period ended September 30, 2023 and the Fiscals ending March 31, 2023, 2022 and 2021 our trade receivables were ₹ 1,087.56 million, ₹ 680.78 million, ₹ 446.97 million and ₹ 149.10 million, respectively, out of which, debts amounting to ₹ 305.72 million, ₹ 120.75 million, ₹ 136.54 million and ₹ 20.33 million were outstanding for a period exceeding six months. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

33. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Our business requires a significant amount of working capital. As per our settled business terms, we require our customers to pay the consideration either in tranches on a milestone basis as per the terms of the engagement or pay the full amount of the consideration after the completion of our service or implementation of our product, as a result, significant amounts of our working capital are often required for our day-to-day operations before payment is received from our customers. Any delay in processing our payments by our customers may increase our working capital requirement. Although there have been no instances of material default from customers which have occurred in the past, however any instances of customer defaults in making payments for a product on which we have devoted significant resources or terminates our services during the course of the contract or engagement, it may create hardship for us in recovering the consideration due and payable and in turn create a deficit in the revenue earned and the working capital requirement of our Company which in turn could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we may incur pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the

other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

34. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As of March 31, 2023, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Audited Consolidated Financial Information aggregated to ₹ 32.29 million. The details of our contingent liabilities are as follows:

(₹ in million)

Particulars	**Amount**
Bank Guarantees	-
Income Tax Appeal	32.29
Total	**32.29**

For further details of contingent liability, see the section titled — "*Financial Information- Note 45 – Contingent Liabilities*" on page 337 of this Preliminary Placement Document. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

35. Our Subsidiaries have incurred losses in the past.

Our Subsidiaries have incurred losses in the past.

The details of the losses incurred by our Subsidiaries are as under:

(in INR million)

Name of the entity	**Year of incorporation**	**Year of commencement of operations ~**	**Profit/(Loss)**		
			March 31, 2023	**March 31, 2022**	**March 31, 2021**
eMudhra Technologies Limited&	2012	2014	5.84	2.03	(10.55)
eMudhra INC#	2013	2020	90.71	17.57	(11.04)
eMudhra (MU) Limited^	2013	2013	0.75	1.23	(48.23)
eMudhra PTE Limited#	2017	2019	27.88	1.97	(0.47)
eMudhra BV#	2019	2021	4.08	0.65	(0.95)
PT eMudhra#	2020	2021	(12.19)	(6.51)	-*

~Based on the date of first billing.
**Our Subsidiary was not operational in this Financial Year.*
^Our operations in the Middle East and Africa were originally carried out through eMudhra MU and subsequently, the said business was shifted to our Subsidiary, eMudhra DMCC. eMudhra MU incurred local expenses and depreciation on software without corresponding revenues. due to which eMudhra MU incurred losses in the Fiscal 2021.
 # Our Subsidiaries, eMudhra Inc, eMudhra BV and PT eMudhra, became fully operational. Their revenue was not sufficient to cover their expenditure, hence the said Subsidiaries incurred losses.
& eMudhra Technologies is in the business of emSign CA and operates the Root CA for our global certifying authority operations. eMudhra Technologies received the requisite approvals from browser which were essential for its business operations and commenced business in Fiscal 2021, it incurred losses for the Fiscal 2021.

There can be no assurance that our Subsidiaries will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by our Subsidiary may be perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation.

36. One of our Subsidiaries, eMudhra INC had a negative Net Worth.

One of our Subsidiaries, eMudhra INC which became fully operational in Fiscal 2020, had a negative Net Worth due to losses incurred due to its revenue not being sufficient to cover its expenditure. eMudhra INC had appointed ground level salespersons to generate business leads in Fiscal 2020 which led to incurrence of personnel expenses and general administration expenses. However, Fiscal 2021 had the impact of COVID -19 and eMudhra INC could not generate enough revenues to match up these expenditures of eMudhra INC., which in turn led to

negative net worth in Fiscal 2021. However, with improved conditions, and generation of revenue, eMudhra INC has positive net worth as on March 31, 2022 and March 31, 2023.

Details of its net worth is provided below:

(in INR million)

Name of the entity	Net Worth		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
eMudhra INC	394.25	3.56	(13.91)

There can be no assurance that our Subsidiaries will not incur negative Net Worth in the future as well.

37. We have in past entered into related party transactions and we may continue to do so in the future.

As of March 31, 2023, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group and our Subsidiaries relating to our operations. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for the Fiscal ended March 31, 2023. For further details, please refer to the chapter titled "*Financial Statements - Audited Consolidated Financial Statements as at and for the year ended March 31, 2023 along with audit report issued*" beginning on page 291.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

38. Increases in operational costs could adversely affect our results of operations.

Factors such as inflation, increased employee benefit costs (by regulation or otherwise), increased rental costs, and increased energy costs may increase our operating costs. Further, to maintain our operational costs and margins, it is imperative to optimize the expansion of business operations and product portfolio. Many of the factors may also affect our vendors, channel partners and enterprise solution partners, which are beyond their control. Any future increase in the operational costs may cause our vendors, channel partners and enterprise solution partners to spend less time providing services to our end users or to seek alternative sources of income. Likewise, these increased costs may cause such third parties to pass costs on to us and our end users by increasing prices, which would likely cause order volume to decline, and may cause our vendors, channel partners and enterprise solution partners to cease operations altogether.

39. 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, that have impaired our ability to attract and retain clients or have subjected us to significant legal liability and reputational harm, however, in the future there could be, and may 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.

40. We have not made any alternate arrangements for meeting our capital requirements for the Use of Proceeds. Further, we have not identified any alternate source of financing the 'Use of Proceeds. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Use of Proceeds. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Net Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "*Use of Proceeds*" on page 94 of this Preliminary Placement Document.

41. Our Promoters, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters, Directors, Key Managerial Personnel and Senior Management 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 Promoter, Venkatraman Srinivasan is the Chairman and Director of our Company and therefore may be deemed to be interested in any remuneration which may be payable to him in such capacity.

As on September 30, 2023, our Promoters and members of our Promoter Group collectively hold 57.70% of the Equity share capital of our Company. As a result, our Promoters have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoters continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel 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. For further details please refer to, "*Summary of Business"*, "*Board of Directors and Senior Management Personnel*" and "*Financial Statements*" on pages 32, 205, and 277, respectively of this Preliminary Placement Document.

There can be no assurance that our Promoters, Directors, Key Management Personnel and Senior Management 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. Our Directors, our Key Management Personnel and our Senior Management may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

42. Our erstwhile chief financial officer of the Company resigned with effect from November 17, 2023 due to personal reasons. If we are unable to appoint a replacement within the statutory timelines as provided under the Companies Act, 2013 and the SEBI Listing Regulations, our Company, every Director and Key Managerial Personnel who are in default, may be punishable under the provisions of the Companies Act, 2013, which could adversely affect our reputation, operations and business.

Our erstwhile chief financial officer of the Company – Saji K Louiz, resigned on November 8, 2023 (with effect from November 17, 2023) due to personal reasons. While we have currently not filled the vacancy caused by the resignation of our erstwhile chief financial officer, we are required to fill the vacancy as per the statutory timelines prescribed under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, .

If we are unable to appoint a replacement within the statutory timelines as provided under the Companies Act and SEBI Listing Regulations, 2013, our Company and every Director and Key Managerial Personnel who are in default shall be punishable as per the provisions of applicable law. This could adversely affect our reputation, operations and business.

43. We are dependent on our Promoters, management team and a number of Key Managerial Personnel and Senior Management and the loss of, or our inability to hire, retain, train, engage and motivate qualified personnel could adversely affect our business, results of operations and financial condition.

Our ability to compete in the highly competitive technology industry depends upon our ability to attract, motivate, and retain qualified personnel. We are highly dependent on the continued contributions and customer relationships of our management and on our senior leadership led by our Promoter, management team and key managerial personnel. All of our executive officers and key personnel are at-will employees and may terminate their employment relationship with us at any time. The loss of the services of our key personnel and any of our other executive officers, and our inability to find suitable replacements, could result in a decline in sales, delays in product development, and harm to our business and operations. However, other than one Senior Management personnel who took premature retirement and one KMP who resigned on account of personal reasons, post Fiscal 2023, none of the Directors, Key Managerial Personnel and Senior Management have resigned in the past three Fiscals.

At times, we have experienced, and we may continue to experience, difficulty in hiring and retaining personnel with appropriate qualifications, and we may not be able to fill positions in a timely manner or at all or may need to implement measures such as salary cuts due to external reasons. As of September 30, 2023, we had 794 permanent employees. We cannot guarantee that we will be able to recruit and retain qualified and capable employees. We cannot guarantee that we will be able to recruit and retain qualified and capable employees. In addition, our recruiting personnel, methodology, and approach may need to be altered to address a changing candidate pool and profile. We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other technology companies before we realise the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those geographic areas, but it may be challenging for us to compete with traditional local employers in these regions for talent. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be harmed.

Our success depends on our ability to effectively source and staff people with the right mix of skills and experience to perform services for our customers, including our ability to transition personnel to new assignments on a timely basis. If we are unable to effectively utilise our personnel on a timely basis to fulfil the needs of our customers, our business could suffer. Further, if we are not able to utilise the talent we need because of increased regulation of immigration or work visas, including limitations placed on the number of visas granted, limitations on the type of work performed or location in which the work can be performed, and new or higher minimum salary requirements, it could be more difficult to staff our personnel on customer engagements and could increase our costs.

44. Our international operations and expansion efforts may expose us to complex management, foreign currency, legal, tax and economic risks. We are also subject to foreign exchange control regulations which can pose a risk of currency fluctuations. These risks may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

As we grow our consumer base in India, we also aim to selectively explore and evaluate expansion into international markets. Although, we are domiciled in India, we have an overseas presence in various geographies

through our Subsidiaries We operate through our Subsidiaries in India, United States, Netherlands, United Arab Emirates, Singapore, Indonesia, Kenya and Mauritius. We propose to enhance our local presence in the United States of America through our Subsidiary - eMudhra INC by utilising a portion of the Net Proceeds for funding its working capital requirements. For details, see "*Use of Proceeds*" on page 94. As a result of our existing and expanding international operations, we are subject to risks inherent to establishing and conducting operations in international markets, including:

- cost structures and cultural and language factors associated with managing and coordinating our international operations, including establishing new relationships with channel partners;
- compliance with a wide range of regulatory requirements, foreign laws, including immigration, tax laws where we usually rely on the opinions of experts on such matters, including in relation to transfer pricing norms and applicability of the relevant provisions of double taxation avoidance agreements, but which often involve areas of uncertainty;
- difficulty in staffing and managing foreign operations;
- companies that may have more experience with operations in such countries or with international operations generally
- potential difficulties with respect to protection of our intellectual property rights in some countries; and
- Indian regulations and restrictions on export and import of solutions.

The risks stated above and the constantly changing dynamics of international markets could have a material adverse effect on our business, financial condition, results of operations and cash flows. Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our stakeholders could have an adverse effect on our business, results of operations, cash flows and financial condition. Any international expansion may also be loss-making in the initial years or beyond due to a lack of scale or higher operating costs. There could also be legal and regulatory requirements for our existing or new products and solutions and new geographies generally, including relating to intellectual property usage and registration, data protection including GDPR, money-laundering and tax, which we may not have adequately anticipated and considered, which could impact the project timelines, launch dates or our ability to offer such products and solutions. We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support our future operations, or establish or develop business relationships beneficial to our future operations. Failure to manage growth effectively could have an adverse effect on our business, results of operations, cash flows and financial condition

Further, our exposure to foreign currency risk arises in respect of our non-Indian Rupee-denominated trade and other receivables, trade payables, and cash and cash equivalents. While our presentation and functional currency is the Indian Rupee, we have trade receivables and trade payables denominated in other foreign currencies. Any fluctuation in the value of the Indian Rupee may affect our results of operations and cash flows. Our Company is also involved in various business transactions with international clients and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. Further, our international operations (export sales) make us susceptible to the risk of currency fluctuations, which may directly affect our operating results.

45. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We have obtained a number of insurance policies in connection with our operations. For further information, see "*Summary of Business*" on page 32. As of March 31, 2021, 2022 and 2023, the aggregate coverage of the insurance policies obtained by us was ₹ 1,240.00 million, ₹ 1,640.00 million and ₹ 2,660.00 million which constituted 100.15%, 127.67% and 186.21% of our non-current assets excluding investments and intangible assets, respectively.

While there have not been any significant instances of losses in the past and consequently no insurance claims were made by our Company and we believe that the insurance coverage which we maintain would be reasonably

adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

46. 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. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. 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. Our Company has declared dividends for the Financial Year 2022 and Financial Year 2023. However, there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled "*Dividends*" on page 115, of this Preliminary Placement Document.

47. We have commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data provided in the same.

We have exclusively commissioned and paid for an industry report titled "*"Cyber Security and Paperless Transformation Market" dated October 5, 2023 (the "**F&S Report**")* issued by "*Frost & Sullivan*" for the purpose of confirming our understanding of the industry in connection with the Issue and for making disclosures which need to be made in the chapter titled "*Industry Overview*" of this Preliminary Placement Document. Certain sections of this Preliminary Placement Document include information based on, or derived from, the F&S Report. All such information in this Preliminary Placement Document indicates the F&S Report as its source. Accordingly, any information in this Preliminary Placement Document derived from, or based on, the F&S Report should be read taking into consideration the foregoing. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Furthermore, the F&S Report is not a recommendation to invest or disinvest in any company covered in the F&S Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Preliminary Placement Document based on, or derived from, the F&S Report. You should consult your own advisors and undertake an independent assessment of information in this Preliminary Placement Document based on, or derived from, the F&S Report before making any investment decision regarding the Issue.

48. Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed

interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

EXTERNAL RISK FACTORS

49. Any adverse application or interpretation of the Competition Act could adversely affect our business

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any award passed by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, cash flows and results of operations.

50. Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our customers or business partners are affected by such natural disasters or epidemics.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, SARS, the H1N1 and H5N1 viruses and the COVID-19 pandemic caused an economic downturn in several major economies and generated volatility in, and general adverse impact on, the global securities markets, including in India. Further, it is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Further deterioration in the global economy as a result of Pandemics, or the perception that such deterioration could occur, may continue to adversely affect 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 adversely affect our business, cash flows, results of operations, financial condition and reduce the price of our Equity Shares. Any financial disruption could materially and adversely affect our business,

results of operations, Shareholders' equity and the price of our Equity Shares.

Furthermore, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

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

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, including India. A loss in 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 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.

These could include greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also 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.

52. Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes 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. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1,

2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

Further, the Government of India has announced the Union Budget for the Fiscal 2024 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India. Amendments made pursuant to the Finance Act, 2023 may have an impact on our business, financial condition and results of operations. As a result, any such changes or interpretations could adversely affect our business and financial performance There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Further, the Government of India recently notified the Digital Personal Data Protection Act on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with such Data Protection Act.

53. Investors outside India may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.

Our Company is a limited liability company incorporated under the laws of India. All of our directors and executive officers are residents of India. Many of our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the 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 record; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not

being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in Indian. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

54. Any adverse change or downgrade in ratings of India may adversely affect our business, results of operations and cash flows.

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 favorable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares. The credit ratings obtained during the last three fiscals by us from Investment Information and Credit Rating Agency of India Limited ("**ICRA**") is disclosed below:

Term	Rating agency	Nature of debt instruments	Amount (₹ in million)	Credit Ratings
June 18, 2024	ICRA	Unallocated- Long term	350	[ICRA]A-
		Unallocated- short term		[ICRA]A2

55. 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. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse 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.

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

We present our financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements included in this Preliminary Placement Document, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should be limited accordingly.

RISKS RELATING TO THE EQUITY SHARES AND THIS ISSUE

57. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.

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

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Additionally, the Finance Act, 2020 does not require dividend distribution tax ("**DDT**") to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF. Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments were notified on December 10, 2019 and have come into effect from July 1, 2020.

The Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill

has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act. There is no certainty on the impact of Finance Act 2021 on tax laws or other regulations, which may adversely affect the Bank's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

58. Any future issuance of Equity Shares or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the 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 falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the FDI Policy dated October 15, 2020 and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

60. Rights of shareholders of companies under Indian law may be more limited than under the laws of other

jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder our Company than as a shareholder of an entity in another jurisdiction.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 78,072,371 Equity Shares have been issued, subscribed and paid up. The face value of the Equity Shares is ₹5 per Equity Share. The Equity Shares have been listed on BSE and NSE since June 1, 2022. The Equity Shares are listed and traded on NSE under the symbol EMUDHRA and BSE under the scrip code 543533.

On January 11, 2024 the closing price of the Equity Shares on BSE and NSE was ₹ 434.90 and ₹ 435.10 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

1. The following tables set out the reported high, low and average of the closing prices of the Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscals 2023, 2022 and 2021.

BSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2023*	399.70	August 11, 2022	158,632	61,237,663.00	206.90	March 27, 2023	30,042	6,379,271.00	293.95
2022**	NA	NA	NA	NA	NA	NA	NA	NA	NA
2021**	NA	NA	NA	NA	NA	NA	NA	NA	NA

(Source: www.bseindia.com)
**From Listing date (June 1, 2022) till end of period (March 31, 2023)*
*** Information for FY 22 and FY 21 is not available since our Company got listed on June 1, 2022*

NSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2023*	398.90	August 11 2022	2,424,242	929,024,966	206.80	March 27 2023	488,056	103,331,296.20	293.92
2022**	NA	NA	NA	NA	NA	NA	NA	NA	NA
2021**	NA	NA	NA	NA	NA	NA	NA	NA	NA

(Source: www.nseindia.com)
**From Listing date (June 1, 2022) till end of period (March 31, 2023)*
*** Information for FY 22 and FY 21 is not available since our Company got listed on June 1, 2022*

Note:

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a year, average price for the year represents the average of the closing prices on each day of each year.*

2. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months, as applicable:

NSE											
Month, year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)***	**Equity Shares traded in the month**	
										Volume	**Turnover (₹)**
December 2023	470.00	Dec 4, 2023	1,00,538.00	4,61,07,770.35	417.60	Dec 28, 2023	2,01,331.00	8,71,84,468.25	441.32	29,07,774.00	1,27,79,66,808.20
November 2023	491.00	Nov 12, 2023	1,44,285.00	7,02,28,915.70	448.10	Nov 8, 2023	52,193.00	2,38,55,060.05	463.18	19,77,149.00	92,34,71,491.90
October 2023	494.45	Oct 4, 2023	2,03,084	9,80,70,082.10	416.00	Oct 26, 2023	1,10,256	4,67,02,088	458.74	17,94,376	82,59,09,497.90
September 2023	528.90	Sept 6, 2023	10,03,995	49,31,31,095.85	452.10	Sept 13, 2023	1,22,714	5,67,95,865.90	483.23	3759,077	1828,422,572.50
August, 2023	534.80	August 18, 2023	814178	418,984,675.55	430.20	August 08, 2023	145,516	64,406,349.05	477.40	5,567,917	2,749,778,706.40
July, 2023	510.90	July 24, 2023	2,91,588	145,547,380.95	405.00	July 04, 2023	218,318	91,309,957.95	469.23	7,359,309	3,411,732,966.70

(Source: www.nseindia.com)

BSE											
Month, year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹)**
December 2023	469.50	Dec 4, 2023	3,321	15,28,388	420.05	Dec 28, 2023	8,441	36,44,535	441.44	1,64,303	7,25,42,139
November 2023	490.55	Nov 12, 2023	6,262	30,45,166	445.35	Nov 7, 023	7,664	35,06,667	463.12	1,40,196	6,52,51,867
October 2023	494.00	Oct 4, 2023	27,036	1,30,71,580	415.95	Oct 26, 2023	22,910	96,85,800	458.75	1,86,651	8,50,87,343
September 2023	517.20	Sept 6, 2023	2,64,684	13,06,14,015	451.90	Sept 13, 2023	30,595	1,41,47,850	482.91	4,95,026	24,16,36,427
August, 2023	535.35	Aug 18, 2023	85,586	43,829,568	430.00	Aug 03, 2023	12705	5,624,326	477.68	571,100	278,565,071
July, 2023	510.00	July 24 2023	25,389	12,687,956	406.65	July 04, 2023	20285	8,455,354	469.28	678,520	314,910,063

(Source: www.bseindia.com)

Note:

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*

3. *In the case of a month, average price for the month represents the average of the closing prices on each day of each month*.

- The following tables set forth the market price on the Stock Exchanges on August 25, 2023 being the first working day following the approval of the Board for the Issue:

BSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹)**
510.15	520.05	499.95	513.55	19,806	10,093,042

(Source: www.bseindia.com)

NSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹)**
517.80	521.50	500.05	515.05	128,780	65,744,374.30

(Source: www.nseindia.com)

USE OF PROCEEDS

The Issue is being undertaken in accordance with Regulation 173 read with Chapter VI of SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 including the rules made thereunder, to the extent applicable.

The total gross proceeds from the Issue shall aggregate up to ₹ [●] million (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, of approximately ₹[●] million, shall be approximately ₹[●] million (the "**Net Proceeds**").

Purpose/Objects of the Issue

Subject to compliance with applicable laws and regulations, we intend to use the Net Proceeds towards the following objects ("**Use of Proceeds**"):

i. Funding of expenditure relating to product development by our Company and by eMudhra INC, one of our Subsidiaries;
ii. Investment in eMudhra INC for funding their working capital requirements;
iii. Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries; and
iv. General corporate purposes.

(collectively, referred to hereinafter as the "**Objects**").

Our main objects and objects incidental or ancillary to the attainment of the main objects of our Memorandum of Association enables us to undertake the Objects contemplated by us in this Issue.

Requirement of funds

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

(in ₹ million)

Sr. No.	Particulars	Estimated Amount
i.	Funding of expenditure relating to product development by our Company and by eMudhra INC, one of our Subsidiaries	407.80
ii.	Investment in eMudhra INC for funding their working capital requirements	270.00
iii.	Funding the Company's inorganic growth initiatives by itself or by investing in Its Indian and/or Overseas Subsidiaries.	850.00
iv.	General corporate purposes*	[●]
Total Net Proceeds		[●]

** The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds.*

In the event of a change in the final Issue size, the amounts shown in the table above against each of the Use of Proceeds specified therein shall be modified basis the final Issue size in the Placement Document.

Utilization of Net Proceeds and Schedule of Deployment

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

(In ₹ million)

Sr. No.	Particulars	Total estimated cost	Amount deployed till December 31, 2023	Amount to be funded from the Net Proceeds	Estimated deployment of the Net Proceeds	
					Fiscal 2024	Fiscal 2025
i.	Funding of expenditure relating to product development by our Company, one of our Subsidiaries	452.00	44.20@@	407.80	19.20	388.60

(In ₹ million)

Sr. No.	Particulars	Total estimated cost	Amount deployed till December 31, 2023	Amount to be funded from the Net Proceeds	Estimated deployment of the Net Proceeds	
					Fiscal 2024	Fiscal 2025
ii	Investment eMudhra INC for funding their working capital requirements	270.00	-	270.00	50.00	220.00
ii	Funding the Company's inorganic growth initiatives	850.00	-	850.00	-	850.00@
iv	General corporate purposes*	[●]	-	[●]	[●]	[●]
Total*		[●]	**44.20**	[●]	[●]	[●]

** The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds.*
@In the event of an opportunity for an inorganic acquisition arising prior to Fiscal 2025, our Company may, subject to compliance with applicable law and market conditions, utilize the amount allocated for deployment in Fiscal 2025, or earlier, that is in in Fiscal 2024 itself aggregating to ₹ 850.00 million. Any balance amount not utilized out of such ₹ 850.00 million in Fiscal 2024, will be utilized in Fiscal 2025 in such circumstances.
@@ As certified by Suri and Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated January 12, 2024, in respect of amounts deployed towards the product development.

The fund requirements, the proposed deployment of funds and the intended use of the Net Proceeds as set-out above are based on our current business plans, internal management estimates, management estimates of future growth projections of the Company and Subsidiaries, vendor quotations, current circumstances of our business and prevailing market conditions, which are subject to change. The fund requirements and proposed deployment of funds described herein have not been appraised by any bank or financial institution or any other independent agency. For details on risks involved, see "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.*" on page 76.

We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, price fluctuations, business and strategy, negotiation with our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law. For details on risks involved, see "*Risk Factors – The schedule of deployment of Net Proceeds from the Issue as set out in the section "Use of Proceeds" will be at the discretion of our management.*" on page 76.

If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required, in accordance with applicable laws. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Subject to applicable laws, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/or debt arrangements from existing and future lenders.

Details of the Use of Proceeds

1. **Funding of expenditure relating to product development by our Company and eMudhra INC, one of our Subsidiaries.**

We are engaged in providing technology solutions in the secure digital transformation industry, wherein we offer Digital Trust Services and Enterprise Solutions to users functioning in various industries in India and internationally.

Under our Digital Trust Services business, we issue a range of certificates which provide cryptographic digital identities to individuals, organizations, websites and devices controlled over internet of things ("**IoT**") and ensure authenticity of transactions emanating from the above said entities to build a digital trust backbone.

As part of our Enterprise Solutions business, we offer a diverse portfolio of cyber security and paperless transformation solutions, complementing our Digital Trust Services, to customers engaged in different industries, thereby making our Company a 'one stop shop' player in secure digital transformation providing a wide spectrum of services from issuance of certificates as a certifying authority to offering identity, authentication, certificate issuance and life cycle management and signing solutions.

Our research and development ("**R&D**") team through its core competencies has developed the intellectual property used by us for providing our Digital Trust Services and Enterprise Solutions. Our technological capabilities represent our core competency and are our key competitive advantage. Our Digital Trust Services and Enterprise Solutions cater to a growing need for cyber security, digital and paperless transformation in India and globally. Since inception, our Company's vision has been to create differentiated solutions in cyber security and digital transformation space. Our R&D team, in order to achieve this vision, has devised and developed a product portfolio consisting of products, namely, emSigner, emCA, emDiscovery and emAS ("**Existing Products**") which cater to differentiated needs of our end users. We have invested in large technical teams with relevant skillsets to build, support and manage our Existing Products and have also invested in the required tools and platforms to make such Existing Products user friendly and easily available to our end users. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three Financial Years. A break-up of the capital expenditure incurred towards intellectual property for the six months period ended September 30, 2023, Financial Years 2023, 2022 and 2021 has been provided below:

Particulars	**Six months period ended September 30, 2023**		**Financial Year 2023**		**Financial Year 2022**		**Financial Year 2021**	
	₹ in million	**% of revenue from operations**	**₹ in million**	**% of revenue from operations**	**₹ in million**	**% of revenue from operations**	**₹ in million**	**% of revenue from operations**
Expenditure incurred towards intellectual property	223.64	12.70	159.79	6.42	49.46	2.71	53.62	4.07
Cost break-up is given below:								
Employee costs towards product development	77.00	4.37	100.02	4.02	43.06	2.36	36.95	2.81
Purchase of related software/services	146.64	8.33	59.77	2.40	6.40	0.35	16.67	1.27

We have constantly invested into augmenting product capabilities to build ourselves as a 'one stop shop' player in secure digital transformation, innovating and developing new products in the areas of identity management, authentication and authorization or digital signatures for our customers. Our Company has incurred ₹ 223.64 million, ₹ 159.79 million, ₹ 49.46 million and ₹ 53.62 million for the six-month period ended September 30, 2023 and during the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively, towards capital expenditure incurred towards developing our intellectual property. Our revenue from operations grew at a CAGR of 37.50% between Financial Years 2021 to 2023 which reflects the market acceptance of our Existing Products which in turn has provided the necessary growth impetus to our Company. Our Company in order to achieve consistent growth needs to continuously invest in our R&D team and provide for resources or outsourced software development to develop new and differentiated products around cyber security and digital transformation.

Post Quantum Cryptography ("**PQC**") is the cryptographic research community's answer to the threats posed by quantum computing. 'Homomorphic' refers to the transformation of one data set to another without changing the

relationship between elements in both sets. Homomorphic encryption is defined as the conversion of data into ciphertext that can be analyzed and worked with as if it is still in its original version. It enables complex mathematical operations to be performed on encrypted data without compromising the encryption. A mobile Public Key Infrastructure ("**PKI**") is designed to work with the limitations of mobile devices such as low power, less memory, less processing power, etc. and provide secure connection for both public web pages and private systems. It can be used for device authentication, 2FA (2 factor authentication), and identity management for mobile devices. Some of the benefits of mobile PKI include improved security (ensures secure connection between public web pages and private systems, confirms data is encrypted and signed, and digital certificates issued to authenticate the identity of users, devices, and systems), cost effectiveness, offers device authentication, 2FA and identity management (*Source: F&S Report*). Accordingly, we propose to utilize the Net Proceeds of the Offer amounting to ₹ 407.80 million to invest in development of such products, namely, PQC, Fully Homomorphic Encryption ("**FHE**") and Mobile PKI (the "**New Products**"). To build these New Products, we will need to hire technical teams with the right skillset to build, support and manage these products, outsource whole or part of the product development effort and also investing and buying in right tools and platforms.

These investments in FHE and Mobile PKI will be made directly by our Company and the investments in PQC will be made in the United States of America by one of our Subsidiaries – eMudhra INC. To the extent of investment in PQC by our subsidiary eMudhra INC, our Company will be investing in eMudhra INC. The actual mode of such deployment has not been finalised as on the date of this Preliminary Placement Document.

Estimated Costs of Development

The estimated cost proposed to be incurred for the development of New Products, to be funded from the Net Proceeds, is provided below:

(₹ in million)

New Products	Amount deployed till December 31, 2023[@]	Fiscal 2024 (A)	Fiscal 2025 (B)	Total (C=A+B)
a) FHE	5.50	8.95	95.37	104.32
b) Mobile PKI	6.30	10.27	109.36	119.63
c) PQC	32.47	-	183.92	183.92
Total	**44.27**	**19.22**	**388.65**	**407.87**
Amount (rounded-off)	**44.20**	19.20	388.60	407.80

[@] *As certified by Suri and Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated January 12, 2024, in respect of amounts deployed towards the product development.*

Our R&D team plays an integral role in designing and developing new products and technology and diversifying our product portfolio and we rely on skilled personnel and technical professionals for product development and product enhancement. We propose to utilize our existing team of professionals as well as engage new skilled professionals and technical staff on a contractual basis and outsource part of the software development work to appropriate vendors to carry out the development process and enable us to achieve the desired outcome.

The details of the existing R&D team of our Company as on September 30, 2023, comprises:

Role	Number of People	Total Annual Cost (in ₹)
Supervisory	7	31,245,134
Managerial level	31	72,333,725
Execution level	237	201,633,272
Total	275	305,212,131

Details of New Products

I) Funding of expenditure relating to development of FHE and Mobile PKI by our Company.

(a) FHE

Our business strategy underscores the critical importance of investing in research and development for FHE, revolutionizing data security and privacy paradigms. With the increasing reliance on digital platforms and the rise of

personal data breaches, the urgency to ensure robust encryption mechanisms has never been greater. The current encryption methodologies do not allow searching and analysis of encrypted data. Due to this, in a number of situations the data remains unencrypted leading to high security risk. By focusing on FHE, we aim to develop solutions that enable the searching and analysis of encrypted data, eliminating the need to compromise data privacy for analysis. This technology aligns seamlessly with the growing global emphasis on data protection, as underscored by legislation such as GDPR (General Data Protection Regulation), CCPA (California Consumer Privacy Act), and the Digital Personal Data Protection Act, 2023 in India. By adhering to these privacy bills, we not only address legal requirements but also gain a competitive edge by offering data-driven organizations the ability to extract insights while safeguarding data including individual privacy rights, thus cementing our position in this transformative field.

Firstly, FHE introduces a notable performance overhead, rendering real-time processing and analysis challenging, especially when dealing with substantial datasets. The intricate nature of FHE algorithms demands a deep understanding of advanced mathematical concepts. Managing FHE keys securely, including generation, storage, and distribution, is paramount but inherently complex, particularly in scenarios involving multiple users and data sources.

Secondly, transforming input data into an encrypted format compatible with FHE operations can be a non-trivial task, especially for complex data structures. FHE's suitability is context-dependent, making it more appropriate for privacy-centric use cases rather than universal applicability. While building FHE solutions, the scalability issues need to be kept in mind. Balancing usability and adoption is essential, as FHE solutions can be complex for end-users, necessitating educational efforts and thoughtful user experience design. Lastly, FHE being an active research area implies the need for continuous updates and adaptations to remain aligned with emerging developments and enhancements.

The table below sets forth the break-up of the total estimated costs for engaging skilled professionals and technical staff for developing FHE:

Sr.No.	Role Description	No. of resources	Cost / resource (per month in ₹)	Total in ₹ (Feb 2024 - Mar 2024)	Total in ₹ (Apr 2024 - Mar 2025)**
1	Project Manager 15+ years experience with strong experience in project management including Agile and DevOps implementation practices	1	441,250	882,500	5,824,500
2	Business Analyst 10+ years experience in business analysis, requirement gathering and analysis, solution design, user flow modelling	1	275,000	550,000	3,630,000
3	Solution Architect 12+ years experience as a solution architect with experience across web applications and database	1	385,000	770,000	5,082,000
4	Lead Developer 10+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	4	330,000	2,640,000	17,424,000
5	Senior Developer 7+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	5	231,000	2,310,000	15,246,000
6	Junior Developer 3+ years experience in product development with experience in in Java as	8	132,000	2,112,000	13,939,200

Sr.No.	Role Description	No. of resources	Cost / resource (per month in ₹)	Total in ₹ (Feb 2024 - Mar 2024)	Total in ₹ (Apr 2024 - Mar 2025)**
	a full stack developer (Core Java, Spring, Hibernate)				
7	Android Developer 5+ years experience in Android product development with exposure to Kotlin/Java frameworks	3	220,000	1,320,000	8,712,000
8	iOS Developer 5+ years experience in iOS product development with exposure to Swift development framework	3	220,000	1,320,000	8,712,000
9	QA Manager 10+ years experience as a QA Manager with experience in Manual, Automation and regression testing	1	275,000	550,000	3,630,000
10	QA and Performance Testers 3+ years experience in QA testing including manual, automation testing	4	88,000	704,000	4,646,400
11	Security Architect 10+ years experience as a security architect with understanding of testing signature, encryption algorithms	1	220,000	440,000	2,904,000
12	VAPT Developers 4+ years experience as a VAPT developer including exposure to tools such as Burrp suite	3	142,000	852,000	5,623,200
	Total			14,450,500	95,373,300
	Grand total				109,823,800
	Total (rounded off)				**110,000,000**

The total estimated cost for the 14 month period will be approximately ₹ 110 million.

**The quotation dated January 10, 2024 has been obtained by our Company from Connex Teletech Private Limited. The validity of the quotation mentioned above is valid for six months.*
***For the financial year 2024-25, 10% increase in resource cost has been budgeted.*
Expected completion date of contract: March 31, 2025

(b) Mobile PKI:

Our business strategy underscores the imperative of investing in research and development for Mobile Public Key Infrastructure (PKI), harnessing the secure elements found in certain devices. As the threat landscape evolves, ensuring robust authentication and digital signatures gains prominence across diverse sectors. By capitalizing on hardware-backed secure elements, we offer an unparalleled level of key security, mitigating risks of potential attacks. Our strategy is tailored to various industries, including Government, BFSI, healthcare and e-commerce, where streamlined authentication and signing are vital. A key distinction lies in the user experience; compared to cumbersome crypto tokens, our approach offers seamless ease of use through mobile, fostering mass adoption. Our mobile PKI platform will be built leveraging industry standards such as FIPS (Federal Information Processing Standards) and EAL (Evaluation Assurance Level) certifications in elevating security. This approach positions us as a trustworthy partner, not only in compliance with regulations but also in driving digital identity security, making it accessible and intuitive for businesses and retail users to embrace, setting a new benchmark in the digital landscape.

Developing solutions for mobile-based PKI and digital signatures involves navigating several intricacies. Firstly, ensuring seamless integration with a diverse array of mobile devices, operating systems, and versions can be complex. This necessitates a deep understanding of mobile development ecosystems and the ability to adapt to rapid changes

in technology.

Secondly, striking a balance between security and usability is a persistent challenge. Implementing robust PKI and digital signature solutions on mobile devices requires meticulous attention to security best practices, such as secure storage of private keys and strong authentication methods, while ensuring a user-friendly experience. Additionally, addressing the unique challenges of mobile environments, such as limited screen real estate and touch-based input, demands innovative design approaches. Managing user trust in mobile-based PKI and digital signatures is crucial, and establishing transparent and user-friendly workflows can be a complex task. Overall, mobile-based PKI and digital signature solutions require a holistic approach that encompasses technical expertise, adaptability, and user-centric design to be successful.

The table below sets forth the break-up of the total estimated costs for engaging skilled professionals and technical staff for developing Mobile PKI:

Sr.No.	Role Description	No. of resources	Cost per person (per month in ₹)	Total in ₹ (Feb 2024 - Mar 2024)	Total in ₹ (Apr 2024 - Mar 2025)**
1	Project Manager 15+ years experience with strong experience in project management including Agile and DevOps implementation practices	1	412,500	825,000	5,445,000
2	Business Analyst 10+ years experience in business analysis, requirement gathering and analysis, solution design, user flow modelling	1	275,000	550,000	3,630,000
3	Solution Architect 12+ years experience as a solution architect with experience across web applications and database	1	385,000	770,000	5,082,000
4	Lead Developer 10+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	4	330,000	2,640,000	17,424,000
5	Senior Developer 7+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	7	231,000	3,234,000	21,344,400
6	Junior Developer 3+ years experience in product development with experience in in Java as a full stack developer (Core Java, Spring, Hibernate)	8	132,000	2,112,000	13,939,200
7	Android Developer 5+ years experience in Android product development with exposure to Kotlin/Java frameworks	4	220,000	1,760,000	11,616,000
8	iOS Developer 5+ years experience in iOS product development with exposure to Swift development framework	4	220,000	1,760,000	11,616,000
9	QA Manager	1	271,600	543,200	3,585,120

Sr.No.	Role Description	No. of resources	Cost per person (per month in ₹)	Total in ₹ (Feb 2024 - Mar 2024)	Total in ₹ (Apr 2024 - Mar 2025)**
	10+ years experience as a QA Manager with experience in Manual, Automation and regression testing				
10	QA and Performance Testers 3+ years experience in QA testing including manual, automation testing	5	88,000	880,000	5,808,000
11	Security Architect 10+ years experience as a security architect with understanding of testing signature, encryption algorithms	1	220,000	440,000	2,904,000
12	VAPT Developers 4+ years experience as a VAPT developer including exposure to tools such as Burrp suite	4	132,000	1,056,000	6,969,600
	Total			16,570,200	109,363,320
	Grand total				125,933,520
	Total (rounded off)				**126,000,000**

The total estimated cost for the 14 month period for the above said resources along with other facilities will be approximately ₹126 million.

**The quotation dated January 10, 2024, has been obtained by our Company from Protech Online Softwares India Private Limited. The validity of the quotation mentioned above is valid until March 31, 2025*
***For the financial year 2024-25, 10% increase in resource cost has been budgeted..*
Expected completion date of contract: March 31, 2025

II) Funding of expenditure relating to development of PQC by eMudhra INC, one of our Subsidiaries.

(c) PQC

In response to the evolving landscape of cybersecurity threats posed by quantum computing advancements, our business strategy aims to establish a robust research and development framework for PQC. We recognize the urgency to preemptively address potential vulnerabilities in current cryptographic systems. Our strategy involves a multidisciplinary approach, combining cryptography experts and software engineers to collaboratively implement cutting-edge PQC algorithms and strengthen our cyber security products using those algorithms. These solutions will not only safeguard sensitive data but also provide competitive advantages across diverse markets and for end use and various sectors, including Government, BFSI, healthcare and telecommunications. By tailoring PQC solutions to specific market needs and ensuring seamless integration, we intend to position ourselves as a key player in post-quantum security, offering our clients the highest level of protection against emerging cyber threats.

Developing post-quantum crypto-compliant products entails several considerations. First, the selection of appropriate post-quantum cryptographic algorithms requires careful evaluation, balancing their resilience with performance impact. Second, transitioning from traditional cryptography to post-quantum cryptography necessitates a thoughtful approach, ensuring smooth coexistence and interoperability. Moreover, efficient key management practices, adaptation to resource constraints, and compliance with evolving regulations are crucial factors. Rigorous testing, user education, and long-term security planning are essential for the successful development of products in the post-quantum cryptographic landscape. Overall, the development of such products requires a holistic approach, taking into account algorithmic choices, performance implications, and adherence to security best practices.

Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. (*Source: F&S Report*)

Also, basis our experience in the technology sector, our Company has identified the United States of America as a suitable jurisdiction to source the relevant highly skilled technical professionals required in relation to the development of PQC. Consequently, our Company has decided to deploy the portion of Net Proceeds for investments in PQC in the United States of America, through our Subsidiary – eMudhra INC. To the extent our Company deploys the Net Proceeds in our Subsidiary – eMudhra INC, for the purpose of funding development of PQC, it shall be in the form of equity or debt, including inter-corporate loans or in any other manner as may be decided by our Board. The actual mode of such deployment has not been finalized as on the date of this Preliminary Placement Document.

The table below sets forth the break-up of the total estimated costs for engaging skilled professionals and technical staff for developing PQC:

Sr.No.	Role Description	No. of resources	Unit Price (per month in $)	Unit Price (per month in ₹)	Total in $ (Feb 2024 - Mar 2024)	Total in $ (Apr 2024 - Mar 2025)**
1	Project Manager (Onsite) 15+ years experience with strong experience in project management including Agile and DevOps implementation practices	1	12,500	1,040,625	25,000	165,000
2	Business Analyst (Onsite) 10+ years experience in business analysis, requirement gathering and analysis, solution design, user flow modelling	1	10,000	832,500	20,000	132,000
3	Solution Architect (Onsite) 12+ years experience as a solution architect with experience across web applications and database	1	15,000	1,248,750	30,000	198,000
4	Solution Architect (Offshore) 12+ years experience as a solution architect with experience across web applications and database	1	4,500	374,625	9,000	59,400
5	Lead Developer (Onsite) 10+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	2	15,000	1,248,750	60,000	396,000
6	Lead Developer (Offshore) 10+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	1	4,000	333,000	8,000	52,800
7	Senior Developer (Offshore) 7+ years experience in product development with experience in Java as a full stack developer (Core Java, Spring, Hibernate)	5	2,750	228,938	27,500	181,500
8	Junior Developer (Offshore)	9	2,000	166,500	36,000	237,600

Sr.No.	Role Description	No. of resources	Unit Price (per month in $)	Unit Price (per month in ₹)	Total in $ (Feb 2024 - Mar 2024)	Total in $ (Apr 2024 - Mar 2025)**
	3+ years experience in product development with experience in in Java as a full stack developer (Core Java, Spring, Hibernate)					
9	Android Developer (Offshore) 5+ years experience in Android product development with exposure to Kotlin/Java frameworks	5	2,500	208,125	25,000	165,000
10	iOS Developer (Offshore) 5+ years experience in iOS product development with exposure to Swift development framework	5	2,500	208,125	25,000	165,000
11	QA Manager (Offshore) 10+ years experience as a QA Manager with experience in Manual, Automation and regression testing	1	3,000	249,750	6,000	39,600
12	QA and Performance Testers (Offshore) 3+ years experience in QA testing including manual, automation testing	5	2,000	166,500	20,000	132,000
13	Security Architect (Onsite) 10+ years experience as a security architect with understanding of testing signature, encryption algorithms	1	12,500	1,040,625	25,000	165,000
14	Security Architect (Offshore) 10+ years experience as a security architect with understanding of testing signature, encryption algorithms	1	2,750	228,938	5,500	36,300
15	VAPT Developers 4+ years experience as a VAPT developer including exposure to tools such as Burrp suite	5	2,000	166,500	20,000	132,000
	Total (in $)				342,000	2,257,200
	Total (in ₹)@				28,471,500	187,911,900
	Total (in $) (rounded off)					**2,599,200**
	Total (in ₹) (rounded off)					**216,000,000@**

The total estimated cost for the 14 month period for the above said resources along with other facilities will be approximately ₹ 216 million.

**The quotation dated January 10, 2024 has been obtained by our Company from Mylas Technologies Inc. The validity of the quotation mentioned above is valid until March 31, 2025.*
***For the year 2024-25, 10% increase in resource cost is considered.*
@ converted @ USD-INR as of December 31, 2023 of INR 83.25 per USD.

The quotations in relation to engaging skilled and technical resources on a contractual basis for development of PQC, FHE and Mobile PKI are valid as on the date of this Preliminary Placement Document. The quotations mentioned above are subject to applicable taxes. Further, the absorption of a resource shall be subject to payment of additional absorption fee as mutually agreed between the parties. Such additional costs shall be funded from internal accruals of the Company or through contingencies, if required. As on the date of this Preliminary Placement Document, other than mentioned under '-*Utilization of Net Proceeds and Schedule of Deployment'*, our Company has not deployed any funds towards the funding of expenditure in relation to product development.

In the event that there is a shortfall of funds required for funding of product development costs, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

2. Investment in eMudhra INC for funding their working capital requirements

Our Company and our Subsidiaries fund a majority of their respective working capital requirements in the ordinary course of business from financing availed from banks and internal accruals. Our Company proposes to utilise ₹ 270.00 million towards funding the working capital requirements of one of its Subsidiaries, eMudhra INC in the ordinary course of the business.

eMudhra INC has working capital requirements and in the ordinary course of business of this Subsidiary, the working capital requirements have been funded through internal accruals and by availing unsecured loans from the Promoters. The revenue from operations of eMudhra INC for Fiscal 2023, Fiscal 2022 and Fiscal 2021 ₹ 347.48 million, ₹ 68.99 million and ₹ 14.83 million, respectively. As on March 31, 2023, eMudhra INC had net working capital of ₹ 311.31 million and had availed loans from the Promoters amounting to ₹73.90 million. eMudhra INC requires additional working capital in order to support its incremental business requirements, funding future growth opportunities and for other strategic and corporate purposes.

In order to fund the working capital requirements of our Subsidiary, our Company proposes to invest ₹ 270.00 million in eMudhra INC to fund their working capital requirements. To the extent our Company deploys the Net Proceeds in our Subsidiary, for the purpose of funding their working capital requirements, it shall be in the form of equity or debt, including inter-corporate loans or in any other manner as may be decided by our Board. The actual mode of such deployment has not been finalized as on the date of this Preliminary Placement Document.

Basis of estimation of working capital requirement

a) eMudhra INC:

The details of eMudhra INC's working capital and the source of funding, on the basis of the audited financial statements of eMudhra INC for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, are provided in the table below:

(₹ in million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(A)	**Current Assets**			
	Trade receivables	71.03	27.85	2.48
	Cash and cash equivalents	155.99	1.23	1.36
	Current loan/financial assets	82.11	17.15	-
	Other current assets	49.27	-	-
	Total Current Assets (A)	**358.40**	**46.23**	**3.84**
(B)	**Current Liabilities**			
	Trade payables	26.67	0.01	3.71
	Provision	-	24.81	0.49
	Other current liabilities	0.02	-	-

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Current tax liabilities	20.40	-	-
	Total Current Liabilities (B)	**47.09**	**24.82**	**4.20**
	Net working capital requirements (A-B)	**311.31**	**21.41**	**(0.36)**
(D)	**Existing funding pattern**			
	Borrowings from Promoters and Promoter Group	73.90	-	-
	Internal accruals / equity	237.41	21.41	-
	Total Means of Finance	**311.31**	**21.41**	**-**

Note: Pursuant to the certificate dated January 12, 2024 *issued by Suri and Co., independent chartered accountants.*

Assumptions for the estimated working capital requirements of eMudhra INC

Provided below are details of the holding levels (days) for Fiscal 2021, Fiscal 2022, Fiscal 2023, which have been computed from the financial statements of eMudhra INC:

Sr. No.	Particulars	Number of days for the Fiscal ended		
		March 31, 2023	March 31, 2022	March 31, 2021
i.	Trade receivables	73	144	62
ii.	Cash and cash equivalents	160	6	34
iii.	Current loan/financial assets	84	89	-
iv.	Other current assets	51	-	-
v.	Trade payables	27	-	92
vi.	Provision	-	129	12
vii.	Other current liabilities	-	-	-
viii.	Current tax liabilities	21	-	-

Notes:

1. *The details of holding levels have been certified by Suri and Co., independent chartered accountants, by way of their certificate dated* January 12, 2024.
2. *Holding period (in days) is calculated as respective current asset or current liability divided by revenue from operations multiplied by number of days (see Note 3 below).*
3. *The holding period has been computed over 365 days for each Fiscal.*

On the basis of existing working capital requirement of eMudhra INC, the historical holding levels and the assumptions the estimated working capital requirements of eMudhra INC, the board of directors of eMudhra INC pursuant to their resolution dated January 11, 2024, have approved the projected working capital requirements for Fiscal 2024 and Fiscal 2025 as ₹ 117.49 million and ₹ 225.23 million, respectively. Accordingly, our Company proposes to invest ₹270.00 million (₹50.00 million in Fiscal 2024 and 220.00 million in Fiscal 2025) of the Net Proceeds towards the estimated working capital requirements of eMudhra INC. The balance portion of the working capital requirements of eMudhra INC, if any, shall be met from internal accruals.

3. Funding the Company's inorganic growth initiatives

We propose to deploy, to the extent of ₹ 850.00 million, towards strategic acquisitions and investments towards inorganic growth.

We believe that we have benefited from the acquisitions undertaken by us in the past. We, through our Subsidiary, eMudhra INC, have acquired 51% membership interest in Ikon Tech Services LLC in the Financial Year 2024, for

an amount aggregating to $ 6.12 million. This acquisition was undertaken to expand into developed markets, particularly, the USA, with a view to enhance our geographical presence, expand our product offerings and delivery capabilities across a broader domain. We will from time to time continue to seek attractive inorganic opportunities that we believe will fit well with our strategic business objectives and growth strategies. The amount of Net Proceeds to be used for acquisitions will be based on our management's decision and may not be the total value or cost of any such acquisitions, but is expected to provide us with sufficient financial leverage to pursue such acquisitions.

Rationale for such expenditure on such inorganic growth initiatives in the future.

Some of the selection criteria that we may consider when evaluating strategic acquisitions include:

i. expertise in the domain we operate in or wish to expand into;
ii. strategic fit to our existing business(es) or serving connected extensions;
iii. new customers/users that we can serve with our existing capabilities;
iv. new capabilities to serve customers;
v. newer technology infrastructure, service/product offerings, including ones which plug-in gaps in our existing ecosystem/value chain and thus, enhance the range of our offerings;
vi. enhance our geographical reach;
vii. strengthen market share in existing markets; and
viii. strong management team.

We will from time to time undertake potential acquisitions and/or investments in line with our business objectives and overall expansion strategies, with a view to augment our growth by acquiring companies with strong supply/distribution capabilities, expand our product offerings and portfolios, enhance our geographical presence and strengthen our existing platforms through complementary technology and advancements. Accordingly, we believe that acquisitions and investments made by our Company in furtherance of the factors set out above, will fit in our strategic business objectives and growth strategies. We intend to utilise the above-stated portion of the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken as stated above.

If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required, in accordance with applicable laws. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-àvis the utilization of Net Proceeds. The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA and the regulations notified thereunder, as the case may be. The amount of Net Proceeds to be used for each individual acquisition and/or investments will be based on our management's decision and may not be the total value or cost of any such investments, but is expected to provide us with sufficient financial leverage to pursue such investments. The actual deployment of funds will also depend on a number of factors, including the timing, nature, size and number of acquisitions undertaken in a particular period, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be directly done by our Company or through investments in our Indian or foreign Subsidiaries in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of acquisitions of companies, asset or technology acquisitions or joint ventures. Acquisitions and inorganic growth initiatives may be undertaken as share-based transactions, including share swaps, or a combination thereof, or as done previously, be undertaken as cash transactions. At this stage, our Company cannot identify any acquisition targets and whether the form of investment will be cash, equity, debt or any other instrument or combinations thereof.

4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] million, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities, business development initiatives, meeting expenses incurred in the ordinary course of business and towards any exigencies or any other

purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Monitoring Utilization of Funds

In accordance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency for monitoring the utilisation of Net Proceeds as the size of our Issue exceeds ₹ 1,000 million. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our financial results. The statement shall be certified by the Statutory Auditor. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Other Confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by the Board and/ or a duly authorized committee of the Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed objects as disclosed above and other applicable laws.

Neither our Promoters nor our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds. Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, and Key Managerial Personnel are not eligible to subscribe in the Issue.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation statement as at September 30, 2023 derived from the Unaudited Consolidated Financial Statements.

This table should be read in conjunction with "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 57, 173 and 277, respectively.

(in ₹ million)

Particulars	Pre-offer as at September 30, 2023[1]	As adjusted for the Offer [1][2]
Borrowings		
Current Borrowings excluding lease liabilities (I)	174.37	[●]
Non-Current Borrowings excluding lease liabilities (II)	0.00	[●]
Current maturities of long-term loan (III)	0.00	[●]
Total borrowings (IV = I + II + III)	174.37	[●]
Equity		
Equity share capital[2] (V)	378.65	[●]
Other Equity (VI)	3803.72	[●]
Total Equity[2] (VII = IV + V)	4182.37	[●]
Ratio: Non-current borrowings /Total Equity (VIII= II/VII)	0.00	[●]
Ratio: Total borrowings/ Total Equity (IX = IV/ VII)	0.04	[●]

Notes:

(1) These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended).

(2) 'As adjusted for the Issue' column in the above table will be adjusted for the number of equity shares issued pursuant to the issue and the proceeds from the issue thereon. It will reflect changes in Equity only on account of proceeds from the fresh issue of [●] equity shares of face value of ₹ 5 each aggregating to ₹ [●]in Equity Share Capital, at an issue price of Rs [●] per equity share, including securities premium of ₹ [●] per equity share aggregating to ₹ [●] in Other Equity. The adjustments will not include any adjustment for issue related expenses and for any other transactions or movement subsequent to September 30, 2023. The corresponding post-Offer capitalization data for each of the above amounts given in the table is not determinable at this stage pending the completion of the Offer and will be updated in the Placement Document.

(3) Balances in column "Pre-offer as at September 30, 2023' are as per the Unaudited Consolidated financial results for the half year ended September 30, 2023.

CAPITAL STRUCTURE

The share capital of our Company as on date of this Preliminary Placement Document is as follows:

(in ₹, except share data)

Particulars	Aggregate nominal value# (in ₹)
Authorised Share Capital	
123,000,000 Equity Shares of ₹5 each	615,000,000
25,000,000 Preference Shares of ₹10 each	250,000,000
TOTAL	**865,000,000**
Issued, subscribed and paid-up share capital prior to the Issue	
78,072,371 Equity Shares of ₹5 each	390,361,855
TOTAL	**390,361,855**
Present Issue in terms of this Preliminary Placement Document(1)	
Up to [●] Equity Shares at a premium of ₹[●](2)	[●]
Issued, subscribed and paid-up share capital after the Issue	
[●] Equity Shares	[●]
Securities premium account	
Prior to the Issue(3)	1,857,433,285
After the Issue (2)(4)	[●]

 # Except for securities premium account

(1) The Issue was approved by the Board of Directors in its meeting held on August 24, 2023. Subsequently, our Shareholders, through a special resolution approved the Issue on September 22, 2023.

(2) To be determined upon finalization of the Issue Price.

(3) As on the date of this Preliminary Placement Document.

(4) The securities premium account after the Issue is calculated on the basis of gross proceeds of the Issue not adjusted for the Issue related expenses.

Equity share capital history of our Company

The history of the equity share capital of our Company as on the date of this Preliminary Placement Document is provided in the following table:

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of equity shares
May 29, 2008	50,000	10.00	10.00	Initial subscription to the MoA(1)	Cash	50,000
September 10, 2008	4,950,000	10.00	10.00	Rights Issue(2)	Cash	5,000,000
April 10, 2009	23,877,551	10.00	10.00	Rights Issue (3)	Cash	28,877,551
February 08, 2010	1000,000	10.00	10.00	Rights Issue (4)	Cash	29,877,551
November 6, 2015	31,450,455	10.00	-	Scheme of amalgamation(5)	Consideration other than Cash	61,328,006

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of equity shares
July 29, 2016	The face value of our Equity Shares was reduced from ₹ 10 per equity share to ₹ 5 per equity share pursuant to reduction of share capital undertaken pursuant to an order dated July 29, 2016 passed by the Hon'ble High Court of Karnataka at Bengaluru.					61,328,006
October 10, 2016	6,132,801	5.00	5.00	Allotment made to eMudhra Employees Stock Options Trust[(6)]	Cash	67,460,807
November 27, 2017	2,718,885	5.00	-	Scheme of amalgamation[(7)]	Consideration other than Cash	70,179,692
May 5, 2022	1,603,617	5.00	243.20	Private Placement (Pre-IPO Placement) [(8)]	Cash	71,783,309
May 27, 2022	6,289,082	5.00	256	Initial Public Offering	Cash	78,072,371

(1) *Allotment of 49,993 equity shares to 3i-Infotech Limited, one equity share to Amar Chintopanth, one equity share each to Ravi Jagannathan, Shivanand Shettigar, Lakshminarayanan Sogathur, Vishal Arora, Asmita Dhore and Ramesh Sharma pursuant to their subscription to the MoA.*

(2) *Allotment of 4,950,000 equity shares to 3i-Infotech Limited.*

(3) *Allotment of 23,877,551 equity shares to 3i-Infotech Limited.*

(4) *Allotment of 1,000,000 equity shares to 3i-Infotech Limited.*

(5) *Allotment made pursuant to an order dated May 14, 2015 passed by the Hon'ble High Court of Karnataka approving the 2015 Scheme of Amalgamation in the following proportion: (i) for every one equity shares of ₹ 10 each of Indus Innovest Technologies Private Limited ("**IIPL**"), 10.4 Equity Shares of our Company were allotted to the shareholders of IIPL. Out of this the existing Equity Shares held by IIPL in our Company shall be divided among the shareholders of IIPL in proportion to their respective shareholding in IIPL. The balance shall be allotted by way of additional allotment of shares. ; (ii) one Equity Share of our Company was allotted to the shareholders of Taxsmile.com India Private Limited ("**TIPL**"), for every five equity shares of ₹10 each held by such shareholders in TIPL,; and (iii) eMudhra Technology Services Private Limited ("**eMudhra Technology**"), being the erstwhile wholly owned subsidiary of our Company, all equity shares of eMudhra Technologies were cancelled, as an allotment and transfer of 21,091,200 Equity Shares to Blue Penguin Technology Solution Private Limited, 19,760,000 Equity Shares to Venkatraman Srinivasan, 6,156,800 Equity Shares to Lakshmi Kaushik, 520,000 Equity Shares to Mythili Srinivasan and 5,200,000 Equity Shares to Arvind Srinivasan and 2,600,000 Equity Shares to Cadenza Solutions Private Limited.*

(6) *Allotment of 6,132,801equity shares to eMudhra Employees Stock Options Trust.*

(7) *Allotment made pursuant to an order dated November 22, 2017 passed by the National Company Law Tribunal, Bengaluru Bench approving the Scheme in the following proportion: (i) for every one equity shares of ₹ 10 each of Blue Penguin Technology Solutions Private Limited ("**BPTSPL**"), 0.001 Equity Share of our Company were allotted to the shareholders of BPTSPL. Further, 27,091,200 Equity Shares of ₹ 5 each held by BPTSPL in our Company shall be transmitted to the shareholders of BPTSPL in proportion of their shareholding in the same and the name of BPTSPL shall be substituted with the names of the such shareholders in the register of members of our Company; and (ii) for every one equity shares of ₹10 each of Cadenza Solutions Private Limited ("**CDSPL**"), 4.29 Equity Shares of our Company were allotted to the shareholders of CDSPL. Further, 2,600,000 Equity Shares of ₹ 5 each and 3,600,000 Preference Shares of ₹ 10 each held by CDSPL in our Company shall be transmitted to the shareholders of CDSPL in proportion of their shareholding in the same and the name of CDSPL shall be substituted with the names of the such shareholders in the register of members of our Company. This resulted in an allotment and transfer of 9,215,432 Equity Shares to Venkatraman Srinivasan, 1,917,835 Equity Shares to Mythili Srinivasan, 44,665 Equity Shares to Lakshmi Kaushik, 18,359,123 Equity Shares to Taarav Pte. Limited, 1,436,515 Equity Shares to Arvind Srinivasan and 1,436,515 Equity Shares to Kaushik Srinivasan.*

(8) *Allotment of 513,981 Equity Shares to Baring Private Equity India AIF 2, 513,980 Equity Shares to Acacia Banyan Partners, 411,185 Equity Shares to Motilal Oswal Equity Opportunities Fund Series III, 82,237 Equity Shares to Negen Capital Services Private Limited, 41,114 Equity Shares to Value Wise Consultancy Private Limited, 20,560 Equity Shares to Jagadeesan Kumar, and 20,560 Equity Shares to Krishna Kumar, pursuant to the Share Subscription Agreements hereby mentioned above.*

(a) Preference Share capital

The history of the Preference Share capital of our Company is set forth in the table below:

Date of Allotment/ Redemption	No. of Preference Shares allotted/ redeemed	Face value (₹)	Issue price (₹)	Particulars	Form of consideration	Cumulative number of Preference Shares
December 14, 2010	25,000,000*	10	10	Private Placement (1)	Cash	25,000,000
October 10, 2016	(4,500,000)	10	-	Redemption(2)	-	20,500,000
November 21, 2017	(4,400,000)	10	-	Redemption(3)	-	16,100,000
January 31, 2021	(7,500,000)	10	-	Redemption(4)	-	8,600,000
December 15, 2022	(8,600,000)	10	-	Redemption(5)	-	0

**3i Infotech Limited transferred 5,000,000 Non-Convertible Redeemable Preference Shares to one of our Promoters, Venkatraman Srinivasan on October 23, 2017.*

Pursuant to an order dated November 22, 2017 passed by the National Company Law Tribunal, Bengaluru Bench approving the scheme of amalgamation in the following proportion: 3,600,000 Non-Convertible Redeemable Preference Shares of ₹10 each of Cadenza Solutions Private Limited ("CDSPL**"), was transmitted to the shareholders of CDSPL. Accordingly, the members forming part of our Promoter Group who were also the shareholders of CDSPL, received Non-Convertible Redeemable Preference Shares in the following manner, Venkatraman Srinivasan (355,731), Mythili Srinivasan (1,297,707), Kaushik Srinivasan (973,281) and Arvind Srinivasan (973,281).*

(1) *Allotment of 25,000,000 Zero Coupon Non-Convertible Redeemable Preference Share Capital to 3i Infotech Limited.*
(2) *Pursuant to a resolution dated October 10, 2016, passed by our Board, 4,500,000, 3% Non-Convertible Non-Cumulative Redeemable Preference Shares held by 3i Infotech Limited were redeemed out of the profits of the Company.*
(3) *Pursuant to a resolution dated November 27, 2017, passed by our Board, 4,400,000, 3% Non-Convertible Non-Cumulative Redeemable Preference Shares held by 3i Infotech Limited were redeemed out of the profits of the Company.*
(4) *Pursuant to a resolution dated January 18, 2021, passed by our Board, 7,500,000 held by 3i Infotech Limited, 3% Non-Convertible Non-Cumulative Redeemable Preference Shares were redeemed out of the profits of the Company.*
(5) *Pursuant to a resolution dated January 18, 2021, passed by our Board, 8,600,000 held by Venkatraman Srinivasan, Mythili Srinivasan, Kaushik Srinivasan and Arvind Srinivasan, 3% Non-Convertible Non-Cumulative Redeemable Preference Shares were redeemed out of the profits of the Company.*

As on date of this Preliminary Placement Document, no Equity Shares held by any of the Promoters in the Company are pledged.

Pre-Issue and post-Issue shareholding pattern of Company :

The pre-Issue and post-Issue shareholding pattern of our Company, as on September 30, 2023, is set forth below:

#	Category	Pre-Issue (as on September 30, 2023)		Post-Issue*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	**Promoter holding#**				
1.	Indian				
	Individual	27,122,543	34.74	[●]	[●]

#	Category	Pre-Issue (as on September 30, 2023)		Post-Issue*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
	Sub-total	27,122,543	34.74	[●]	[●]
2.	Foreign promoter			[●]	[●]
	Individuals (Non Resident Individuals/ Foreign Individuals)	4,080,526	5.23	[●]	[●]
	Others	13,842,877	17.73	[●]	[●]
	Sub-Total	17,923,403	22.96	[●]	[●]
	Sub-total (A)	45,045,946	57.70	[●]	[●]
B.	**Non-Promoter holding**				
1.	Institutional investors			[●]	[●]
	Mutual Funds	4,716,569	6.04	[●]	[●]
	Alternate Investment Funds	1,890,163	2.42	[●]	[●]
	Insurance Companies	4,000	0.0051	[●]	[●]
	Sub-Total	6,610,732	8.47	[●]	[●]
2.	(a) Foreign Portfolio Investors Category I	3,331,050	4.27	[●]	[●]
	(b) Foreign Portfolio Investors Category II	20,786	0.03	[●]	[●]
	Sub-Total	3,351,836	4.29	[●]	[●]
3.	Non-Institutional investors			[●]	[●]
	Directors and their relatives (excluding independent directors and nominee directors	9,209,462	11.80	[●]	[●]
	Key Managerial Personnel	292,043	0.37	[●]	[●]
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	8,258,609	10.58	[●]	[●]
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	434,667	0.56	[●]	[●]
	Non Resident Indians (NRIs)	874,097	1.12	[●]	[●]
	Foreign National	800	0.00	[●]	[●]
	Foreign Companies	513,980	0.66	[●]	[●]
	Body Corporate	687,228	0.88	[●]	[●]
	Others	2,792,971	3.58	[●]	[●]
	Sub-Total	23,063,857	29.54	[●]	[●]
	Sub-total (B)	33,026,425	42.30	[●]	[●]
4.	Non-Promoter non-public shareholders *(Employee Benefit Trust)*	-	-	[●]	[●]
	Sub-total (C)	-	-	[●]	[●]
	Grand Total (A+B+C)	**78,072,371**	**100.00**	**[●]**	**[●]**

** The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on basis of the Allocation made in the Issue and reflects the shareholding of all other categories as of September 30, 2023.*
 # Includes the shareholding of the members forming part of Promoter Group.

Employee stock option plan

Our Company, pursuant to a resolution passed by our Board on February 23, 2016 and the resolution passed by our Shareholders on March 23, 2016, adopted "**eMudhra ESOP Scheme 2016**" to reward the employees for their performance and to motivate them to contribute to the growth and profitability of our Company.

The eMudhra ESOP Scheme 2016 is established with effect from the date on which it was approved by the Shareholder of our Company i.e., March 23, 2016 and shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the ESOP have been granted, vested and exercised, whichever is earlier. The objective of eMudhra ESOP Scheme 2016 is to encourage ownership of eMudhra's equity by its employees on an on going basis. The ESOP is intended to reward the employees for their contribution to the successful operation of eMudhra and to provide an incentive for continued contribution to the success of the Company. The eMudhra ESOP Scheme 2016 was amended pursuant to a resolution

passed by the Board of Directors and Shareholders *vide* their resolution dated April 2, 2021 to minimize procedural requirements and administrative difficulties relating to transfer of Equity Shares without affecting the existing rights and benefits to the employees. Further pursuant to a resolution passed by the Board of Directors and Shareholders *vide* their resolution dated October 14, 2021 and October 26, 2021, respectively the eMudhra ESOP Scheme 2016 was amended in accordance with the SEBI SBEB Regulations. Subsequently, the eMudhra ESOP Scheme 2016 was amended pursuant to the board resolution dated July 23, 2022 and the shareholders' resolution dated August 5, 2022.

In accordance with the eMudhra ESOP Scheme 2016, our Company has constituted a Nomination and Remuneration Committee of the Board which shall act as Committee for the administration and superintendence of the ESOP Scheme 2016. The Committee shall, *inter ali*a, formulate the detailed terms and conditions of the Scheme including, decide the number of options to be granted in the first and subsequent years, decide on the eligible grade of employees, as well as identify employees eligible within the grade for the ESOP Scheme 2016, decide the quantum of option to be granted under the plan for each employee based on their performance /potential from time to time, *etc*. Our Company has formed and registered 'eMudhra Employee Stock Option Trust' for the purpose of executing the eMudhra ESOP Scheme 2016 on the basis of the recommendations of the Committee.

The details of eMudhra ESOP Scheme 2016, are as follows:

As on the date of this Preliminary Placement Document, the details of options pursuant to eMudhra ESOP Scheme 2016 are as follows:

Particulars	Number of employee stock options
Total number of stock options	7,402,500
Options granted	5,703,125
Options vested	49,58,500
Options exercised	40,05,625
Options cancelled	16,99,375
Total options outstanding	16,97,500

Other confirmations Our Company has not made any allotments of Equity Shares, including for consideration other than cash, in the last one year preceding the date of this Preliminary Placement Document.

(i) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice for the meeting conducted through VC / OAVM facility on September 22, 2023, to the Shareholders for the approval of this Issue.

(ii) There will be no change in control of our Company pursuant to the Issue.

(iii) Our Company has not allotted securities on preferential basis or private placement basis or by way of rights issue in the last one year preceding the date of this Preliminary Placement Document:

(iv) Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on the Stock Exchanges.

(v) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "*Proposed Allottees in the Issue*" on page 276.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2023; (iii) Fiscal 2022; and (iv) Fiscal 2021, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please see the section titled "*Financial Statements*" on page 277.

DIVIDENDS

The declaration and payment of final dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. See *"Description of the Equity Shares*" on page 258.

Our Board may also, from time to time, declare interim dividends. Our Board has approved and adopted a formal dividend distribution policy on October 14, 2021 in terms of Regulation 43A of the SEBI Listing Regulations ("**Dividend Distribution Policy**").

In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by our Board after taking into account a number of factors but not limited to, our Company's profits, capital requirements, financial commitments and financial requirements including business expansion plans, applicable legal restrictions and other factors considered relevant by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

The following table details the dividend paid by our Company on the Equity Shares in respect of the Fiscals 2021, 2022, 2023 and from April 1, 2023 until the date of filing of this Preliminary Placement Document:

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**From April 1, 2023 until the date of filing of the PPD**
Face value per Equity Share (in ₹)	5.00	5.00	5.00	5.00
Total Dividend (in ₹Million)	NIL	NIL	97.59	97.59
Dividend per share (in ₹ Per Equity Share)	NIL	NIL	1.25	1.25
Rate of dividend (%)	NIL	NIL	25%	25%
Dividend Distribution Tax (%)	NIL	NIL	NIL	NIL
No. of Equity Shares	70,179,692	70,179,692	78,072,371	78,072,371
Dividend Distribution Tax (in ₹ Million)	NIL	NIL	NIL	NIL

[#]*Including unclaimed dividend.*

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, the factors set out in the Dividend Distribution Policy and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for dividend including interim dividend, if any, that is declared and record date thereof occurs after the Allotment. See "*Description of the Equity Shares*" on page 258. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, See "*Risk Factors – 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.*" on page 83.

For a summary of certain consequences under Indian taxation law of dividend distributions to shareholders, see "*Statement of Possible Tax Benefits*" on page 262.

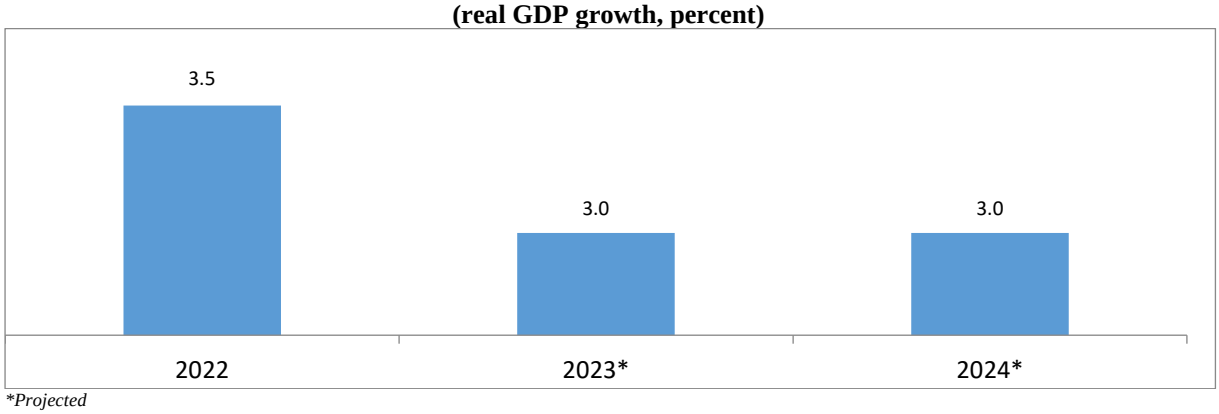
INDUSTRY OVERVIEW

1. Global Economic Trends

1.1 Global Economic Outlook

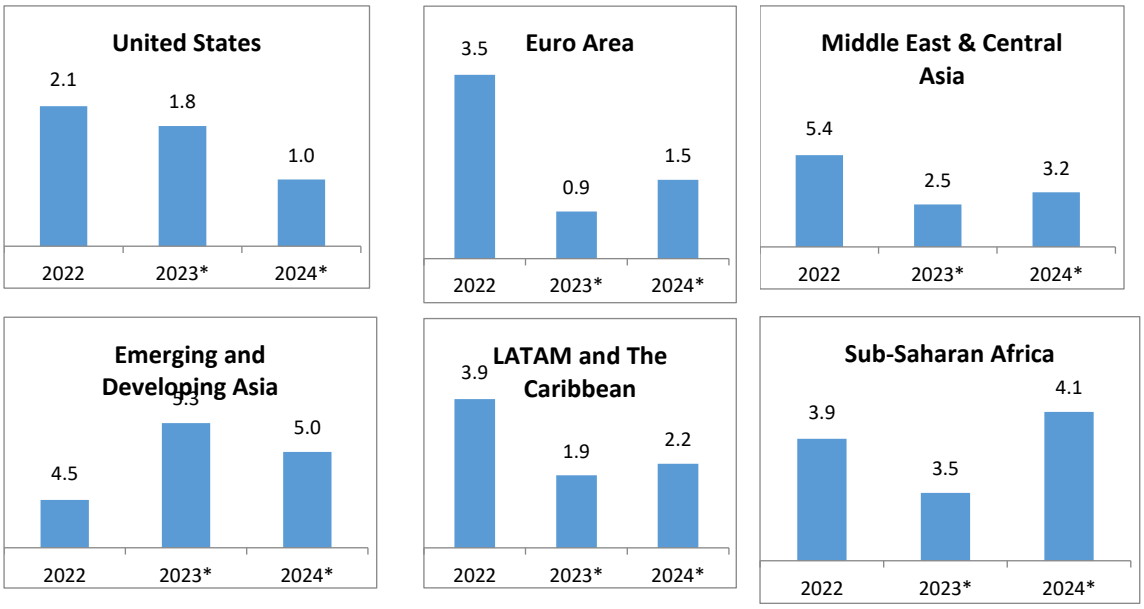
The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine has slowed down the economy in 2023. The International Monetary Fund (IMF) in July 2023 expects that the global growth would be at 3.0% in 2023 and 2024 as against estimated 3.5% in 2022. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. It is expected, global headline inflation to fall from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024. In most countries, the major focus remains achieving sustained lower inflation numbers while ensuring financial stability. Central banks across the world are focusing on restoring price stability and strengthening financial supervision and risk monitoring.

Figure 1: Global Economy, Growth Projections (real GDP growth, percent)



**Projected*
Source: IMF, World Economic Outlook Update, July 2023

Figure 2: Global Economy, Growth Projections By Region
(real GDP growth, percent)



**Projected*
Source: IMF, World Economic Outlook Update, July 2023

1.2 Global GDP Growth Outlook

The IMF expects world trade growth to decline from 5.2% in 2022 to 2.0% in 2023 before increasing to 3.7% in 2024 – which is still below the 2000-19 average of 4.9%. The decline in 2023 not only suggests the path of global demand, but also shift in its composition towards domestic services, negative effects of US $ appreciation (please note, most invoicing of products worldwide are made in US $ and hence slows down trade with dollar appreciation), and rising trade barriers.

Figure 3: Overview of the World Economic Outlook Projections
(real GDP, annual percent change)

	2020	2021	2022	2023*	2024*
World Output	**-3.1**	**6.3**	**3.5**	**3.0**	**3.0**
Advanced Economies	**-4.5**	**5.4**	**2.7**	**1.5**	**1.4**
United States	**-3.4**	**5.9**	**2.1**	**1.8**	**1.0**
Euro Area	**-6.3**	**5.3**	**3.5**	**0.9**	**1.5**
Germany	-4.6	2.6	1.8	-0.3	1.3
Japan	**-4.6**	**2.2**	**1.0**	**1.4**	**1.0**
United Kingdom	**-9.8**	**7.6**	**4.1**	**0.4**	**1.0**
Canada	**-5.3**	**5.0**	**3.4**	**1.7**	**1.4**
Other Advanced Economies	**-1.9**	**5.5**	**2.7**	**2.0**	**2.3**
Emerging Market and Developing Economies	**-2.1**	**6.8**	**4.0**	**4.0**	**4.1**
Emerging and Developing Asia	**-0.8**	**7.5**	**4.5**	**5.3**	**5.0**
China	2.3	8.4	3.0	5.2	4.5
India	-7.3	9.1	7.2	6.1	6.3
ASEAN-5	**-3.4**	**4.0**	**5.5**	**4.6**	**4.5**
Emerging and Developing Europe	**-2.0**	**7.3**	**0.8**	**1.8**	**2.2**
Russia	-3.0	5.6	-2.1	1.5	1.3
Latin America and the Caribbean	**-7.0**	**7.0**	**3.9**	**1.9**	**2.2**
Brazil	-4.1	5.0	2.9	2.1	1.2
Mexico	-8.3	4.7	3.0	2.6	1.5
Middle East and Central Asia	**-2.8**	**4.4**	**5.4**	**2.5**	**3.2**
Saudi Arabia	-4.1	3.9	8.7	1.9	2.8
Sub Saharan Africa	**-1.7**	**4.7**	**3.9**	**3.5**	**4.1**
Nigeria	-1.8	3.6	3.3	3.2	3.0
South Africa	-6.4	4.7	1.9	0.3	1.7
Memorandum					
Emerging Market and Middle Income Economies	**-2.3**	**7.1**	**3.9**	**3.9**	**3.9**
Low Income Developing Countries	**0.1**	**4.1**	**5.0**	**4.5**	**5.2**

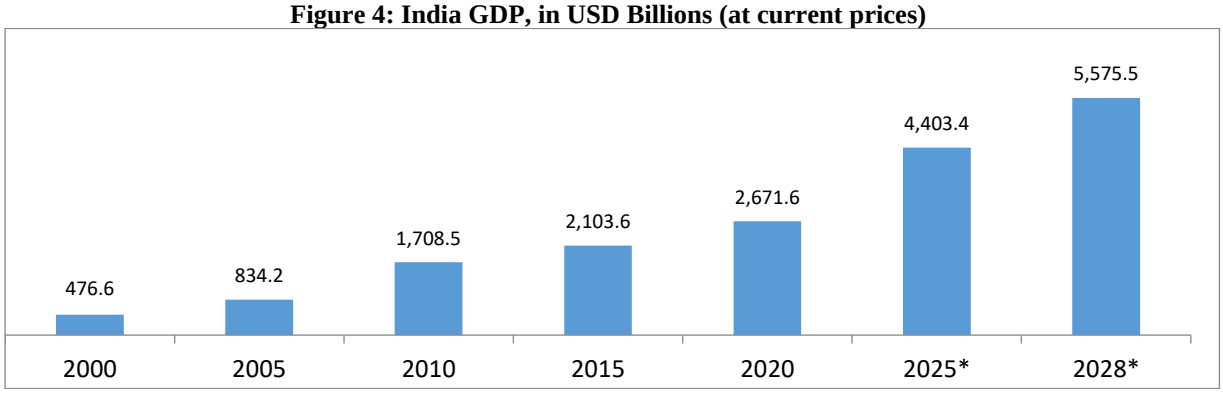
**Projected*
Source: IMF, World Economic Outlook Update, July 2023

The advanced economies slowed down in growth from 5.4% in 2021 to 2.7% in 2022 and 1.5% in 2023. According to World Economic Outlook, around 93% of the advanced economies are projected to have lower growth in 2023. United States of America growth is projected to slow from 2.1% in 2022 to 1.8% in 2023, then slow down further to 1.0% in 2024. For the emerging markets and developing economies, growth is likely to remain stable at 4.0% in 2023 and 4.1% in 2024. Growth in emerging and developing Asia which includes China, India and ASEAN-5 countries is on track to rise to 5.3% in 2023, then to moderate to 5.0% in 2024.

1.3 India Economic Growth Trends

India's growth story has been remarkable over the last 2+ decades. From $476.6 in GDP in 2000 to $2,671.6 in 2020, the country has grown over 5.6 times in 20 years. The country on an average has grown at 9% during the period despite a negative growth in 2008 and 2020. It is estimated that India would become a $5 trillion economy by 2027. GDP per capita at current prices stand at $2,600. Inflation rate for average consumer prices is at 4.9% which is likely to go down till 2028. General government gross debt stands at 83.2% of GDP.

Figure 4: India GDP, in USD Billions (at current prices)



**Projected*
Source: IMF Datamapper

2 Digital Pivots to Economic Growth

2.1 Government and Public Sector Services

The Indian government has been very vocal around the importance of digitization in economic progress. Under the Digital India initiative that aims to enable Digital Infrastructure, Digital Services & Digital Inclusion, the Government of India has launched the following initiatives:

- **DigiLocker:** It is a platform for issuance and verification of documents & certificates in a digital way, thus eliminating the use of physical documents. DigiLocker currently has over 174 million registered users, 5.62 billion issued documents, and 166 requesters.
- **DIKSHA:** DIKSHA (which stands for Digital Infrastructure for Knowledge Sharing) is a unique initiative that leverages existing highly scalable and flexible digital infrastructure, while keeping teachers at the center.
- **DigiBunai:** Developed by the Digital India Corporation, DigiBunai is a computer aided textile design software that is used to optimise the pre-loom loading process of design creation, generation of graph, and punching the jacquard cards.
- **FASTag:** This is an electronic toll collection system operated by the National Highways Authority of India that employs radio frequency identification technology for making toll payments directly from the prepaid or savings account linked to FASTag allocated to the vehicle. As per publicly available data, the number of FASTag users in India crossed 20-million mark in November 2020, increase from 5.46 million in September 2019. In 2022, FASTag saw an increase by 46%.
- **mParivahan:** It is one among the most popular government apps with wide utilization by citizens with unique features like virtual RC (vehicle registration certificates) and virtual DL (Driving License). It also enables sharing of RCs with their family members and related citizens without any hassle. The Ministry of Road Transport & Highways claims to have more than 4 crore downloads.
- **UIDAI:** The Unique Identification Authority of India (UIDAI) is a statutory authority established under the provisions of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 ("Aadhaar Act 2016") on 12 July 2016 by the Government of India, under the Ministry of Electronics and Information Technology (MeitY). It was created to issue UID (Aadhaar) to all residents of India to eliminate duplicate and fake identities and verifiable and authenticable in an easy, cost-effective way. Moreover, 99.9% adults in India have an Aadhaar number, and the overall Aadhaar coverage stands at 92.7%.
- **eSanjeevani:** This is the National Telemedicine Service of India leveraging digital health with an aim to achieve Universal Health Coverage (UHC). eSanjeevani facilitates quick and easy access to doctors and medical specialists from the smartphones. Patients can also access health services remotely via eSanjeevani by visiting the Ayushman Bharat Health & Wellness Centre. As per the Ministry of Health and Family Welfare data, over 7.4 million teleconsultations were conducted through the eSanjeevani portal as of February 2023.

Some of the other digital initiatives launched by the central government include the Faceless Assessment Scheme (extensively used by the Income Tax department), developing the CoWIN App (a web portal for COVID-19 vaccination), Aarogya Setu (scheduling online doctor appointments powered by eSanjeevani OPD Application), and ASEEM or Aatamanirbhar Skilled Employee Employer Mapping (a skill management information system that acts as a directory of the skilled workforce).

2.2 Banking, Financial Services and Insurance (BFSI)

One among the major industry verticals that has seen rapid uptake digital programs is the BFSI sector. Large private and public sector banks, insurance companies, brokerage firms, stock exchanges, etc. have realised the need to be digitally empowered and making efforts to streamline manual processes with automated processes for quicker turnarounds, higher efficiency and better transparency. Some of digital initiatives in the Indian BFSI industry include:

- **Digital Banking:** Internet Banking (also referred to as Digital Banking) helps reduce physical visit to banks for monetary transactions. With the enablement of digital signatures, customers can open bank accounts, request for loan approvals and open investment accounts – all from the luxury of their homes. eSignatures help minimize operating costs, bring in process efficiency, increase the speed of transactions and deliver improved customer experience. The central government of India has been working towards enabling transactions using Aadhaar. Instead of physically visiting banks or other financial institutions, customers can download forms, esign the paper and upload on the website. Application status can be tracked on a regular basis thereby facilitating secured and quicker approval process. Some of the use-cases of eSignatures in the BFSI sector include customer onboarding, eStatements, electronic loan processing, eNACH, ePolicy, fraud mitigation, eReceipts and eClaims.
- **UPI (Unified Payments Interface):** It is an instant payment system developed by NPCI to facilitate inter-bank peer-to-peer and person-to-merchant transactions. Users can on-the-move transfer funds between two bank accounts from their mobile phone.
- **BHIM (Bharat Interface for Money):** BHIM is an Indian mobile app developed by NPCI based on UPI to facilitate e-payments directly through banks and encourage cashless transactions. BHIM Aadhaar Pay enable merchants to receive digital payments from customers over the counter through Aadhaar Authentication. As per the latest available data, total number of transactions done through BHIM in June 2023 was 22.9 million – the highest ever been in December 2021 at 27.01 million.

Some of the other digital initiatives in the BFSI sector include PM SVANidhi (a micro-credit facility for providing affordable loans to street vendors) and PM Kishan (a central government scheme that aims at providing financial assistance to all cultivable landholding farmer families across the country).

3 Aspect of Security in Digital Disruption

Security is critical towards the success of digital transformation. Security is more like a horizontal that cuts across every pillar of digital growth, failing which the aim towards achieving digital upliftment remains unfulfilled. Businesses ensure digital transactions are secured, users verified, and data protected. Digital trust services, authentication and encryption are key elements of digital transaction that establishes security of identity (individual or business) and document. It is critical to have security solutions that enable enterprises to zero trust security architecture.

3.1 Security Concerns in Digital Experience

Following listed below are some of the fundamental security concerns in digital transformation:

- Insecure URLs and online interfaces
- Limited security of external devices (eg. IoT)
- Poor digital certificate management and public-key encryption
- Poor authentication techniques used
- Lack of identity and access management
- Unsecured paperless workflows

3.2 Importance of Zero Trust Security in Today's Context

Zero trust is the new security paradigm based on the principle of never trust and always verify. It works on the idea that all devices, users, and resources connected to the network can be a potential threat. This calls for a security architecture that requires continuous verification and authentication irrespective of whether they are inside or outside the organization's network perimeter.

The zero-trust architecture is a comprehensive and defensive security approach that uses multiple layers of security including identity management, access management, encryption, authentication, authorization, network segmentation and constant monitoring to protect against security threats and breaches. It works on the core principles of accessing resources securely, verification and authentication of users and devices, control and limit access unless necessary, network activity monitoring, and leverage the concept of "defense-in-depth" strategy.

Why is Zero Trust Architecture Business Critical?

- Protection against cyber threats
- Offers comprehensive security
- Safeguard business reputation by demonstrating the seriousness of security
- Help businesses meet compliance requirements

3.3 Enabling Digital Trust, Cyber Security and Paperless Transformation

Identity (be it individual, device, application or business entity) is elementary to digital presence and needs to be confirmed at all times. Trust services, cyber security solutions and secured paperless transformation workflows remain irreplaceable elements of the modern-day digital framework and forms the building blocks of zero trust architecture.

Principally:

- Digital trust and traceability is becoming a critical factor in electronic document exchange – only technology that can replace wet signatures, provide legal non-repudiation, identity traceability, and non-tamperability are digital signatures
- Cyberthreats are forcing enterprises to secure their networks. Sensitive use cases are rapidly adopting digital certificate-based authentication to secure their infrastructure; and
- Data privacy is forcing enterprises to leverage cryptographic keys to encrypt sensitive data

Digital Trust Services

Digital trust services focus on the issuance of Digital Signature Certificates (DSC) or digital identities to websites, individuals, organizations, or IoT devices in the form of cryptographic key pairs by Certifying Authorities (CAs) or Trust Service Providers who are typically accredited under global standards such as WebTrust and follow the procedures prescribed by such accreditation bodies in issuance of digital signature certificates. It comprises of the following three certificate types :

- **SSL/TLS Certificates:** Secure Socket Layer (SSL) is critical to web browser security that ensures any information sent to a user's browser or information sent back to the web browser is encrypted. Transport Layer Security (TLS) is very similar and is considered as an updated version of SSL. In several cases, both the terms SSL and TLS are used interchangeably.
  Types of SSL/TLS Certificates :
  - Domain Validated (DV) Certificate: Validates an organization's domain name and domain control
  - Organization Validated (OV) Certificates: CA issues an OV TLS certificate after validating the website's owner, organizational data, the domain and the administrator
  - Extended Validation (EV) Certificates: This requires extensive validation by the CA
    The above mentioned certificates can be issued as : (1) single domain, (2) wildcard SSL certificates, (3) unified communications certificates
- **Digital Signature (Individual/Organizational) Certificates:** Government of India defines Digital Signature Certificate (DSC) as the digital equivalent (that is electronic format) of physical or paper certificates. It is a secure digital key that is issued by the Certifying Authority (CA) for the purpose of

validating and certifying the identity of the person holding this certificate. A CA is an authorized entity licensed by the Controller of Certifying Authorities, under the Ministry of IT, who has the right to issue a DSC. Digital Signature Certificates helps to authenticate the personal information of an online user, enables secured paperless transformation through eSignatures (instead of signing hard copies), ensures that documents digitally signed by an user cannot be edited or altered, and are considered legally non-repudiable under the Information Technology Act. DSC is used in government procedures like income tax return filing, GST, e-tendering, patent and trademark e-filing, IRCTC, government eProcurement Marketplace Portal, EPFO, MCA e-fiing, and more, in addition to other official activities like in banking (customer onboarding, lending), enterprise (paperless office solutions), government (digital transformation in citizen initiatives), mutual funds and capital markets (customer onboarding and interactions for redemption), etc.

Digital certificates also include Code Signing, Encryption, Secure Email Certificate, Post Quantum Certificates, Verified Mark Certificates, Client Certificates, etc.

- **IoT Device Certificates:** Digital certificates help authorize an IoT device to get connected over a network and perform a designated function.

Cyber Security Solutions

There are 2 functional elements in cyber security solutions: IAM and PKI.

- **Identity and Access Management (IAM):** IAM is defined as a solution that helps enterprises to determine and control access to application, system and network by end users. It is a set of complementary technologies and methodologies that facilitates identity management, policy controls, access management, authentication, and analytics. Complementary technologies in IAM include identity management, access management, single-sign-on (SSO), and multi-factor authentication (MFA). DSC is one of the authentication techniques used in IAM along with other techniques like SMS OTP, QR Code, knowledge based authentication, token authentication, biometric, etc.
- **Public Key Infrastructure (PKI):** Public Key Infrastructure is an important foundation in cyber security for data privacy, and post quantum cryptography. It is the platform for issuing digital certificates using assymetric key pair based encryption and binding them to users, websites or devices. The certificates help identify the user and authenticate the transaction originated by the user in a manner so as to ensure data integrity and authenticity. Issuance of certificates such as SSL/TLS certificates and digital certificates use as a platform for issuing, reissuing and revoking certificates as well for managing identity lifecycle.
- **Certificate Lifecycle Management (CLM) :** With digital certifcates as the backbone of PKI, it is important to manage these certificates. CLM includes various processes, including certificate issuance, renewal, revocation, and monitoring. Certificate issuance refers to verifying the identity of the certificate holder and creating a digital certificate that contains information about the holder's identity and public key. Renewal makes sure that the certificate remains valid and revoked when the certificate is no longer needed or when its private key is compromised.

Paperless Transformation and eSignature Workflow Solutions

Much like the global trend, businesses in India aim to remain competitive with digital adoption. The aim is to remove manual processes and replace them with reliable digital workflows. eSignature workflow solutions allow users to digitally sign documents that are legally valid and compliant thereby avoiding the need for paper based procedures. Paperless workplace helps improve CX (customer experience), convenience, compliance and reduce cost. It also helps improve flexibility, quicker turnarounds, and better managebility without compromising on security.

The best in class paperless solution is one that supports eSignature, caters to fast shifting business requirements, leverages automation and artificial intelligence, adheres to industry regulations, and integrates with 3rd party applications – without compromising on security.

3.4 Growth Drivers to Digital Trust, Cyber Security, and Paperless Transformation

Figure 5: Drivers affecting the Growth of Digital Trust Services, Cyber Security Solutions and Paperless Transformation Solutions

Digital Trust Services	Cyber Security Solutions	Paperless Transformation Solutions
SSL/TLS Certificates • The need to secure user data, verify ownership of websites, prevent attackers from creating fake version of sites and build trustworthiness among users. • To improve search engine ranking • To adhere to regulatory standards and mandates **Digital Signature Certificates** • Enable user identification and authentication • Create confidentiality and integrity of the message or transaction • Legal non-repudiation • Establish paperless transformation **IoT Certificates** • Establish proof of identity for the IoT device • Enable data encryption • Improve data integrity • Improved certificate lifecycle management	**Identity and Access Management** • The need for identity management, access management • Adherence to industry regulations and mandates **Public Key Infrastructure (PKI)** • The sensitivity around data and identity • Non-repudiation services that relay on PKI solutions **Certificate Lifecycle Management (CLM)** • The need to better manage the lifecycle of digital certificates	• To become a digital organization • Bring in process efficiency and cut unnecessary costs • Improve data security • Bring in ease of document sharing • Adhere to audit guidelines • Ease in data management and storage/backup

Source : Frost & Sullivan

4. Market Size and Forecast for Cyber Security and Paperless Transformation

4.1 Global

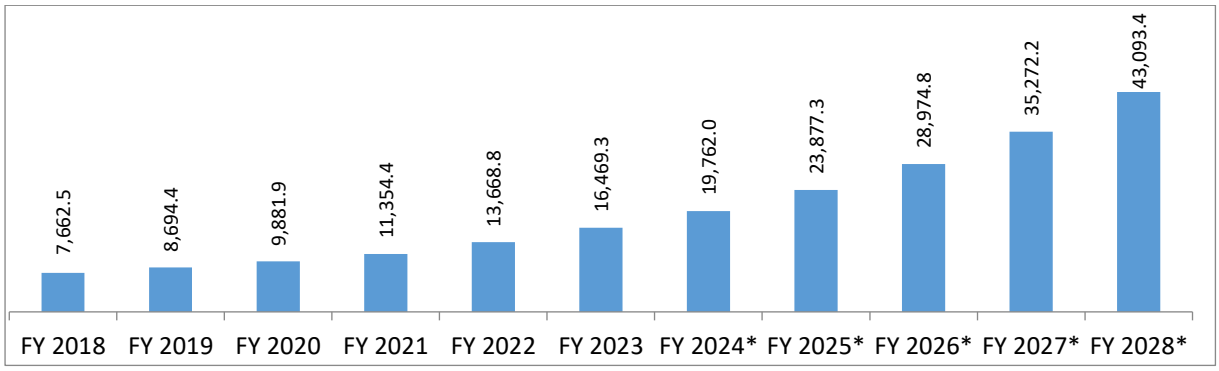
The global cyber security and paperless transformation market was estimated to be valued at $16,469.3 Mn. by the end of FY 2023 (ending 31st March 2023) from $11,354.4 Mn. in FY 2021. Growth from FY 2022 to FY 2023 has been at 20.5% and likely to continue for the next couple of years. The growth rates are expected to be higher from 2026 to 2028. It is anticipated that the total cyber security and paperless transformation market would reach $43,093.4 Mn. by the FY 2028 growing at a CAGR of 21.2%.

Cyber security and paperless transformation market is defined and constitutes the following three sub-segments:

Cyber Security and Paperless Transformation Market Segmentation

Digital Trust Services	Cyber Security Solutions	Paperless Transformation Solutions
• SSL/TLS Certificates • Digital Signature Certificates • IoT Certificates	• Identity and Access Management • PKI ➢ CLM (certificate lifecycle management)	• eSignature Workflows

Figure 6: Cyber Security and Paperless Transformation Market ($ Mn.), Global, FY 2018 – FY 2028



CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
16.5%	**21.2%**

**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

Cyber security solutions is the largest segment within the total market followed by paperless transformation and trust services.

Figure 7: Cyber Security and Paperless Transformation Market by Application Type ($ Mn.), Global, FY 2018 – FY 2028

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*	FY 2026*	FY 2027*	FY 2028*
Global Digital Trust Services											
Rev. ($ Mn.)	788.1	938.9	1,039.6	1,168.1	1,340.9	1,535.3	1,755.2	2,002.1	2,276.6	2,577.9	2,905.3
YoY (%)	18.6	19.1	10.7	12.4	14.8	14.5	14.3	14.1	13.7	13.2	12.7
Global Cyber Security Solutions											
Rev. ($ Mn.)	5,759.2	6,355.4	7,060.7	7,875.8	9,225.3	10,802.4	12,532.4	14,660.0	17,275.2	20,500.8	24,507.3
YoY (%)	9.7	10.4	11.1	11.5	17.1	17.1	16.0	17.0	17.8	18.7	19.5

Global Paperless Transformation Solutions											
Rev. ($ Mn.)	1,115.2	1,400.1	1,781.6	2,310.5	3,102.6	4,131.6	5,474.4	7,215.2	9,423.1	12,193.4	15,680.7
YoY (%)	23.9	25.5	27.2	29.7	34.3	33.2	32.5	31.8	30.6	29.4	28.6
Total Cyber Security and Paperless Transformation Market											
Rev. ($ Mn.)	7,662.5	8,694.4	9,881.9	11,354.4	13,668.8	16,469.3	19,762.0	23,877.3	28,974.8	35,272.2	43,093.4
YoY (%)	12.5	13.5	13.7	14.9	20.4	20.5	20.0	20.8	21.3	21.7	22.2

*Projected, Base Year is FY 2023
Source : Frost & Sullivan

Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. Europe was the fastest growing market from FY 2018 to FY 2023 however, APAC is likely to be the fastest growing market for the next 5 years (CAGR 23.4%).

Figure 8: Cyber Security and Paperless Transformation Market by Region Type ($ Mn.), Global, FY 2018 – FY 2028

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*	FY 2026*	FY 2027*	FY 2028*
Americas											
Rev. ($ Mn.)	4,092.9	4,666.2	5,338.8	6,180.9	7,306.8	8,691.3	10,291.7	12,240.7	14,607.9	17,535.0	21,092.5
YoY (%)	12.8	14.0	14.4	15.8	18.2	18.9	18.4	18.9	19.3	20.0	20.3
MEA											
Rev. ($ Mn.)	534.8	588.5	642.5	731.1	880.7	1,063.2	1,290.0	1,548.3	1,887.5	2,302.4	2,822.6
YoY (%)	10.3	10.0	9.2	13.8	20.5	20.7	21.3	20.0	21.9	22.0	22.6
Europe											
Rev. ($ Mn.)	1,642.3	1,869.9	2,129.5	2,441.7	2,973.6	3,662.4	4,494.7	5,544.7	6,843.2	8,464.2	10,450.8
YoY (%)	12.7	13.9	13.9	14.7	21.8	23.2	22.7	23.4	23.4	23.7	23.5
APAC											
Rev. ($ Mn.)	1,392.5	1,569.8	1,771.0	2,000.7	2,507.7	3,052.3	3,685.6	4,543.6	5,636.2	6,972.4	8,727.4

YoY (%)	12.0	12.7	12.8	13.0	25.3	21.7	20.7	23.3	24.0	23.7	25.2
Total Cyber Security and Paperless Transformation Market											
Rev. ($ Mn.)	7,662.5	8,694.4	9,881.9	11,354.4	13,668.8	16,469.3	19,762.0	23,877.3	28,974.8	35,272.2	43,093.4
YoY (%)	12.5	13.5	13.7	14.9	20.4	20.5	20.0	20.8	21.3	21.7	22.2

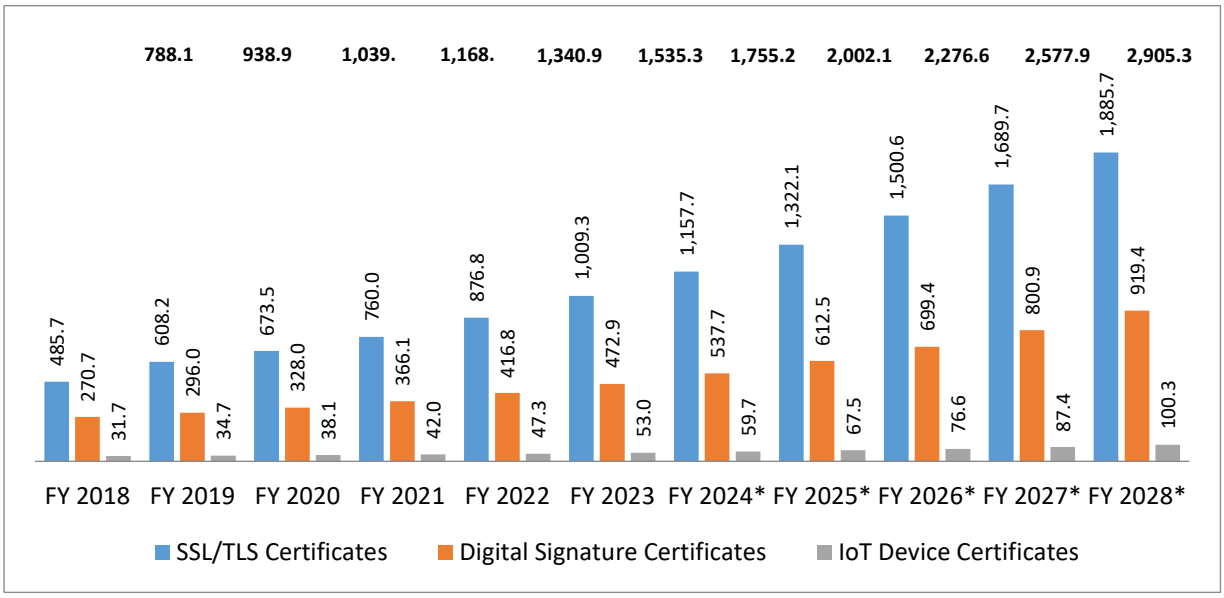
**Projected, Base Year is FY 2023, Americas = includes North America and South America; Europe = includes Western Europe, Eastern Europe and UK; APAC = includes South Asia, ANZ, China/GCR and other east Asian coutries; MEA = includes Middle East and African countries*
Source : Frost & Sullivan

Digital Trust Services Market

By definition, digital trust services include SSL/TLS certificates, digital signature certificates, and IoT and device certificates. The global digital trust services market was sized at $1,535.3 Mn. in FY 2023 with growth recorded at YoY 14.5%. It is estimated, the worldwide digital trust services market to be valued at $2,905.3 Mn. by the end of FY 2028.

Figure 9: Global Digital Trust Services Market ($ Mn.)

FY 2018 – FY 2028



	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Global Digital Trust Services	14.3%	13.6%
SSL/TLS Certificates	15.8%	13.3%
Digital Signature Certificates	11.8%	14.2%
IoT Device Certificates	10.8%	13.6%

**Projected, Base Year is FY 2023*
The revenue of players who bundle Digital Signature offering with paperless transformation/workflow (like DocuSign) have been segmented under Paperless Transformation Solutions market
Source : Frost & Sullivan

The Americas digital trust services market was estimated to be $722.4 Mn. in FY 2023 and likely to grow ~1.7 fold in the next 5 years. The European market is driven by growth from the western part of the continent and likely to become $765.3 Mn. by end of FY 2028. MEA is the smallest market among all regions with growth estimated

in the range of CAGR 13.6%. APAC sees high growth from countries like Singapore, Australia, Japan, South Korea and India and likely to grow the fastest at CAGR 17.1% in half a decade time.

In the verticals perspective, both the Government and BFSI sectors are believed to grow at CAGR 14.5% and 14.4% respectively, although government (28.5% market share) is currently the biggest consumer of digital trust services.

Leading players in digital trust services include DigiCert (USA), Sectigo (USA), Entrust (USA), GlobalSign (Belgium), GoDaddy (USA), IdenTrust (USA), Comodo (USA), and more.

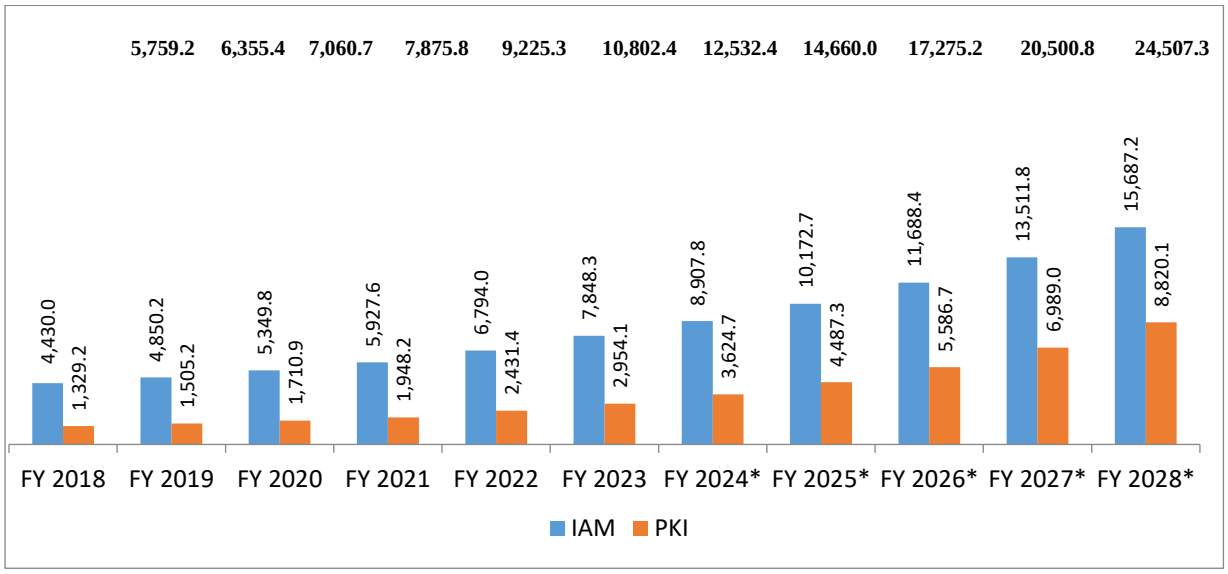
Cyber Security Solutions Market

Cyber Security solutions for the purpose of this study includes IAM (authentication) and PKI solutions. Authentication which constitutes identity and access management is of critical importance to enterprises as they continue to travel digital transformation journey. In parallel, there is a significant demand for PKI solutions as it forms the foundational component for secured exchange of information using digital certificates. Certificate Lifecycle Management or CLM is an important aspect of PKI that offers enrollment, validation, deployment, revocation, and renewal of the certificates to provide uninterrupted service.

Frost & Sullivan estimates the global cyber security solutions market to be valued at $10,802.4 Mn. in FY 2023, up from $7,875.8 Mn. in FY 2021. Last year, the cyber security solutions segment registered a growth of 17.1% and likely to move northwards even further to touch 19.5% growth by FY 2028. Growth would be driven by various government initiatives and regulations that involve PKI technology, embedding PKI on various devices, non-repudiation services that rely on PKI solutions, and higher importance of IAM and authentication in digital transformation.

Figure 10: Global Cyber Security Solutions Market ($ Mn.),

FY 2018 – FY 2028



	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Global Cyber Security Solutions	13.4%	17.8%
Identity and Access Manegement (IAM)	12.1%	14.9%
Public Key Infrastructure (PKI)	17.3%	24.5%

**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

North America continues to prove its dominance in the global cyber security solutions market with Americas currently valued at $5,919.7 Mn. However, the region would lose market share to faster growing markets like APAC (CAGR 19.8%) and Europe (CAGR 19.2%) till FY 2028. Europe has seen the émergence of stronger industry regulations formulated by the European Union (EU) across energy & utilities, medical devices, automotive, industrial, etc. which thereby has pushed forward the use the of PKI solutions. With seriousness around data security, more regulations are likely to come in the course of time that will increase awareness and demand for PKI among businesses.

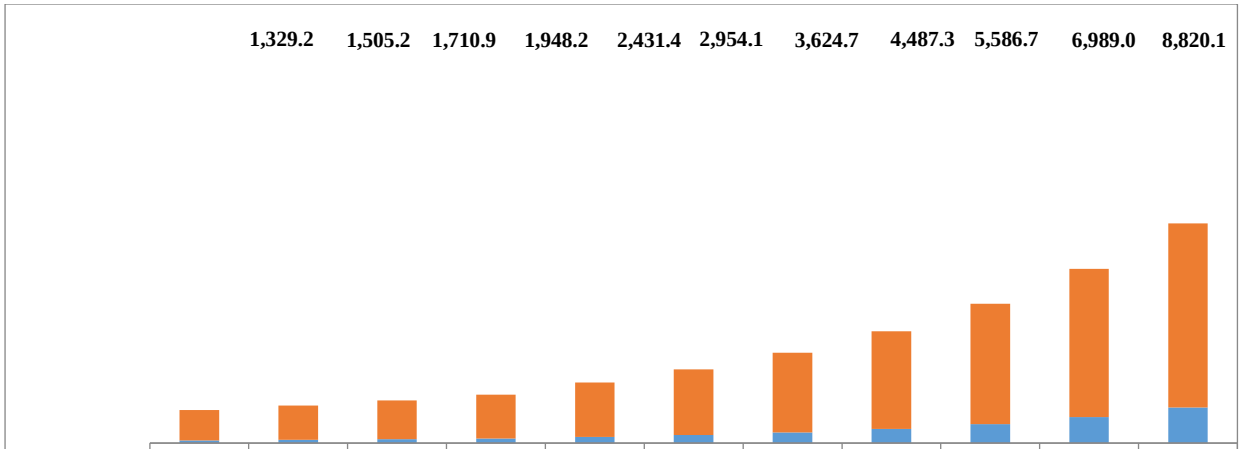
BFSI is the largest industry segment within the global cyber security solutions market. It is estimated to be around $2,225.3 Mn. and expected to grow at CAGR 17.2% till FY 2028. Currently, sized at $1,361.1 Mn. the government sector is likely to remain strong and believed to grow at CAGR 16.7% by the end of forecast period.

Leading players in the global cyber security solutions market include Microsoft (USA), IBM (USA), Ping Identity (USA), Okta (USA), Sailpoint (USA), Entrust (USA), DigiCert (USA), AWS (USA), HID Global (USA), and more.

Certificate Lifecycle Management (CLM) in PKI

Digital certificates are an important part of PKI. It has its own set of rules and protocols focused on discovery, management, and monitoring of digital certificates. Several enterprises worldwide depend on leading PKI solution providers to address their CLM needs. The solution is useful for admistrators to keep a track on when the certificate is expiring or are out of policy compliance. Thus, CLM fits into the PKI framework as a discipline that focuses on the management and monitoring of digital certificates.

Figure 11: Global PKI Market by Solution Type – CLM and non-CLM ($ Mn.), FY 2018 – FY 2028



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*	FY 2026*	FY 2027*	FY 2028*
Non-CLM	1,222.9	1,377.3	1,556.9	1,761.2	2,180.9	2,629.1	3,197.0	3,917.5	4,821.4	5,947.7	7,391.3
CLM	106.3	127.9	154.0	187.0	250.4	325.0	427.7	569.9	765.4	1,041.4	1,428.9

	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Global PKI Solution Market	17.3%	24.5%
CLM Solution in PKI	25.0%	34.5%
Non-CLM Solution in PKI	16.5%	23.0%

**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

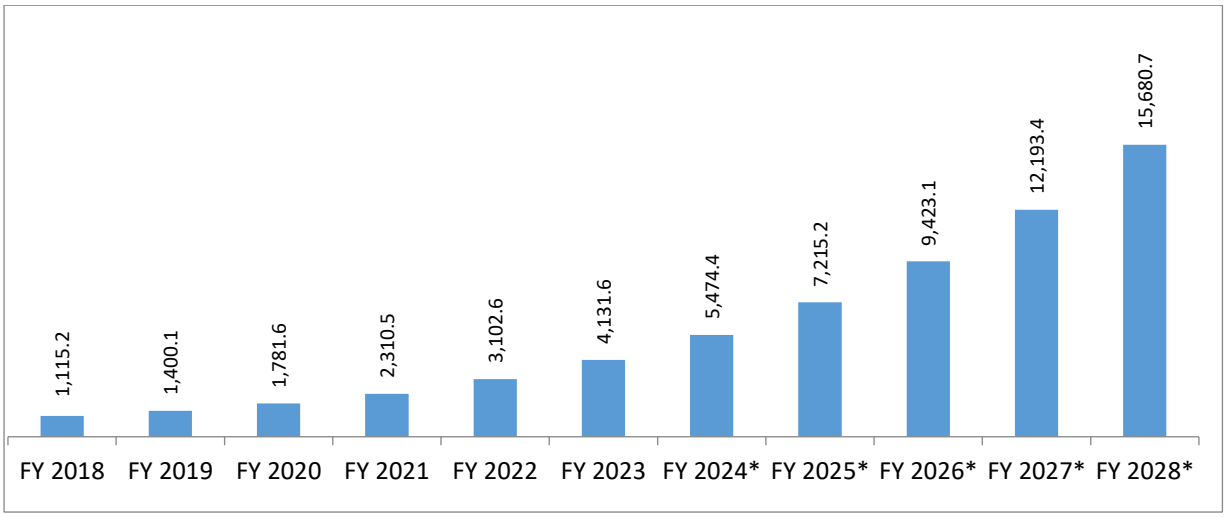
Paperless Transformation Solutions Market

Enterprises are working towards reducing manual paper-based work. The intent is to bring in process efficiency, better productivity and quicker turn-arounds. Automation is an important aspect in paperless work-processes and hence enterprises are taking interest in investing on workflow solutions.

The global paperless transformation solutions market is currently sized at $4,131.6 Mn. and estimated to have grown by 33.2% in the last year. Strong growth is projected for the next 5 years with an estimated CAGR of 30.6%, faster than the previous 5 years growth (FY 2018 to FY 2023).

Figure 12: Global Paperless Transformation Solutions Market ($ Mn.),

FY 2018 – FY 2028



CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
29.9%	**30.6%**

*Projected, Base Year is FY 2023
Source : Frost & Sullivan

Paperless transformation is a mature market in North America. Some of the large organizations have already transformed their business processes to improve process efficiency and reduce the use of paper. Europe is also fast catching up and accepting the change. Both APAC and Europe is expected to remain as the fastest growing markets contributing to 20.4% and 28.8% of the total market by end of FY 2028.

BFSI has the highest adoption for paperless transformation with market sized at $1,239.5 Mn. in FY 2023. Growth is expected to be at CAGR 32.0% for the next 5 years. The government sector is investing on paperless transformation to bring in efficiency and reduce corruption and this segment is likely to grow at CAGR 32.5% till FY 2028.

Key global players offering paperless transformation and workflow solutions include Adobe (USA), OneSpan (USA), DocuSign (USA), Alpha Trust (USA), WISeKey (Switerland), eMudhra (India), etc.

4.2 India

Much like the last couple of years, the India cyber security and paperless transformation market has seen higher growth than the global average. There has been a stronger awareness around security while the government and enterprises focus on digital uptake. Over the last one decade, the central government has successfully launched several digital initiatives through its Digital India program that includes digital locker, e-education, e-health, e-sign, etc. Most of these initiatives were meant to bring in transparency in the processes, reduce manual intervention and improve turn-around. Digital India uses advanced technologies like automation, artificial intelligence, paperless workflows, and digital signatures to streamline processes and improve error-free outcomes. Beyond the government vertical, the BFSI industry also has well-accepted the benefits of paperless processes. The leading private and public sector banks have started to replace manual work with automated paperless processes to increase their digital footprint to thereby improve customer experience. In today's banking industry, eKYC and Aadhaar Enabled Payment Systems are two of the important applications of authentication in India.

For the purpose of this study, the cyber security and paperless transformation market is tracked at 2 levels:

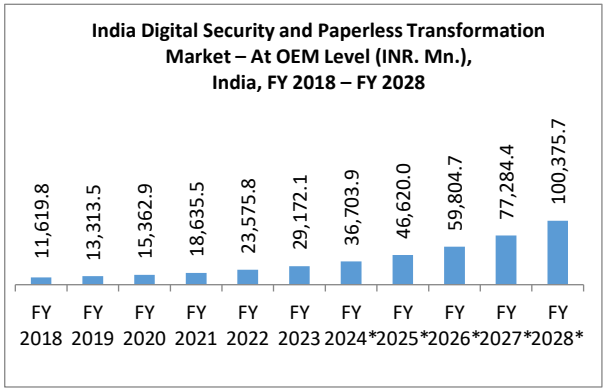
(1) at the OEM level (the revenue that the OEM/solution providers generate) : This is revenue registered at the solution provider's India book of accounts

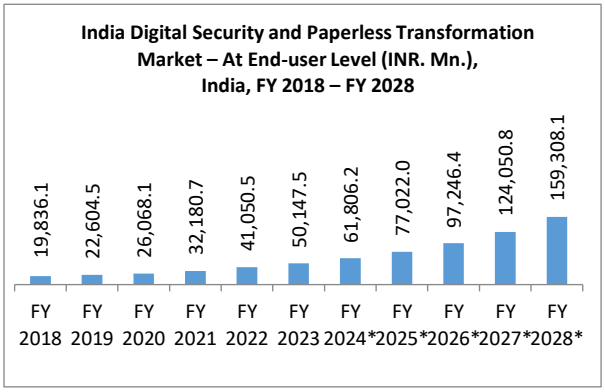
(2) at the end-user level (the revenue that the channel partners clock in by re-selling the solution to the end users) : Most of the cyber security and paperless transformation market solution providers take a channel driven approach to sell products to end users in India. The additional mark-up cost that channel partners add to the original cost of the product includes applicable taxes. In few cases (like digital signature certificates), the channel partners buy the solution in bulk at a much lower price and sell it off to the end-users/in the retail market at much higher rates.

Frost & Sullivan estimates the India cyber security and paperless transformation market at an OEM level to be sized at INR. 2,9172.1 Mn. in FY 2023, a growth of 23.7% from FY 2022. Over the next 5 years, the market is expected to grow over 3X and likely to touch INR. 1,00,375.7 Mn. growing at CAGR 28.0% (at constant USD to INR conversion rate).

At end-user level, the India market is currently valued at INR. 50,147.5 Mn. and expected to reach INR. 1,59,308.1 Mn. with CAGR estimated at 26.0% by the end of FY 2028.

Figure 13: Cyber Security and Paperless Transformation Market, at OEM and End-user Level (INR. Mn.), India, FY 2018 – FY 2028





	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM Level	**20.2%**	**28.0%**
AT End-user Level	**20.4%**	**26.0%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

Cyber security market is the biggest segment within the India cyber security and paperless transformation market contributing to 67.0% of the overall pie. However, in terms of projected growth for the next 5 years, the paperless transformation market is expected to lead with an estimated CAGR of 36.3% at the OEM level. For trust services, the market is primarily driven by SSL/TLS and digital signature certificates.

Figure 14: Cyber Security and Paperless Transformation Market by Application Type (INR. Mn.) – At OEM Level, India, FY 2018 – FY 2028

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*	FY 2026*	FY 2027*	FY 2027*
India Digital Trust Services											
Rev.	2,423.	2,815.	3,264.	3,777.3	4,343.6	4,833.9	5,619.7	6,589.7	7,799.0	9,306.7	11,148.

(INR Mn.)	1	8	1								8
YoY (%)	15.8	16.2	15.9	15.7	15.0	11.3	16.3	17.3	18.4	19.3	19.8
India Cyber Security Solutions											
Rev. (INR Mn.)	7,581.3	8,578.6	9,794.3	12,045.4	15,430.2	19,542.4	24,811.4	31,662.3	40,541.6	52,008.1	66,693.8
YoY (%)	10.9	13.2	14.2	23.0	28.1	26.7	27.0	27.6	28.0	28.3	28.2
India Paperless Transformation Solutions											
Rev. (INR Mn.)	1,615.4	1,919.2	2,304.5	2,812.7	3,802.1	4,795.8	6,272.9	8,368.0	11,464.1	15,969.6	22,533.0
YoY (%)	16.3	18.8	20.1	22.1	35.2	26.1	30.8	33.4	37.0	39.3	41.1
Total Cyber Security and Paperless Transformation Market											
Rev. (INR Mn.)	11,619.8	13,313.5	15,362.9	18,635.5	23,575.8	29,172.1	36,703.9	46,620.0	59,804.7	77,284.4	1,00,375.7
YoY (%)	12.6	14.6	15.4	21.3	26.5	23.7	25.8	27.0	28.3	29.2	29.9

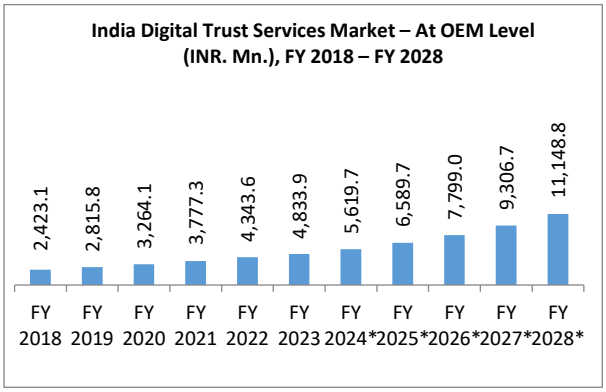
**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

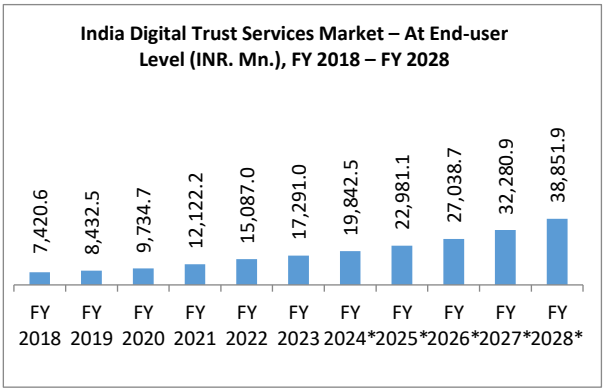
Digital Trust Services Market

The India digital trust services market which include SSL/TLS Certificates, Digital Signature Certificates, and IoT and Device Certificates was estimated to be INR. 2,423.1 Mn. in FY 2018. It is expected to grow at CAGR 18.2% at the OEM level, and at CAGR 17.6% at the end-user level by the end of FY 2028. As a matter of fact, the next 5 years projections look even stronger than the last 5 years actual performance.

Figure 15: India Digital Trust Services Market (INR. Mn.),

FY 2018 – FY 2028



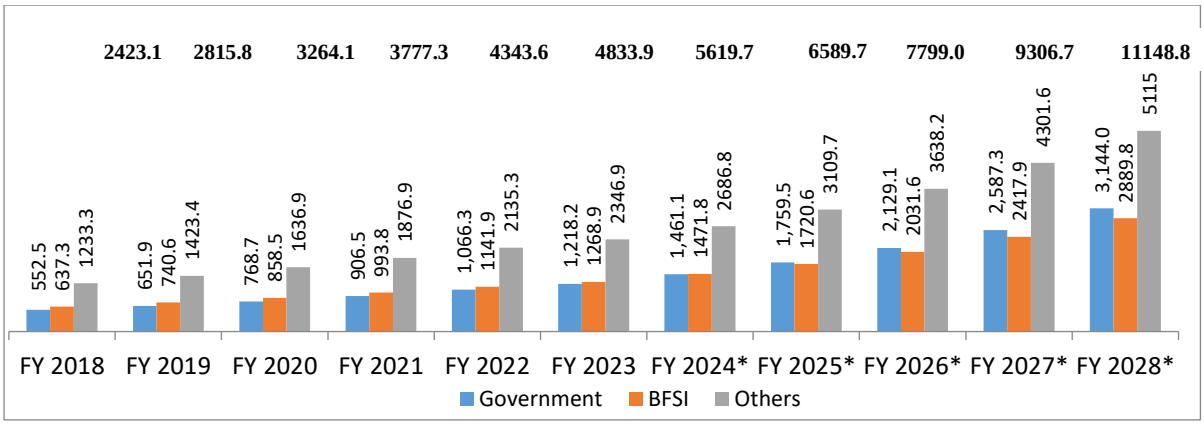


Digital Trust Services, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM Level	**14.8%**	**18.2%**
AT End-user Level	**10.3%**	**17.6%**

*Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure
Source : Frost & Sullivan

BFSI (26.2%) is the largest users of digital trust services in India with government as close next (25.2%). However, growth in the government vertical is expected to be stronger and hence likely to surpass BFSI numbers by FY 2025.

Figure 16: India Digital Trust Services Market by Industry Verticals – At the OEM Level (INR. Mn.), FY 2018 – FY 2028



Industry Verticals	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Govt.	**17.1%**	**20.9%**
BFSI	**14.8%**	**17.9%**
Others	**13.7%**	**16.9%**

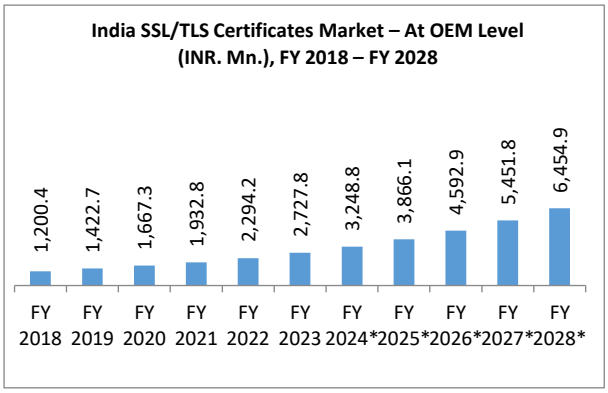
**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

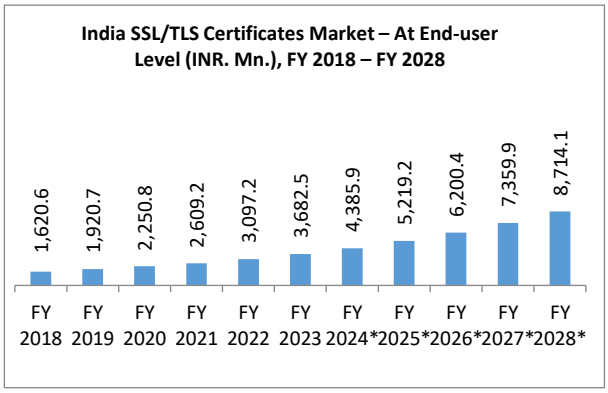
- **SSL/TLS Certificates Market in India**

The SSL/TLS certificates market in India was valued at INR. 2,727.8 Mn. in FY 2023 and estimated to have grown by 18.9%. The market has seen higher growth rates since FY 2019 and is likely to grow even further in FY 2024. Businesses are focusing on creating a digital footprint especially after the covid-19 pandemic and are spending time on improving online customer engagements and payments. This calls for secured web interfaces which summarily drives the need for SSL/TLS certificates. Frost & Sullivan estimates the India SSL/TLS certificates market to reach INR. 6,454.9 Mn. at the OEM level by the end of FY 2028.

Figure 17: India SSL/TLS Certificates Market (INR. Mn.),

FY 2018 – FY 2028





SSL/TLS Certificates Market, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**17.8%**	**18.8%**

*Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure
Source : Frost & Sullivan

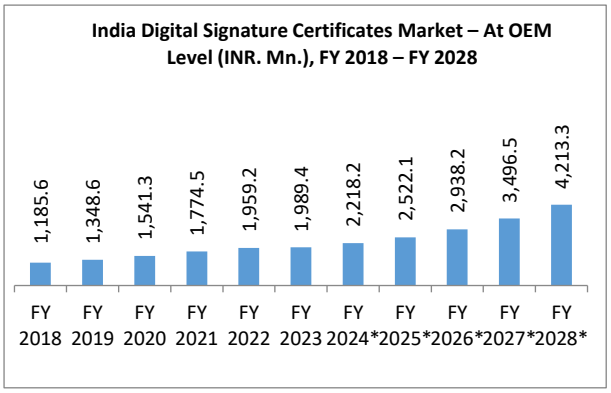
Key stakeholders in the local market include some of the global leaders including DigiCert, Sectigo, Entrust, GlobalSign, and GoDaddy. eMudhra is one of the very few India headquartered players who have been offering SSL/TLS certificates. The company provides domain validation certificates, organization certificates, and extended validation certifciates to secure websites. eMudhra being the largest Certifying Authority (CA) in India has the advantage over its peer group due to its digital signature certificate (DSC) expertise. The company is recognized by renowned browsers and document processing software companies like Microsoft, Mozilla, Apple and Adobe allowing eMudhra to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication, globally. Being accredited to WebTrust, it gives an added advantage to eMudhra over its Indian counterparts to issue DSC in many countries, not just India.

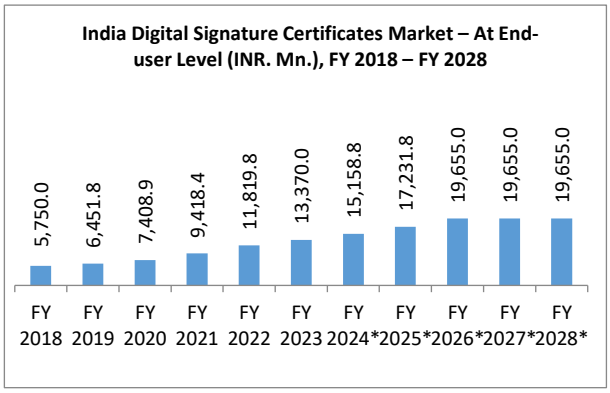
- **Digital Signature Certificates Market in India**

Currently, the Digital Signature Certificates (DSC) market in India is estimated to be INR. 1,989.4 Mn. at the OEM level. Since 2018, the market segment has grown at a CAGR of 10.9% till FY 2023 and likely to grow even faster in the next 5 years. The Information Technology Act 2000 mandates the use of digital signatures for documents submitted in the electronic form to ensure security and authenticity. DSC's are used to file income tax returns, GST, e-tendering, patent, trademark filing, customs e-filing, and more. The signature can be used by a particular individual and prohibits the use of the signature of another person.

Figure 18: India Digital Signature Certificates Market (INR. Mn.),

FY 2018 – FY 2028





Digital Signature Certificates Market, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM Level	**10.9%**	**16.2%**
At End-user Level	**10.4%**	**17.0%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

The Indian DSC market constitutes players like eMudhra, (n)code solutions, Vsign, Capricorn, IDSign, etc. eMudhra is the market leader in Digital Signature Certificates in India and has a market share of 39.8%. This is an increase in market share by 1.9 points since FY 2021. Even in FY 2022, the company is believed to have grown by 16.9%, faster than the market average. While, other players in the market have grown as well, most have failed to match eMudhra's DSC market reach and expertise. Sify has ceased to offer DSC any further and no more considered a Certifying Authority (CA). Some of the newest entrant in the Indian DSC market includes XtraTrust, CareSign, SignX, IGCAR, and ProDigiSign.

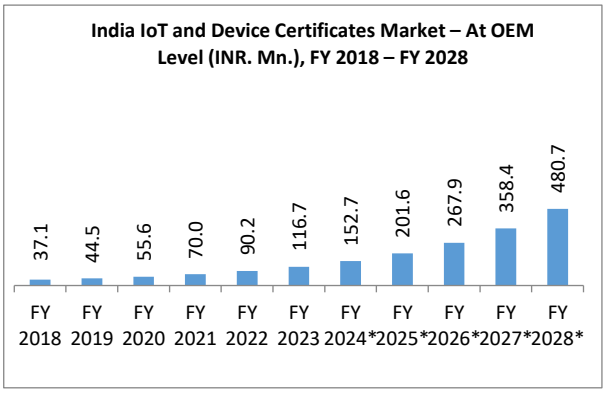
- **IoT Device Certificates Market in India**

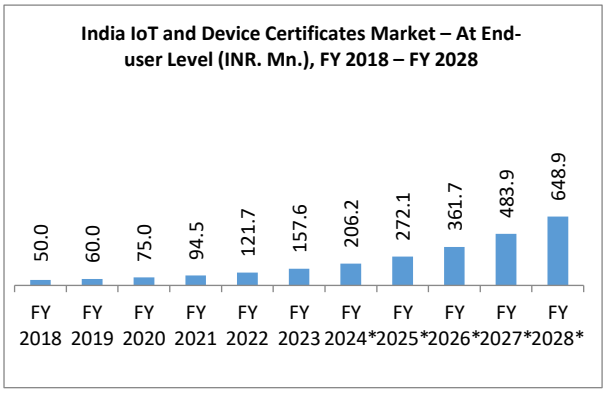
The IoT and device certificates market in India is small and estimated to be INR. 116.7 Mn. Given the small revenue base and high adoption of IoT devices, the market is expected to grow strong in the next 5 years. By FY 2028, the IoT and Device Certificates market in India is expected to reach INR. 480.7 Mn. growing at a CAGR of 32.7%.

Much like the global trend, IoT devices have found place across various industry verticals in India. IoT devices, which includes sensors, actuators or appliances, connect wirelessly to a network and can transmit data. There remains a high chance that cyber criminals target unsecured IoT devices or plant unathorized IoT devices into the network to steal data. IoT device certificates help verify and grant access to the network. It is critical every IoT device has a digital certificate to ensure safe transfer of data.

Figure 19: India IoT and Device Certificates Market (INR. Mn.),

FY 2018 – FY 2028





IoT and Device Certificates Market, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**25.8%**	**32.7%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

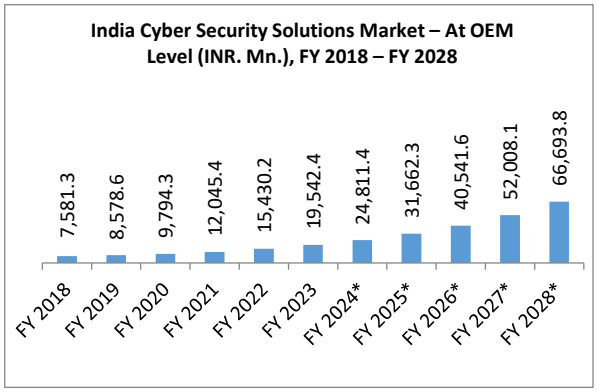
The IoT and device certificates market in India is dominated majorly by the global players including GlobalSign, Digicert, Entrust, etc. Still a small player, eMudhra sees some initial traction in the segment across India and worldwide. From providing real-time authentication and tamper-proof documentation to safeguarding supply chain management, eMudhra's IoT enabled digital certificates protects IoT devices from cyber threats and data loss. Some of the most frequently issued digital certificates for IoT devices include : device identity certificates, server certificates, client certificates, code signing certificates, manufacturing certificates and managed PKI certificates. These certificates play an important role in IoT device security, establishing trust in communication and ensuring integrity of data within the IoT network.

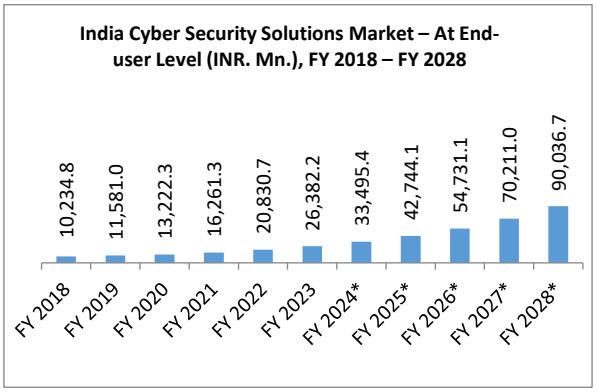
Cyber Security Solutions Market

Frost & Sullivan defines the cyber security solutions market comprising of IAM and PKI solutions. Certificate Lifecycle Management (CLM) is a component within the PKI market and is gaining traction. The cyber security solutions market in India is estimated to be INR. 19,542.4 Mn. in FY 2023 and expected to touch INR. 66,693.8 Mn. by the end of FY 2028. Growth during the forecast period is likely to be around CAGR 27.8% - significantly faster than the global or APAC/regional growth.

Figure 20: India Cyber Security Solutions Market (INR. Mn.),

FY 2018 – FY 2028



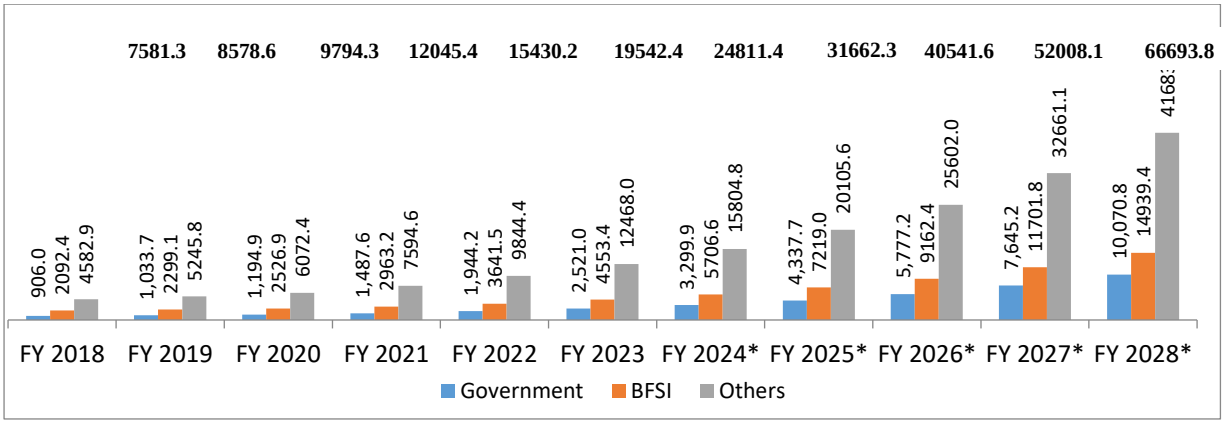


Cyber Security Solution, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**20.8%**	**27.8%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

BFSI is the biggest user of cyber security solutions in India contributing to 23.3% of the overall market pie – at the OEM level. However, the government vertical is growing faster as the industry sees stronger demand for IAM and PKI solutions.

Figure 21: India Cyber Security Solutions Market by Industry Verticals – At the OEM Level (INR. Mn.), FY 2018 – FY 2028



Industry Verticals	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Govt.	**22.7%**	**31.9%**
BFSI	**16.8%**	**26.8%**
Others	**22.2%**	**27.3%**

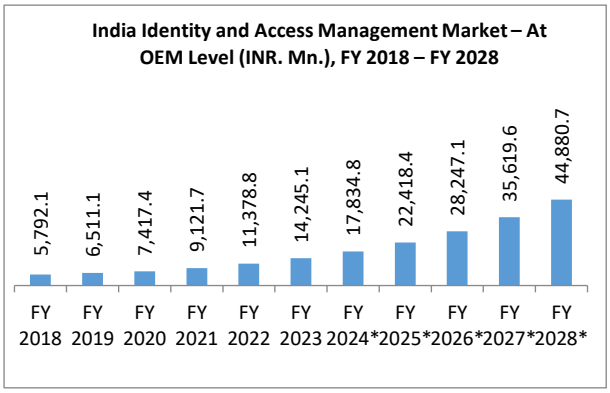
**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

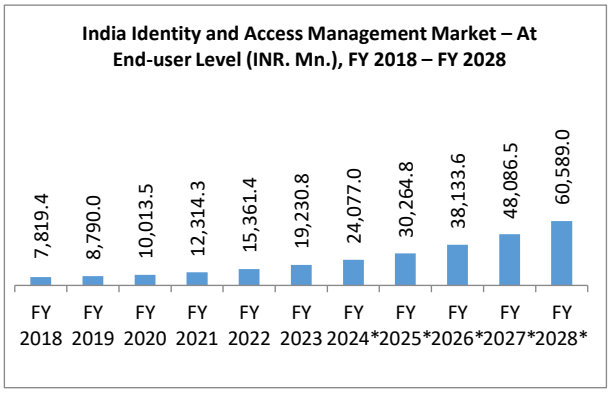
- **IAM Market in India**

The IAM market in India is valued at INR. 1,4245.1 Mn. in FY 2023 and estimated to have grown by 25.3% from the previous year. Growth is expected to continue and go past 26.0% by the end of FY 2028. IAM is a key instrument to stop misuse of login and unauthorized access to database or applications. It is important for an IAM solutions to be acceptable with 3rd party applications, platform agnostic and accept CA certificates for DSC and PKI based authentication.

Figure 22: India Identity and Access Management Solution Market (INR. Mn.),

FY 2018 – FY 2028





Identity and Access Management, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**19.7%**	**25.8%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

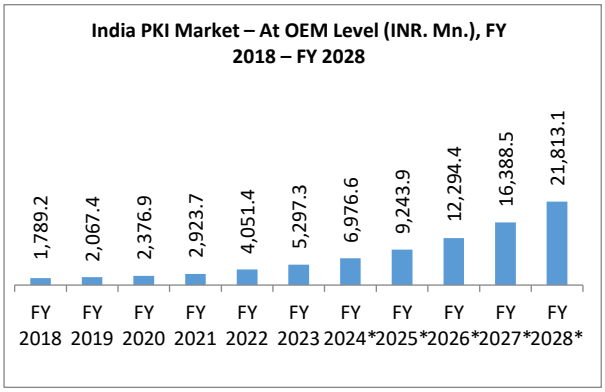
Leading players in the Indian IAM market includes IBM, Microsoft, Oracle, Broadcom, eMudhra, Ping Identity, Cisco, Okta, and others. Based on the Frost & Sullivan estimation, eMudhra had grown faster than the market average and gained market share in FY 2023. As per the company, eMudhra emAS offers authentication and access management for 10 million users across 27 global banks. It offers granular policies based on risk and severity to enforce access and authentication. The solution enables 15 modes of authentication including digital signatures, biometric, and T-OTP. Moreover, eMudhra emAS supports single sign-on and adaptive authentication.

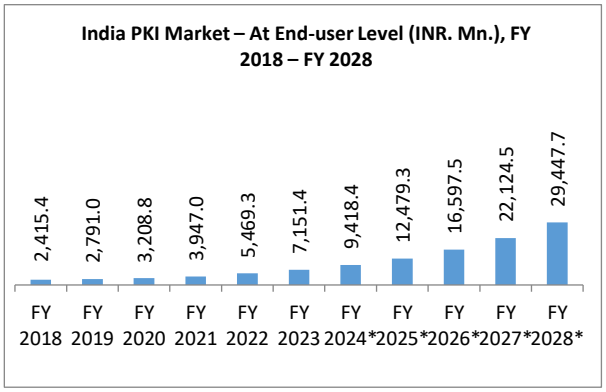
- **PKI Market in India**

PKI is considered core to digital security and hence finds strong use case in data critical industry verticals like BFSI. Digital certificates are issued to authenticate the identity of users, devices, or services. It is used for securing web pages, encrypting files, authenticating and encrypting email, and authenticating VPN connections. With strong demand coming from various industry verticals, the PKI solutions market is estimated to be INR. 5,297.3 Mn. at the OEM level and likely to grow at a CAGR of 32.7% by FY 2028.

Figure 23: India PKI Solution Market (INR. Mn.),

FY 2018 – FY 2028





PKI Solution Market, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**24.2%**	**32.7%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

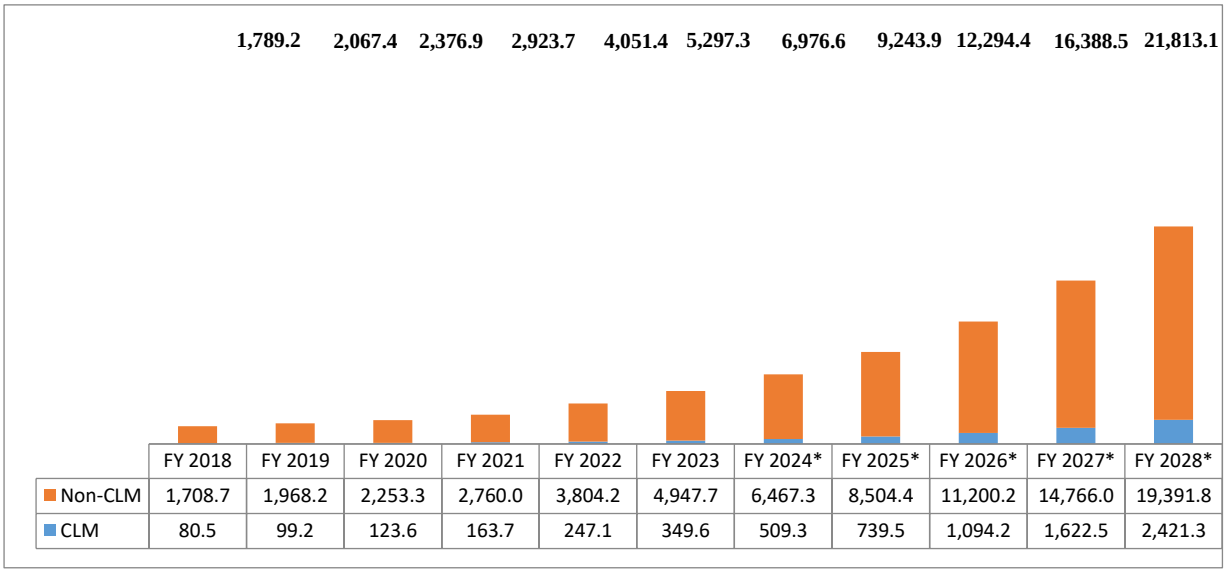
Understanding the need for PKI in securing digital transactions, eMudhra offers PKI solutions for enterprises in both the private and public sectors. As a certifying authority, eMudhra provides X.509 certificates, CLM suite and on-device key management suite. Services offered by eMudhra can deploy and manage trusted identities of people, devices and services.

Certificate Lifecycle Management (CLM) in PKI

The CLM market for PKI in India is very small and still in its early days. Businesses have realized the need for a solution that manages the lifecycle of digital certificates for a PKI solution. It is estimated that the CLM market for PKI in India is sized at INR. 349.6 Mn. at the OEM level. However, in the next 5 years, the sub-segment is expected to grow at CAGR 47.3% and cross INR. 2,421.3 Mn.

Figure 24: India PKI Market by Solution Type – CLM and non-CLM – At OEM Level (INR. Mn.),

FY 2018 – FY 2028



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*	FY 2025*	FY 2026*	FY 2027*	FY 2028*
Non-CLM	1,708.7	1,968.2	2,253.3	2,760.0	3,804.2	4,947.7	6,467.3	8,504.4	11,200.2	14,766.0	19,391.8
CLM	80.5	99.2	123.6	163.7	247.1	349.6	509.3	739.5	1,094.2	1,622.5	2,421.3

Certificate Lifecycle Management, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
India PKI Solution Market	**24.2%**	**32.7%**
CLM Solution in PKI	**34.1%**	**47.3%**
Non-CLM Solution in PKI	**23.7%**	**31.4%**

**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

eMudhra has started offering CLM solution through the product called as emDiscovery. The solution offers visibility, lifecycle management, compliance, scaling through automation, and easily integrates with other CAs. Some of the key components of emDiscovery includes certificate issuance, distribution, validation, renewal, revocation, auditing and compliance, and reporting and analytics. While the solution penetration in the market is

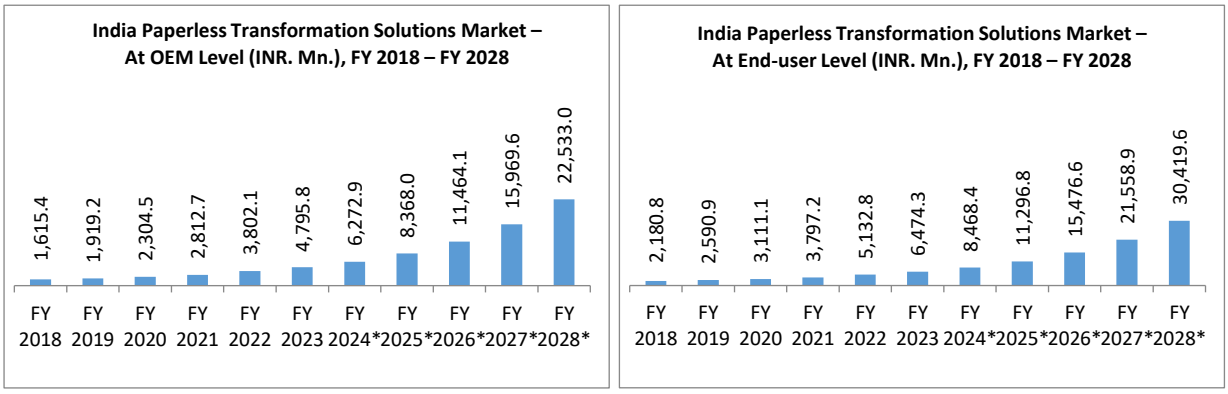
slow, eMudhra foresees a stronger adoption both in the domestic and international market. Some of the other players offering CLM in India includes DigiCert, AWS, Venafi, AppViewX, Sectigo, etc.

Paperless Transformation Solutions Market

As Indian enterprises are working towards automating business processes and bringing down manual work, they are identifying technologies that can substitute physical paper with digital workflows. Paperless workflow solutions help enterprises to replace traditional practices of business operations and customer interactions with easy customer onboarding, document sharing, invoicing and contract signing. Paperless Transformation solutions have seen a high positive uptake in the Indian market which is likely to grow even mature by the end of FY 2028. India today contributes to 8.3% of the APAC paperless transformation market which is likely to reach 9.5% by the end of the forecast period.

Figure 25: India Paperless Transformation Solutions Market (INR. Mn.),

FY 2018 – FY 2028

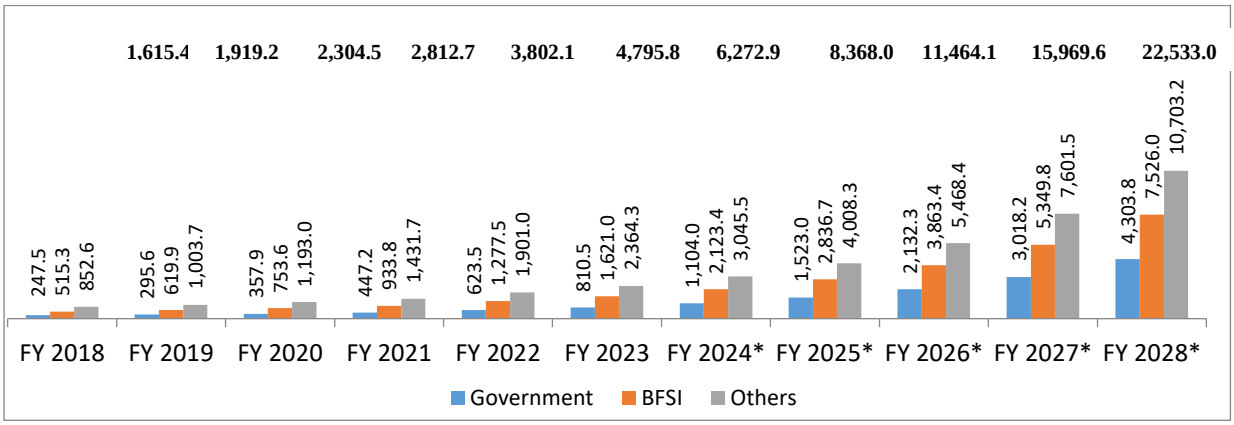


Cyber Security Solution, India	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
AT OEM and End-user Level	**24.3%**	**36.3%**

**Projected, Base Year is FY 2023, end-user revenue estimated at constant partner margin and tax structure*
Source : Frost & Sullivan

To remain relevant and competitive in the Indian market, the Indian private and public sector banks are fast transforming their banking infrastructure. Digital banking, eKYC and online customer onboarding/account opening are being offered by almost all major banks and they quite relying on paperless transformation and workflow solutions. It is estimated, the BFSI sector in India contributes to 33.8% of the total paperless transformation market and likely to grow at a CAGR of 36.3% in the next 5 years.

Figure 26: India Paperless Transformation Market by Industry Verticals – At the OEM Level (INR. Mn.), FY 2018 – FY 2028



Industry Verticals	CAGR (FY 2018 – FY 2023)	CAGR (FY 2023 – FY 2028)*
Govt.	**26.8%**	**39.6%**
BFSI	**25.8%**	**35.9%**
Others	**22.6%**	**35.3%**

**Projected, Base Year is FY 2023*
Source : Frost & Sullivan

The Paperless transformation solutions market in India is fast evolving. The most prominent players in the segment include Adobe, Doscusign, MSB Docs, eMudhra, OneSpan, Alpha Trust, etc. Of late, eMudhra has not only been successful in the domestic market, but has also received acceptance in the global markets. In India, the eMudhra emSigner solution has not only been used across some of the large private enterprises (banks, IT service providers, insurance providers) but also in government websites like tax and corporate affairs.

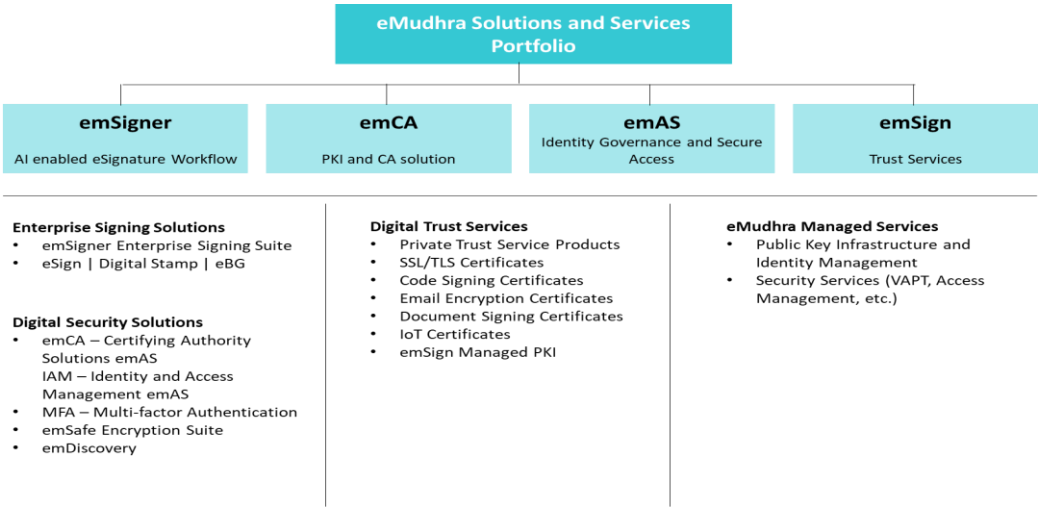
5. Overview of eMudhra Portfolio of Solutions

5.1 Value Proposition

Headquartered in Bengaluru (India), eMudhra was started in 2008 with a motive to accelerate the world's transition to a secure integrated digital society with a foundation built on digital identity and trust. The company's aim is to offer soutions and services that include digital trust services, cyber security solutions, and paperless transformation solutions. With these offerings, eMudhra enables enterprises transition to zero trust security. Working with several large and medium size Indian and global customers, eMudhra understands enterprise requirements and the seriousness around cyber security. Most of the solutions offered by the company are feature rich, adheres to industry regulations and mandates, and easily deployable. This ensures customers are able to extract the most benefit from the solutions and not just make them a tick mark across the bucketlist products. eMudhra has built a reliable channel partner network spread across the globe who has become the face of the company. With prominent success in India, eMudhra is now well recognized in other regions including Europe, Kenya, UAE, USA, Peru, Mauritius, etc.

5.2 Solution Offerings

- **Global Trust Services:** Includes trust anchors across website security, document signing, country level accreditations, WebTrust accreditations and browser listing
- **Public Key Infrastructure Suite:** Includes PKI suite of offerings including emCA and emDiscovery which spans across on-premise and cloud-based models
- **Electronic Signature Suite:** emSigner offers signing solution offered on-cloud or on-premise that works with eMudhra Trust Services and PKI to help solve complex use cases on Digital Transformation
- **Identity and Access Management:** emAS suite provides authentication and access to ensure organizational hygiene and robust security posture
- **Encryption Services:** With expertize in cryptography, eMudhra is able to power several large and complex encryption use-cases



Source: eMudhra

5.3 Financial Health Status

eMudhra's success and customer acceptance reflects in its strong financial performance. eMudhra reported revenue from operations of INR. 2,488 Mn. in FY 2023, up by 36.3% from the previous year. Noteably, the company has grown by CAGR 28.8% since FY 2020. EBITDA margin has also been strong touching 36% mark for both FY 2022 and FY 2023. PAT has been increasing consistently over the years from 15.8% in FY 2020 to 24.1% in FY 2023.

In terms of revenue mix, eMudhra Enterprise Solutions reported revenue of INR. 1,637 Mn. in FY 2023 as against INR. 850 Mn. for Trust Services the same year. Distinctly, Enterprise Solutions segment grew at CAGR 39.7% and Trust Services by CAGR 14.7% since FY 2020. While India contributes to 64.1% of the total revenue, the contribution from outside India has grown consistently over the years from just 12.5% in FY 2020. Currently, top 5 customers contribute to 27.0% of the total revenue.

5.4 Unique Differentiation

- One of the well known Indian companies with strong presence in digital trust services, cyber security solutions and paperless transformation solutions.
- One stop shop solution provider in securing enterprise transition to zero trust.
- Market leader in Digital Signature Certificates in India with a market share of 39.8% in FY 2023.
- Accredited to WebTrust that makes eMudhra's digital signature certificates directly recognized by browsers across the world allowing the company to issue digital signature certificates in many countries.
- Member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates
- Recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing eMudhra to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication, globally

5.5 Industry Standards, Recognitions and Accreditions

- Software development practices compliant with CMMI Level 5
- An ISO 9001, ISO 20000, ISO 27001 and ISO 27018 certified organization
- Trust Services are WebTrust accredited enabling digital identity and certificate offerings globally
- GDPR compliant
- HIPAA compliant
- emCA solution suite EAL 4+ certified
- SOC 2 Type II certified
- Featured in DirectTrust (Formerly SAFE Identity) Qualified Product List (QPL) issued by DirectTrust, a US based industry consortium and certification body operating a Trust Framework for digital identities in healthcare

- emSigner enables FDA regulated industries to cost-effectively comply with both 21 CFR Part 11 as well as EU Annex 11 while achieving optimal operational and regulatory compliance efficiencies

6. Peer Group Portfolio Comparison with eMudhra

6.1 Global Players

Figure 27: Comparison of Select Players in the Global and India Market

	Select Players in the Global Market	Select Players in the India Market
Digital Trust Services		
SSl/TLS Certificates	DigiCert (USA), Entrust (USA), Sectigo (USA), eMudhra (India)	DigiCert (USA), GoDaddy (USA), Entrust (USA),*
Digital Certificates	DigiCert (USA), eMudhra (India), Entrust (USA), GlobalSign (Belgium)	eMudhra (India), (n)code Solutions (India), Verasys (India), Capricorn (India)
IoT Certificates	DigiCert (USA), Entrust (USA), GlobalSign (Belgium),*	eMudhra (India), DigiCert (USA)
Digital Security Solutions		
IAM	IBM (USA), Microsoft (USA), Okta (USA), eMudhra (India)	eMudhra (India), IBM (USA), Microsoft (USA)
PKI	eMudhra (India), Entrust (USA), Nexus (Sweden), Keyfactor (USA)	eMudhra (India), Entrust (USA), Nexus (Sweden)
CLM	DigiCert (USA), GlobalSign (Belgium), Keyfactor (USA), AWS (USA), AppViewX (USA), Venafi (USA)	DigiCert (USA), AWS (USA), AppViewX (USA), Venafi (USA), Sectigo (USA),*
Paperless Transformation Solutions	Adobe (USA), DocuSign (USA), eMudhra(India), OneSpan (USA)	Adobe (USA), DocuSign (USA), eMudhra (India)

The above mentioned table represents select players (not an exhaustive list) and denotes the company's presence in that particular segment, however does not necessarily mean that it does not have a representation in other areas of Cyber Security and Paperless Transformation market
**eMudhra has built a capability and expertise around this area*
Source: Frost & Sullivanx`

6.2 Indian Players

Figure 28: Comparison of Players in the Indian Digital Signature Certificate/CA Market

Licensed CAs	Class 1 -3 DSCs	eSign	SSL	Time Stamping
Safescrypt	✓	✓		✓
(n) Code Solutions	✓	✓		✓
eMudhra	✓	✓	✓	✓
Capricorn	✓	✓		✓
Vsign (Verasys)	✓	✓		✓
RISL (RajComp)	✓	✓	✓	✓
IDSign	✓	✓		✓
Pantasign	✓	✓		✓
Xtra Trust	✓	✓		✓

Licensed CAs	Class 1 -3 DSCs	eSign	SSL	Time Stamping
ProDigiSign	✓	✓		✓
SignX	✓	✓		✓
Care 4 Sign	✓	✓		✓
CDAC		✓		
Protean (NSDL e-Gov)		✓		✓
CSC		✓		✓
CDSL Ventures		✓CDSL		✓CDSL
RPSL		✓		✓
IDRBT	✓Banks		✓Banks	✓Banks
Indian Air Force	✓IAF		✓IAF	✓IAF
Indian Army	✓Army		✓Army	✓Army
Indian Navy	✓Navy	✓Navy	✓Navy	✓Navy
IGCAR	✓IGCAR			✓IGCAR

**The Root CA Certificate of India is listed only in Microsoft products (including IE)*
Source : https://cca.gov.in/CAServicesOverview.html

7. The Way Ahead in Technology Transformation

7.1 Role of Digital Signature Certificates in Quantum Computing

Quantum computing is defined as the application of quantum mechanics principles to perform computations that classical computers cannot solve. The field is still in its early days, however governments and large enterprises are taking serious interest to develop quantum computers. Nevertheless, when quantum computing comes, it is likely that they would be able to solve the intractable mathematical problem which is the underlying core of cryptography. Please note, cryptography is not unsolvable but requires time and resource that quantum compturers can puzzle out.

Post Quantum Cryptography (PQC) is the cryptographic research community's answer to the threats posed by quantum computing. The aim is to develop cryptographic systems that are secure against both quantum and classical computers and can interoperate with existing communications protocols and networks. Research around PQC has been ongoing on for several years now, and standardization of PQC algorithms is slowly materializing. While several PQC algorithms are being developed, it is difficuilt to say which PQC algorithm with prevail over others.

7.2 Importance of Homomorphic Encryption

In true sense, the word 'homomorphic' refers to the transformation of one data set to another without changing the relationship between elements in both sets. Homomorphic encryption is defined as the conversion of data into ciphertext that can be analyzed and worked with as if it is still in its original version. It enables complex mathematical operations to be performed on encrypted data without compromising the encryption.

Homomorphic encryption differs from legacy encryption methods in the sense that it enables mathematical computations to be performed directly on the encrypted data which ensures better safety over handling user data by third parties. It is designed to create an encryption algorithm that facilitates infinite number of additions to encrypted data. Technically, there needs to be a relationship between plaintext and ciphertext in homomorphic encryption to perform mathematical operations on encrypted data. Plaintext refers to ordinary readable text and ciphertext refers to transformed version of plaintext.

Cloud computing is one of the biggest use cases of homomorphic encryption. It enable organizations to store encrypted data in public cloud. Cloud storage has always been a case of worry for enterprises due to security. With homomorphic encryption, businesses can outsource data storage, processing or analytics to third party vendors without the need to reply on their data security. Without the right decryption key, the orginal encrypted data cannot be decrypted, although the sensitive data can either be sent or analyzed while still remaining encrypted. Homomorphic encryption finds strong applications for data sensitive industry verticals like healthcare or financial services.

Homomorphic encryption has equal importance in the supply chain industry to protect against supply chain cyber attacks. Keeping the data provided to the third party encrypted safeguards data breach at the third party ensuring no disruption of supply chain service despite the attack.

From another perspective, homomorphic encryption can also be used to meet regulatory compliance. It can help companies outside of the European Union (EU) adhere to General Data Protection Regulation (GDPR) compliance. While GDPR mandates EU data to remain within the EU, it does not apply to encrypted data.

The current adoption of homomorphic encryption is low due to the fact that ciphertexts need to be correctly added or multiplied an infinite number of times, however, the future looks bright – specially due to the rising complexity of cyber-attacks. Large technology giants like Microsoft and IBM are currently working on the encryption format and likely to come up with simpler versions that decrease the computational overhead needed for homomorphic encryption.

7.3 Relevance of Mobile PKI

The dependence on mobile phones are reaching newer heights on a regular basis. Users are taking advantage of e-services by accessing the internet through wireless communication using the mobile phone. However, security remains the biggest concern for mobile users. It is critical for mobile users to have the 4 key security functions: confidentiality, data integrity, entity authentication and non-repudiation. Technologies supporting these security functions to mobile phone and wireless internet environment must be able to grant the same level of security as in the wired internet environment.

However, it is challenging to apply the Wireless Application Protocol (WAP) in a mobile environment since wireless internet has lower transmission bandwidth. A mobile phone also has certain limitations in terms of small screen, low computing power, and low memory capacity.

To address this difficulty, it is required to have mobile PKI. A mobile PKI is designed to work with the limitations of mobile devices such as low power, less memory, less processing power, etc. and provide secure connection for both public web pages and private systems. It can used for device authentication, 2FA (2 factor authentication), and identity management for mobile devices.

Some of the benefits of mobile PKI include improved security (ensures secure connection between public web pages and private systems, confirms data is encrypted and signed, and digital certificates issued to authenticate the identity of users, devices, and systems), cost effectiveness, offers device authentication, 2FA and identity management.

7.4 Role of Digital Signature Certificates in Zero Trust Security

Zero trust security works on the principle of ‘’never trust, always verify’’. This is essential at a time when cyber threats have started to come in from both insiders and outside of the enterprise network. Just having traditional perimeter security does not work any further and hence is the need of an architecture that performs continuous verification and authentication of all access requests and limits access to only those users and devices that need it to perform their job functions.

Zero trust architecture is designed to provide a more comprehensive approach to cybersecurity which creates multiple layers of defense including IAM, encryption, and constant monitoring. Identity remains critical in the entire process as zero trust security assumes all users and devices are potentially malicious, and requires verification and authentication. Digital Signature Certificates (DSC) help authenticate users, devices, and network resources. These certficates are being issued by CAs and is used to establish trust between different entities within the organization’s network. DSC consists of a pair of cryptographic keys – private key and public key known as asymmetric keys that binds the identity of an individual or business. Unlike the other popular authentication and authorization techniques (eg. Passwords) which depend on shared secrets, DSC uses a seperate private key and public key that is not shared but follows mathematical properties ensuring a 1:1 mapping – hence considered more

secure which is the mantra of zero trust.

7.5 Role of Digital Certificates in IoT

IoT is fast becoming an integral part of the digital transformation journey. All companies – big or small – can transform into digital companies by using IoT devices and platforms. And the underlying link between IoT and digital transformation is data. IoT devices collect and transfer volumes of data on a daily basis over the internet. However, security has been the biggest concern in IoT devices. In most cases, IoT devices rely on insecure passwords for authentication that can be easily broken into by hackers and cyber criminals. For industry verticals where there is a large use of IoT devices (like energy & utilities, industrial, smart cities, transportation, medical devices), it is important to ensure leveraging authetication and authorization techniques that is difficuilt to jail-break and is reliable.

Digital signature certificates find it highly relevant and intriguing in IoT use cases. Digital certificates work as cryptographic identities to the device to authenticate if a legitimate device is communicating with the network. For example, in smart cities security of the connected public services like traffic signals remain highly vulnerable due to absence of robust security systems that can be avoided with the use of digital certificates. Likewise, connected vehicles heavily use IoT devices and sensors that track vehicle performance, send maintenance data, and receive updates. eMudhra is one among the few Indian companies that has started offering digital signature certificates for IoT devices.

7.6 Role of Digital Signature in Blockchain

Blockchain is a shared and immutable ledger that facilitates the process of recording transactions and tracking assets in a business network. Eventually anything of value can be tracked or traded on a blockchain network thereby reducing the risk of fraud or lack of transparency.

Digital signature is one of the important building blocks in blockchain. It is primarily used to authenticate transactions. Whenever an user submits a transaction, they must estabish to every node in the system that they are authorized to perform the transaction while not allowing others to perform the same. Every node in the network will need to cross-check the submitted transaction and check with other nodes' work to agree on a correct state.

Some of the commonly used digital signature schemes in blockchain include Bitcoin's Elliptic Curve Digital Signature Algorithm (ECDSA), Schnorr signature, and BLS ((Boneh-Lynn-Shacham) signatures.

OUR BUSINESS

Unless the context requires otherwise, the financial information corresponding to (i) Fiscals 2023, 2022 and 2021 has been derived from the Audited Consolidated Financial Statements and (ii) the six months period ended September 30, 2023 has been derived from the Unaudited Consolidated Financial Statements.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12-month period ended March 31 of that year. Financial information for the six months period ended September 30, 2023 is not annualized and not indicative of full year results, and is not comparable with annual financial statements presented in this Preliminary Placement Document.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Cyber Security and Paperless Transformation Market" dated October 5, 2023 (the "**F&S Report**") prepared and issued by Frost & Sullivan, appointed by us on September 2, 2023, and exclusively commissioned and paid for by us in connection with the Issue.*

Overview

We are the largest certifying authority ("**Certifying Authority**") in India with a market share of 39.8% in the Digital Signature Certificates ("**DSC**") market space in Financial Year 2023 (*Source: F&S Report)* having grown from 37.9% in Financial Year 2021. We are engaged in the business of Digital Trust Services and Enterprise Solutions to individuals and organisations functioning in various industries.

As part of our Digital Trust Services business, we issue a range of certificates including digital certificates (including remote signing), Secure Sockets Layer / Transport Layer Security ("**SSL/TLS**") certificates and device certificates (used in Internet of Things ("**IoT**") use cases) to build a strong digital trust backbone. Under our Enterprise Solutions business, we offer a diverse portfolio of cyber security and paperless transformation solutions, complementing our Digital Trust Services business, to customers engaged in different industries. This makes our Company a 'one stop shop' solution provider in secure digital transformation providing a wide spectrum of services and solutions from issuance of certificates as a Certifying Authority to offering identity, authentication and signing solutions.

As of September 30, 2023, with more than 60 million DSCs issued since inception, our Company caters to all kind of subscribers who use DSCs for uses such as, income tax return filing, filings with the Ministry of Corporate Affairs (Registrar of Companies), tenders, foreign trade, banking, railways and many other needs. Our Company works closely with large government and banking customers including, public and private sector banks and state governments. We have been mentioned as a "Representative Vendor" in the 2023 Gartner's "Market Guide for User Authentication". We have also been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector 2019' by CIO Review India. We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). We have a strong DSCs expertise and is recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing us to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. (*Source: F&S Report*).

Our Offerings

Digital Trust Services

Digital Trust Services focus on the issuance of DSCs or digital identities to websites, individuals, organizations, or IoT devices in the form of cryptographic key pairs by Certifying Authorities or Trust Service Providers ("**TSP**") who are typically accredited under global standards such as WebTrust and follow the procedures prescribed by such accreditation bodies in issuance of DSCs. *(Source: F&S Report).* We provide Digital Trust Services in the capacity of a licensed Certifying Authority in India and internationally through our WebTrust accreditation which enables us to help enterprises create frictionless user experiences which is simple as well as secure. As part of our Digital Trust Services business, to build a strong digital back bone, we issue a range of certificates as set out below:

(i) digital certificates (including remote signing services);

(ii) SSL/TLS certificates; and

(iii) device certificates (used in IoT use cases)

eMudhra Offerings	Brief Description	Use Cases
Digital Certificates including Remote Signing	▪ Allows individuals/ organizations to authenticate or sign documents as part of ecommerce or online transactions ▪ Remote Signing Service helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally	*Secure and legally valid paperless communication* *E-commerce transactions* *Data encryption*
SSL/TSL Certificates	▪ To create a protective layer of encryption for information transferred between a server and a browser. ▪ SSL makes sure that any information sent to an user's browser or information sent back to the web browser is encrypted. ▪ TLS an updated version of SSL	*Domain Validation* *Organizational Validation* *Extended Validation*
IoT Device Certificates	▪ Helps secure devices and communication in IoT ecosystems ▪ Ensures authenticity and confidentiality of data exchange amongst authorized devices ▪ Without the right authorization of the IT/security admin, no IoT device could be synced in with the network.	*Device Identity and Authentication* *Data Integrity & Verification* *Firmware Updates*

Enterprise Solutions

As a part of our Enterprise Solutions business, we, *inter alia*, provide identity, authentication and authorization solutions, that are both web and mobile app enabled, thereby enabling enterprises to secure, manage, and govern identities of their consumers, employees/ partners and IoT.

We offer a diverse portfolio of cyber security solutions and paperless transformation solutions, complementing our Digital Trust Services business, to customers engaged in different industries.

The cyber security solutions have two functional elements i.e., identity and access management ("**IAM**") and public key infrastructure ("**PKI**") where (a) IAM is defined as a solution that helps enterprises to determine and control access to application, system and network by end users. It is a set of complementary technologies and methodologies that facilitates identity management, policy controls, access management, authentication, and analytics; and (b) the PKI is an important foundation in cybersecurity for data privacy, and post quantum cryptography. It is the platform for issuing digital certificates using asymmetric key pair-based encryption and binding them to users, websites or devices *(Source: F&S Report)*

The Enterprise Solutions business includes the following products as part of cyber security solutions:
(i) emCA;
(ii) emAS; and
(iii) emDiscovery.

The Enterprise Solutions business includes the following products as part of paperless transformation solutions:

emSigner

Our cyber security solutions and paperless transformation solutions are developed by us and are built on the principle of delivering digital trust by helping users seamlessly identify, authenticate and authorize or sign digital transactions thus accelerating the transition to a presence-less and paperless way of doing business.

We provide the ability to manage the following identity types:

Consumer: Our platform enables enterprises to provide secure digital identity experiences for their consumers and accelerates their digital journeys while ensuring compliance and governance. User journeys built on our platform provide recognition and personalization across channels and devices, which we believe leads to better customer acquisition, loyalty, and retention while reducing friction and fraud. Consumer use cases as part of our Digital Trust Services business include, an individual trying to authorize a fund transfer for banking or digitally signing documents to file taxes. Other consumer use cases as part of the Enterprise Solutions cut across customer interaction, etc. For customer interaction, use cases including, customer onboarding, digital lending, payment instructions, channel on-boarding and trade finance.

Employees/ Partners: Our platform helps enterprises increase the productivity of their employees by enabling access to appropriate systems during their lifecycle with the enterprise. Our platform also helps reduce enterprise risk by securing system access through multi factor authentication. Use cases include, an employee trying to access Customer Relationship Management ("**CRM**") or Enterprise Resource Planning ("**ERP**") systems or authorizing/signing documents as part of various internal or external approvals. Other use cases include, operations related approvals for compliance reporting, internal audit and policy creation, legal and risk functions and operations, *etc*. For legal and risk use cases would include supplier contracts, agreements, approval letters, *etc*.

IoT: Our platform helps enterprises secure non-human identities, including IoT, machine identities, and bots. IoT use cases include devices such as electric vehicles or smart city devices securely interacting with central command centres or with other devices. Other IoT use cases cut across manufacturing and healthcare in which IoT devices, such as industrial and medical devices, respectively, need to securely communicate. This rise in IoT devices also leads to an increase in digital certificates that secure them. Digital certificates act as a crucial component that assigns an identity to these devices, thereby establishing integrity and authenticity in the digital ecosystem. However, managing digital certificates is a challenging task due to various roadblocks like, increased certificate volume, shorter certificate timelines, compliance requirements and complex IT environments.

Our Products	Brief Description	Key Product Attributes		Use Cases
emCA	▪ Digital Signature certificate manager that issues digital signature certificates based on global standards	▪ EAL 4+ security certification (Cyber Security Agency, Singapore) ▪ Support for flexible PKI deployment	*Multiple certificate profiles* *Timestamping,CRL/OCSP* ** *Large scale deployments*	▪ Setup of Govt Root CA, private CA setup, DSC for IoT, Smart City etc ▪ Cyber security in Defence
emAS	▪ Empowers organizations to manage online identity, authentication and access management	▪ Backbone for digital signature authentication ▪ Large scale implementation for Defense, Banking	*Multi Factor Authentication* *Single Sign On* *Access Management*	▪ Authorizing fund transfers, login into eGovt portals ▪ Banking fund transfer authorization ▪ Enterprise access management
emSigner	▪ An eSignature/digital signature enabled document processing automation platform to eliminate paper	▪ Full service, global, enterprise platform ▪ Verticalized for Banking/Pharma ▪ Private Cloud/On-prem deployment	*Comprehensive workflows* *Identity backed DSC* *Platform integrations*	▪ Customer onboarding, loan documentation, contract signing etc ▪ Remote Signing for invoicing etc
emDiscovery	▪ Focusses on managing the lifecycle of certificates to enterprises to easily manage and renew certificates	▪ Deploy range of certificates – SSL/TLS, Device, User ▪ Provisioning across servers, devices ▪ Connectors for public trust, private PKI	*Key/Certificate Mgmt.* *Auto Provisioning* *DevSecOps Security*	▪ Enterprise authentication/cyber security using digital certificates for server, VPN, firewall etc ▪ Encryption key management for data protection

Our Company has started offering certificate lifecycle management solution through the product called emDiscovery in the Fiscal 2023. The solution offers visibility, lifecycle management, compliance, scaling through automation, and easily integrates with other Certifying Authorities. *(Source: F&S Report)* emDiscovery is a comprehensive and user-friendly certificate lifecycle management solution that simplifies the process of managing digital certificates. By employing a comprehensive and systematic approach, it offers a range of features including certificate discovery, management, revocation, and renewal, all while adhering to global compliance standards. Some of the key components of emDiscovery includes certificate issuance, distribution, validation, renewal, revocation, auditing and compliance, and reporting and analytics. *(Source: F&S Report).*

Channel partners / Enterprise solution partners

As of September 30, 2023, we have issued 60 million DSCs through 116,011 channel partners for Digital Trust Services spread across various States and Union Territories in India. Out of our 638 enterprise solution partners, 333 are present in India and 305 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. We believe that our competitive advantage stems from our established presence and diverse product portfolio in the area of cyber security solutions and paperless transformation solutions.

Our enterprise solution partners are broadly categorized into the following:

(i) system integrators which comprise of large IT companies who bundle our solution as part of a larger turnkey offering to the end customer;
(ii) technology partners with whom our Company has a direct and seamless integration for selling our products on their platform (for instance, signing invoices originating in technology partners' ERP systems or sales quotations originating from their CRM systems seamlessly *via* emSigner); and
(iii) resellers and distributors, who resell or distribute our products and solutions to their customer base.

We have a strong global channel partner network, enterprise solution partnerships and large system integration partnerships that operate in various industries such as banking, automotive, information technology, consumer durables, etc. We also offer our services and products to various government agencies and state governments and thereby are a key player in enabling paperless transformation solutions as part of digital India. We provide our solutions and services in overseas regions such as, America, Europe, Middle East and Africa and Asia Pacific.

Customers

We have been consistently designing and developing diverse products at competitive price points under our business verticals which has contributed towards our growth and expansion of our customer base in recent years.

Our retail customers grew from 115,905 as of March 31, 2021 to 249,380 as of March 31, 2023 and to 301,649 as of September 30, 2023. Our enterprise customers grew from 518 as of March 31, 2021 to 870 as of March 31, 2023 and to 945 as of September 30, 2023.

As of September 30, 2023, our Enterprise Solutions are used by 10 out of top 10 banks, 6 of top 10 automotive companies and 18 out of top 20 companies amongst the top 500 ranked companies in India by Economic Times in Financial Year 2022.

Revenue Mix

Our revenue mix has shifted more towards Enterprise Solutions business since the Financial Year 2021. The revenue of Enterprise Solutions business has increased from ₹ 643.43 million as of March 31, 2021 to ₹ 980.77 million as of March 31, 2022 to ₹ 1,637.53 million as of March 31, 2023 and the revenue of Digital Trust Services business has increased from ₹ 672.50 million as of March 31, 2021 to ₹ 845.60 million as of March 31, 2022 to ₹ 850.04 million as of March 31, 2023. The revenue of Enterprise Solutions business and Digital Trust Services business for the six-month period ended September 30, 2023 was ₹ 1,227.43 million and ₹ 533.06 million, respectively.

Our revenues from operations for the six months period ended September 30, 2023, Financial Years 2023, 2022 and 2021 were ₹ 963.00 million, ₹ 2,487.57 million, ₹ 1,826.37 million and ₹ 1,315.93 million, respectively, and grew at a CAGR of 37.5% from Financial Years 2021 to 2023. Our EBITDA for September 30, 2023 and for Financial Years 2023, 2022 and 2021 were ₹ 534.14 million, ₹ 926.09 million, ₹ 688.01 million and ₹ 407.88 million, respectively, and grew at a CAGR of 50.68% from Financial Years 2021 to 2023. Our profit after tax for the six months period ended September 30, 2023, Fiscals 2023, 2022 and 2021 were ₹ 351.38 million, ₹ 611.98 million, ₹ 411.37 million and ₹ 253.59 million, respectively, and grew at a CAGR of 55.35% from Financial Years 2021 to 2023.

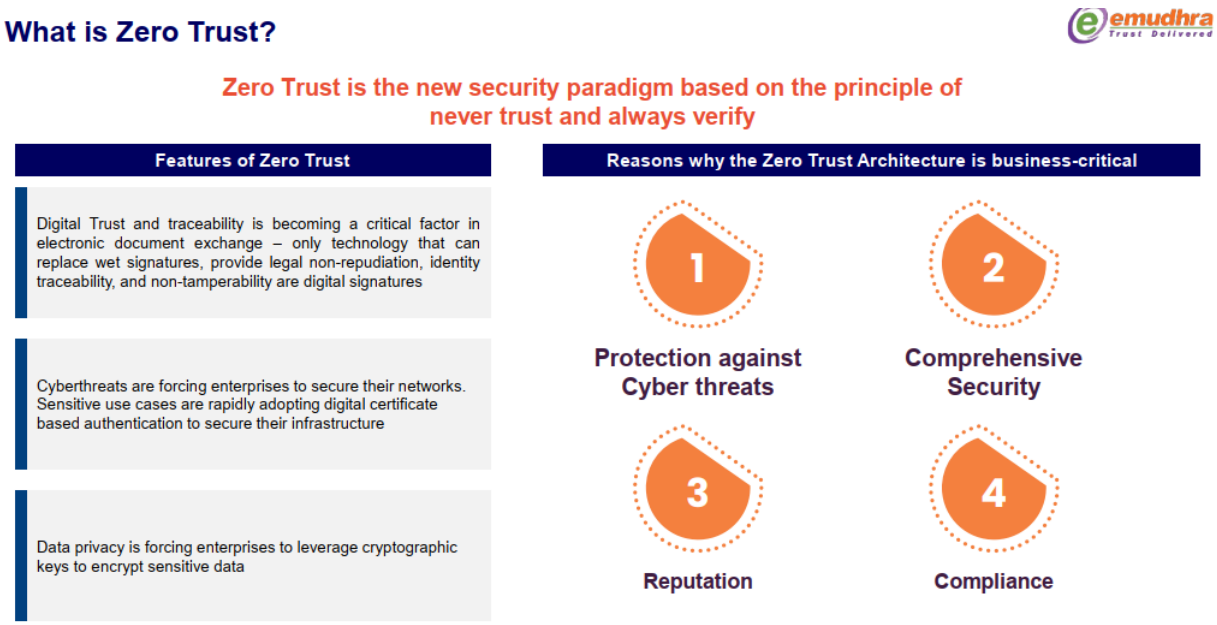
In particular, during the six-month period ended September 30, 2023 and the Financial Years 2023, 2022 and 2021, the revenues earned from our domestic operations contributed ₹ 778.89 million, ₹ 1,596.37 million, ₹ 1,477.46 million and ₹ 1,061.12 million, respectively and revenues earned from our international operations contributed ₹ 981.60 million, ₹ 891.20 million, ₹ 348.91 million and ₹ 254.81 million, respectively.

Accreditations

We have obtained a variety of accreditations, security/compliance certifications which we maintain on an ongoing basis, for example, WebTrust accreditation to provide services as a public Certifying Authority globally and list our DSCs roots with renowned browsers. We have received certifications of compliance with the standards prescribed under Capability Maturity Model Integration ("**CMMI**") Level 5 – Software Development Lifecycle Maturity, International Organization for Standardization ("**ISO**") 27001:2013, ISO 27018:2014, ISO 9000-2015, ISO 20000-1:2018, SOC2 Type 2 – Cloud Information Security, ISO 22031:2019 and Evaluation Assurance Level ("**EAL**") 4+ Common Criteria – Product Security for PKI Solution by the Cyber Security Agency of Singapore.

Enabling Enterprise Transition to Zero Trust

Earlier, the CoVID-19 pandemic had necessitated adoption of solutions that support presence-less and paperless way of doing business. In view of this, during the CoVID-19 pandemic, we had received several new enquiries for our cyber security solutions and paperless transformation solutions as organizations looked to move away from physical transactions to digital transactions. This trend has continued even after the end of the CoVID-19 pandemic.



What is Zero Trust?

Zero Trust is the new security paradigm based on the principle of never trust and always verify. It works on the idea that all devices, users, and resources connected to the network can be a potential threat. This calls for a security architecture that requires continuous verification and authentication irrespective of whether they are inside or outside the organization's network perimeter. *(Source: F&S Report)*

The zero-trust architecture is a comprehensive and defensive security approach that uses multiple layers of security including identity management, access management, encryption, authentication, authorization, network segmentation and constant monitoring to protect against security threats and breaches. It works on the core principles of accessing resources securely, verification and authentication of users and devices, control and limit access unless necessary, network activity monitoring, and leverage the concept of "defense-in-depth" strategy. *(Source: F&S Report)*

Why is Zero Trust architecture business critical?

• Protection against cyber threats
• Offers comprehensive security
• Safeguard business reputation by demonstrating the seriousness of security
• Help businesses meet compliance requirements

(Source: F&S Report)

The Zero Trust architecture is designed to provide a more comprehensive approach to cybersecurity than traditional security Architectures that rely on perimeter defenses. It uses multiple layers of defense, including identity and access management, network segmentation, encryption, and continuous monitoring, to protect against a wide range of security threats, including insider threats, data breaches, and cyber-attacks. *(Source: F&S Report)*. 'Zero Trust' is a security framework that challenges traditional notions by eliminating the concept of "trust" within the network perimeter.

The features of Zero Trust are:

(a) Digital trust and traceability are becoming a critical factor in an electronic document exchange. Digital signatures is the only technology that can replace wet signatures, provide legal non-repudiation, identity traceability, and non-tamperability;
(b) Cyber threats are forcing enterprises to secure their networks. Sensitive use cases are rapidly adopting digital certificate-based authentication to secure their infrastructure;
(c) Data privacy is forcing enterprises to leverage cryptographic keys to encrypt sensitive data.
(*Source: F&S Report*).

In this type of security architecture, access to sensitive data and network resources is granted on a "need-to-know" basis and is continuously monitored and evaluated to ensure that it remains authorized. This approach helps to reduce the risk of data breaches and other security incidents by limiting the attack surface of the organization's network.

We are a "one stop shop" solution provider in securing enterprise transition to Zero Trust. (*Source: F&S Report*). We are a one stop solution provider in cyber solutions with proprietary Internet Protocol ("**IP**") for Zero Trust for B2B clients and a certifying authority business to issue DSCs to B2C clients. We are a global TSP that offers various solutions and products to help organizations implement a Zero Trust architecture. Here are a few ways in which we provide solutions to achieve it:

(i) IAM: We provide IAM solutions that help organizations manage user identities, access controls, and authentication policies. This includes features such as multi-factor authentication, single sign-on, and role-based access controls, which are essential components of a Zero Trust architecture.
(ii) Digital certificates: We offer digital certificates that can be used to authenticate users, devices, and network resources. These certificates are issued by trusted third-party Certifying Authorities and can be used to establish trust between different entities within an organization's network.
(iii) Secure document signing: We secure document signing solutions use digital certificates to ensure the integrity and authenticity of signed documents. This helps to prevent document tampering and ensures that only authorized individuals have access to sensitive information.
(iv) Reg-tech for compliance: Our solutions are designed to help organizations comply with regulatory requirements, such as those related to data privacy and security. This includes compliance with industry standards such as NIST 800-207 standard, which provides guidelines for implementing a Zero Trust architecture.

Our Strengths

Our competitive strengths are as follows:

1. **We are a one stop shop solution provider in secure digital transformation and are well-positioned to capture the favourable industry dynamics in India and globally.**

   Digital identity and trust are foundational to the growth of enterprises in the era of digital transformation as it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing competitive pressure to deliver personalized and seamless omni-channel experiences and also focus on secure digital identity and transaction management as a key strategic initiative to provide distinguished experiences. Our Company, with a view of capitalising this opportunity ventured into the Enterprise Solutions business in the year 2012 to customers engaged in different industries. Our Company's Enterprise Solutions business is majorly divided into four broad categories *viz*., eSignature workflow solutions for paperless office ("**emSigner**"), authentication solutions ("**emAS**"), PKI solutions ("**emCA**"), certificate lifecycle management platform ("**emDiscovery**"). As part of these offerings, we provide capabilities, such as

password-less authentication that free users from the challenges and security risks associated with weak and forgotten credentials. As part of our Enterprise Solutions, we also provide eSignature solutions with global, full service, enterprise delivery capabilities that allows us to cater to paperless transformation of large enterprises with complex enterprise workflows going beyond simple document signing use cases with support for scalability, data security and ease of use. As of September 30, 2023, our Enterprise Solutions were used by 10 out of top 10 banks, 6 of top 10 automotive companies and 18 out of top 20 companies amongst the top 500 ranked companies in India by Economic Times in Financial Year 2022.

With our Digital Trust Services and Enterprise Solutions businesses, we provide an integrated and complete product portfolio in secure digital transformation to enterprises, private customers, banks, financial institutions and public customers such as government and administrative bodies, *etc*. During the prevailing times where enterprises are saddled with complex, heterogeneous IT environments driven by the accumulation of a myriad of applications and infrastructures, our integrated solutions provide the necessary respite to our customer and makes us a '*one stop shop*' player in secure digital transformation. Our Company has, in addition to providing Digital Trust Services, developed cyber security and paperless transformation solutions for customers engaged in different industries. For instance, we have developed specialised products by utilising the proceeds from initial public offer, such as: (a) emDiscovery – this focuses on managing the lifecycle of certificates to enterprises to easily manage and renew certificates; (b) Remote Signing this helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally; (c) IoT certificate management– this helps secure devices and communication in IoT ecosystems and ensures authenticity and confidentiality of data exchange amongst authorized devices in the banking version which caters to the specific needs and requirements of our customers engaged in the banking industry. Our Company also supports flexible deployment models for our solutions with deployments on premise and on dedicated private clouds allowing customers to host within their country and comply with data residency requirements. For instance, our Company deployed our product, emSigner for one of our customers engaged in the banking industry for enterprise-wide paperless transformation within the bank's data centre to support compliance with the applicable local laws and data residency requirements.

There is a drive for enterprise-wide digital transformation with a focus on security, organizations are looking for one stop shop providers who manage all layers of identity, authentication and authorization with support for local data residency and on-premise or private cloud offering to support data privacy and confidentiality. Global trends are driving digital transformation in India where there is a lot of push through the 'Digital India' programme, 'Mission Mode' projects and other initiatives such as eInvoicing and eStamping. Our Digital Trust Services and Enterprise Solutions support secure digital transformation of enterprises by helping them better protect user identity and data, ensure stronger authentication and digitally sign documents that are legally valid. As our solutions help eliminate paper through the use of digital signatures, they also support reduction of carbon footprint and support the environment in a positive way. Our products, technology and team have matured over time with implementations across number of marquee reference customers providing us an understanding of use cases and business opportunities in various sectors. Given that we have been a part of a number of projects as part of Digital India initiatives, we can play a significant role with our track record and understanding of the digital trust, security and transformation business.

Separately, as a result of data going digital and focus on ESG providing opportunity for our business solutions, there is a push for strong cyber security and Zero Trust/ paperless transformation push by many countries. A brief description on platform capability; legality, quality and security; thought leadership and strong partner network is provided as below:

During the last one year, we have increased our presence in overseas markets by opening branches in Qatar and Saudi Arabia and have also incorporated a new Subsidiary in Kenya. We have also appointed one senior executive in each of the branches and in the new Subsidiary incorporated in Kenya. Our overseas revenue has therefore, increased from ₹ 348.91 million in Financial Year 2022 to ₹ 891.20 million in Financial Year 2023 and to ₹ 981.60 million for the six-month period ended September 30, 2023.

Our international expansion has also been supported by a reliable enterprise partner network which we have built and nurtured over a period of time. Our leadership teams hold important positions in bodies such as the Cloud Signature Consortium and Asia PKI Consortium allowing us to get insights to trends and directions of the industry and helping us better align our products to global market needs and trends. We believe that our dedicated focus on providing unique product capability and features, flexible deployment models to support client data residency needs, and ensuring customer success through local presence will help us grow and expand rapidly in international markets.

2. Largest licensed Certifying Authority in India.

We are the market leaders in the DSC market space in India with a market share of 39.8% in Financial Year 2023. (*Source: F&S Report).* We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). We have a strong DSCs expertise and is recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing us to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. (*Source: F&S Report*).

Our relevant experience in the cyber security and paperless transformation solutions industry enabled us in identifying and capitalising the market opportunity offered by the Indian digital certificates market and garner the capabilities of serving all kind of subscribers who use digital certificates. DSC is used in government procedures like income tax return filing, GST, e-tendering, patent and trademark e-filing, IRCTC, government eProcurement Marketplace Portal, EPFO, MCA e-filing, and more, in addition to other official activities like in banking (customer onboarding, lending), enterprise (paperless office solutions), government (digital transformation in citizen initiatives), mutual funds and capital markets (customer onboarding and interactions for redemption), etc (*Source: F&S Report).* As part of our signature and authentication solutions, we also offer products including, secure domain validation certificates with capabilities of securing sensitive information stored on websites through padlock and business information authentication services, securing devices and communication in IoT ecosystems, ensuring authenticity and confidentiality of data exchanges, etc. Our diverse business operations and leading market position provides us the leverage to serve large government and banking customers, including public and private sector banks and state governments. We have experienced a consistent rise in our business operations in the Digital Trust Services vertical, the DSCs issued by us increased from 2.28 million in Financial Year 2021 to 2.94 million in Financial Year 2023 and more than 60 million DSCs issued since inception till September 30, 2023.

3. Technology backed infrastructure to support quality and security of services and solutions.

Our Digital Trust Services and Enterprise Solutions businesses are backed by technological infrastructure including our data centres located in India and proposed to be set up in overseas locations, with appropriate virtualization, computing and storage, physical and logical isolation, network firewalls and disaster recovery site to support high availability, uptime and redundancy. The DSCs issued by us are based on asymmetric cryptographic key pairs (private and public key) which have the following properties:

(a) a private key can only have one and only one corresponding public key and therefore a document signed with a private key can only be validated with its corresponding public key;
(b) the process of affixing the identity to a public key results in a certificate and the process of signing involves hashing the document and then encrypting the hash with the private key; and
(c) for hashing and encryption secure algorithms are used which make it mathematically complex for current computing to crack using brute force methods.

Consequently, the above technological infrastructure makes our Digital Trust Services and Enterprise Solutions resilient and secure and digital signatures legally non-repudiable.

Our intellectual property is developed in house through our own research and development ("**R&D team**") team with talent focused on building cutting edge technology. As of September 30, 2023, we have 275 employees in the R&D Team (with skills across cyber security, cryptography, cloud and DevSecOps) which constitutes 34.63% of the total employees of our Company. The R&D team is focused on continuous functionality enrichment as well as ensuring our technology stack is compliant and compatible with new developments in cloud infrastructure and carry out DevOps based deployments using Docker and Kubernetes to support continuous integration/continuous delivery models. We intend to continue to enhance our R&D team to develop new products and technologies which complement our business verticals and provide advanced solutions to our customers.

We also have cloud teams that work on ensuring our technology products can be deployed across various cloud platforms enabling easy transition for enterprises who wish to move workloads to dedicated environments on cloud instead of managing infrastructure on-premise. We also work on extensive security and stress testing of our applications to meet our clients' scale and performance needs. Our various solutions are available across a wide range of globally renowned platforms. Artificial intelligence is important to us as it acts as a key enabler in enhancing our value proposition, we have invested into building artificial intelligence as a layer in extracting document intelligence, analysing structured and unstructured data and for adaptive authentication of users. We have a history of developing high-end cybersecurity and paperless transformation products catering to the needs of the global markets.

4. Partnerships with leading Indian and global channel partners and enterprise solution partners

As of September 30, 2023, we have 116,011 channel partners for the Digital Trust Services business spread across various States and Union Territories in India and out of our 638 enterprise solution partners, 333 are present in India and 305 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. We have built a reliable channel partner network across the globe. (Source: *F&S Report*). Our large system integrated partners and enterprise solution partners constantly work with the partners to keep them updated on latest developments with respect to our solutions and provide feedback to us with regard to changing needs of customers and any regulatory requirements.

We are not dependent on a single or small group of channel partners or enterprise solution partners for the distribution of our solutions and seek to establish and maintain collaborative relationships with various partners.

We believe that the distribution reach and selling capabilities of our extensive partner network will continue to drive our business growth and provide us a competitive advantage in the market as well as serve as a barrier to entry for new entrants. In order to maintain a healthy relationship with our partners and coordinate business development activities effectively, we host regular meetings with our partners to discuss the challenges encountered by them and find suitable solutions. These solutions are aimed at enhancing overall partner satisfaction and may address issues like pricing, our partner rewards system, end user satisfaction and business development policies. We believe these meetings foster effective dialogue between our partners and us, and among the partners themselves, increase partner satisfaction and retention, and enhance our understanding of users' requirements as well as improve our market intelligence.

5. Diverse and growing customer base

Our Company services marquee customers through our Digital Trust Services and Enterprise Solutions businesses and has been able to form a portfolio of renowned customers in private as well as in public sectors. Our Company works closely with large government and banking customers, including public and private sector banks and state governments. We have been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector - 2019' by CIO Review India. As of September 30 , 2023, our Enterprise Solutions were used by 10 out of top 10 banks, 6 of top 10 automotive companies and 18 out of top 20 companies amongst the top 500 ranked companies in India by Economic Times in Financial Year 2022.

We have a strong global channel network, enterprise solution network and large system integration partnerships and therefore have evolved as a strategic player in the DSCs market. Revenue from operations from our top five enterprises represented an increase from 12.14% in Fiscal 2021 to 26.63% in Fiscal 2023. Our retail customers grew from 115,905 as of March 31, 2021 to 249,380 as of March 31, 2023. Further, our enterprise customers grew from 518 as of March 31, 2021 to 870 as of March 31, 2023.

A break-up of our customer retention ratio during the preceding two Financial Years has been provided below:

S. No.	Particulars	Financial Year 2023	Financial Year 2022
1.	Enterprise Solutions (in %)	91.82	92.31

We serve our customers across overseas regions such as, Americas, Europe, Middle East and Africa and Asia Pacific Revenue from our international operations during the six months period ended September 30, 2023, and the Financials Year 2023, 2022 and 2021 aggregated to ₹ 981.60 million, ₹ 891.20 million, ₹ 348.91 million and ₹ 254.81 million, respectively.

6. Technology certifications, accreditations and membership in international bodies

We are the market leaders in the DSC market space in India with a market share of 39.8% in Financial Year 2023 (*Source: F&S Report)* We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). All the services provided under trust solutions, are compliant with the quality standard of ISO 9001 and are certified by the applicable certification body. Further, our cloud offerings are compliant with SOC2 Type 2 and our eSignature workflow solutions, emSigner is listed on the SAFE Identity Qualified Product List ("**QPL**"). We have obtained the following certifications towards the quality of our services and product offerings:

S. No.	Issuing authority	Quality standard	Description
6.	Universal Registrars	ISO/IEC 27018:2014	Certificate of compliance on implementation of techniques in line with information technology and security technique codes of practice for protection of personally identifiable information system under ISO/IEC 27018:014
		EU-GDPR	Certificate of compliance for confirming to the requirements of EU-GDPR.
7.	Univate Solutions Private Limited	CMMIDEV/5	Certificate of appraisal of our product development center issued under CMMI DEV Version 1.3.
8.	LMS Certification Limited	ISO/IEC 20000-1:2018	Certificate of compliance for confirming to the information technology service management system standard of ISO/IEC 20000-1:2018.
		ISO 9001: 2015	Certificate of compliance of the quality management system with the requirements of ISO 9001:2015.
9.	SN Registrars (Holdings) Limited	ISO/IEC 27001:2013	Certificate of approval for meeting the requirements of information security management system of ISO/IEC 27001:2013.
		ISO 9001:2015	Certificate of approval for meeting the

S. No.	Issuing authority	Quality standard	Description
			requirements of quality management system of ISO 9001:2015.
10.	TÜV SÜD South Asia Private Limited	ISO 22301:2019	Certificate of compliance for confirming to the requirements of ISO 22301:2019.

We are also subject to regular audits and inspections under Indian and international laws. Our offerings under Enterprise Solutions and Digital Trust Services for health care related product development are regularly audited and supervised by third parties to ensure their compliance with Health Insurance Portability and Accountability Act, 1996.

Further, our Company has been awarded EAL 4+ Common Criteria certification for our product emCA by the Cyber Security Agency of Singapore. Our product, emCA is used for issuing DSCs to individuals, organizations, websites and devices in highly trusted environments, and therefore offers a security assurance to customers when deploying our solution to manage their trust service business.

7. Experienced promoter, board of directors and senior management team

Our management team's collective experience and deep knowledge of the digital trust, security and transformation space allows us to maintain our position as a leader in the DSCs market. They are the driving force behind our vision, mission, culture, and focus on customer success. Our leadership enables us to continuously deliver products and solutions that enterprises need and want. They are also critical in building upon our culture which we believe is vital to our success.

Our business is customer-driven. Our experienced Promoters and a qualified senior management team have helped us to offer high standards of customer service and support to our end customers across Enterprise Solutions and Digital Trust Services business.

Venkatraman Srinivasan, our Promoter and Executive Chairman has over three decades of experience in the industry, in which we operate. Further, he is a board member of European Cloud Signature Consortium, Chairman of Asia PKI Consortium and was the Chairman of India PKI. We are also supported by our Senior Management that has a significant expertise in the markets we serve and in developing similar businesses. Our management team operates under the leadership of our Executive Chairman. Our Whole-time Director and the Senior Vice -President, Legal, Venu Madhava, has been with our Company for over 13 years. Our Senior Vice President & Head Product and Delivery, Kaushik Srinivasan has a master's degree in engineering in Networked Information Systems and is a member of the CFA Institute. Our Senior Vice President & Head International Business, Arvind Srinivasan holds a bachelor of Science degree from Rutgers, the state University of New Jersey and Master of Science degree in finance from the University of Michigan. Our Senior Vice President & Head – Customer Success, Janarthanan S has over 15 years of experience. Our Senior Vice President & Sales Head India and APAC, Biju Varghese has overall more than 17 years of experience; Our Vice President & Head – Customer Operations, A.M. Kiran has over 15 years of experience. The team also comprises our Senior Vice President and –Chief Technology Officer, Vijay Kumar, and our Company Secretary, Johnson Xavier. Our Board and senior management have a proven track record and an understanding of the Digital Trust Services and Enterprise Solution business in India and globally.

Our Board comprises personnel with experience in various industries and functions including technology, finance, law and human resources, to support our cross-functional business model. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies.

Our Strategies:

1. Capitalize on industry opportunities in cyber security and paperless transformation market by establishing a comprehensive "One-Stop Shop" ecosystem.

Increasing threats to the data security and the prevalent trend of working from home during the pandemic, has opened up new opportunities for the cyber security and the paperless solutions industry. Digital identity is foundational to the growth of enterprises in the era of digital transformation because it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing competitive pressure to deliver personalized and seamless omnichannel experiences and often compromise on experience or security to achieve these outcomes. This competitive pressure is driving enterprises to focus

on digital trust, security and transformation as a key strategic initiative to provide differentiated experiences to increase loyalty with consumers, enhance productivity for employees and mitigate risk and fraud in a secure environment. Data security, trust services and enterprise solution is still an underpenetrated sector in India and across the world. Initiatives under the Digital India programme are examples of how technology is being leveraged to power India's transition to a presence-less and paperless society. Our strategic vision centers on our Company's transformation into a key player in the cyber security and paperless transformation market by establishing a 'One-Stop Shop' ecosystem. Through innovation, adaptability, and a commitment to excel, we aim to shape the cyber security and paperless transformation landscape globally, setting new standards and benchmarks along the way. Our strategy depends on three key pillars:

(a) Product Depth and Range: With diversification in product's depth and range, we aim to diversify the product portfolio to cover every aspect of cyber security and paperless transformation solution offering. We further aim to provide comprehensive set of services (that includes trust services, identity and authentication and certificate lifecycle management) to address customer demands ensuring scalability, security and ease of use of the products.

(b) Global Reach: Our aim is to continue to expand our footprint across continents, leveraging strategic partnerships and collaborations. This will enable us to penetrate new markets while strengthening our presence in the markets where we are located presently. We propose to establish regional hubs to address the local requirements while maintaining a consistent global standard of service and security.

(c) Verticalized Offerings: Our aim is to recognize the unique needs of different industries with continued efforts towards research and development. Our Company proposes to develop vertical-specific solutions that addresses stringent requirements of sectors like Banking, Financial Services and Insurance ("**BFSI**") and Government. We continue to develop our products by adhering with industry regulations, standards and applicable law to ensure that our products are not only secure but are also compliant with the applicable law.

Further, to capture the opportunities arising out of the initiatives undertaken by the Government, the changing regulatory requirements and the growing demand for data privacy, data protection and digital transformation, our Company is proposing to further penetrate the domestic and international market and further expand and diversify our customer base to cater to diverse industries through expansion of our channel partner and enterprise partner network, enabling more customers to buy directly through online channels and continuous innovation in solutions related to our industry.

We propose to focus on platform partnerships to drive platform integrations for our product and service offering with renowned software products including in the ERP, CRM, HRMS and Cloud Platforms for easy adoption and scalability of our products. We plan to further adapt our products to various international local market requirements to allow us to expand into international markets.

2. Enhance solution offerings to tap growing needs of digital transformation.

We believe that adoption of digital identity, security and paperless transformation solutions are now forming part of strategic initiatives for global enterprises to meet the increasing need for personalized and omnichannel experiences. As enterprises compete with new age technology, they have to quickly adopt and implement solutions that are plug and play, offer high level of scalability and support compliance with regulatory needs. We offer wide spectrum of opportunities with respect to emSigner (eSignature workflow), emAS (identity and access management), emDiscovery (Certificate Lifecycle Management Platform) and emCA (PKI solutions) ("**Existing Products**") to cater to enterprise digital transformation needs. We have been working relentlessly with several large and small businesses to build seamless digital and paperless experiences with their clients without compromising on security by leveraging most advanced technologies in AI, ML and Automation. We have been consistently designing and developing diverse products under various product lines – Digital Trust Services business, cyber security solutions and paperless transformation (including issuance of certificates as a Certifying Authority to offering products across identity, authentication and signing solutions with strong platform capability) – by understanding customer requirements and implementing solutions to address their challenges. Most of the products come with in-depth features and easy to infer User Experience making it easily deployable. Our solutions come with on-premise and cloud versions making it a solution of choice for the highly regulated industry verticals like BFSI and the Government. Our products are developed by adhering to various industry regulations and mandates.

Digital identity is a unique identifier assigned to users in cyberspace. The user can be an individual, an organization, or a device. The digital identity is linked to multiple sub-identifiers such as email account, social login, department, or privilege. The Digital Trust Services market which includes SSL/TLS certificates, DSCs and IoT device certificates has strong growth potential. We have constantly invested into augmenting product capabilities to build ourselves as a "One-Stop Shop" player in digital transformation, innovating and developing new products in the areas of digital identity management, authentication and authorization or digital signatures for our customers. In view of the above, we plan to invest in development of our new products in areas, namely, PQC, Fully Homomorphic Encryption ("**FHE**") and Mobile PKI ("**New Products**"). To develop such New Products, we propose to utilise the Net Proceeds of the Issue ₹ 407.80 million. To build these New Products, we will need to hire technical teams with the right skillset to develop, support and manage these products and also propose to invest and buy the right tools and platforms to support the proposed product development. Our Company has incurred capital expenditure incurred towards developing our intellectual property aggregating to ₹ 223.64 million during the six-month period ended September 30, 2023 and ₹ 159.79 million, ₹ 49.46 million and ₹ 53.62 million during the Financial Years 2023, 2022 and 2021, respectively. Our revenue from operations grew at a CAGR of 37.50% between Financial Years 2021 to 2023 which reflects the market acceptance of our Existing Products such as emSigner, emAS, emDiscovery and emCA, which in turn has provided the necessary growth impetus to our Company. Our Company in order to achieve consistent growth needs to continuously invest in our R&D team and resource to develop New Products around cyber security and paperless transformation. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three years and the six months period ended September 30, 2023:

(₹ in million)

Particulars	Six months period ended September 30, 2023	Financial Year 2023	Financial Year 2022	Financial Year 2021
Employee costs towards product development	77.00	100.02	43.06	36.95
Purchase of related software/services	146.64	59.77	6.40	16.67
Total	**223.64**	**159.79**	**49.46**	**53.62**

We have constantly invested into augmenting product capabilities to build ourselves as a 'one stop shop' player in digital transformation, innovating and developing new products in the areas of identity management, authentication and authorization or digital signatures for our customers and plan to continuously invest in our R&D team and resources to consistently develop new and diverse products around cyber security and paperless transformation.

3. Strong focus on IP development/ services to cater to Zero Trust.

We have a history of developing high-end cybersecurity and paperless transformation products catering to global markets. Our vision centers on transformation of our Company into a dominant player in a cyber security framework called as the 'Zero Trust' by leveraging our diverse range of PKI and trust services offerings to the customers. Zero Trust feature is business critical as it ensures protection against cyber threats, protects reputation, provides for comprehensive security and compliance with applicable laws.

We believe the offerings developed so far caters seamlessly with the features of Zero Trust in view of the following:

1. Comprehensive Portfolio: Our product offerings align seamlessly with the core features of Zero Trust. By providing identity verification, robust encryption, and secure authentication services, we provide the building blocks necessary for a Zero Trust environment.

2. Importance of Identity and Traceability: In Zero Trust, identity becomes the primary perimeter, and traceability ensures that actions are audited and attributed. Our offerings excel in bolstering identities through advanced certificates and authentication mechanisms, while our trust services enhance traceability through secure timestamps and digital signatures.

3. Seizing an Emerging Opportunity: The Zero Trust market is substantial and, according to public sources, still in its infancy. As organizations recognize the limitations of perimeter-based security models, the demand for Zero Trust solutions is on the rise. This provides us with an opportunity to establish ourselves as a dominant player in international and local markets.

4. Grow presence in overseas markets.

During the last one year, we have strengthened our presence in overseas markets by opening branches in Qatar and Saudi Arabia and have also incorporated a new Subsidiary in Kenya. We have also appointed one senior executive in each of the branches and in the new Subsidiary incorporated in Kenya. Our overseas revenue has therefore, increased from ₹ 348.91 million in Financial Year 2022 to ₹ 891.20 million in Financial Year 2023 and to ₹ 981.60 million for the six-month period ended September 30, 2023.

The international market for our business products and services are huge, we propose to put special emphasis on growing international markets by setting up and strengthening further presence, setting up partnerships with system integrators, product vendors and IT resellers. We also propose to strengthen its inside sales and support functions in India to support increased sales opportunities in the overseas markets.

Our customers use our data centres and digital solutions to access business systems and store data concerning, among other things, their employees, contractors, partners and customers. Considering the growing need of digital signature services in the Indian and International markets, we are in process to set up a global data center under the wholly owned subsidiary, eMudhra BV, Amsterdam.

We continue to make investments into business development, local team support for handling direct/partner sales complemented by inorganic opportunities that provide market access. While we continue to innovate and provide better products and services to our customers in India, there is a large opportunity for us to leverage our technology infrastructure and expand to international markets. Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. Europe was the fastest growing market from FY 2018 to FY 2023 however, APAC is likely to be the fastest growing market for the next 5 years (with CAGR of 23.4%). (*Source: F&S Report*).

The Americas Digital Trust Services market was estimated to be $722.4 Mn. In FY 2023 and likely to grow ~1.7 fold in the next 5 years. The European market is driven by growth from the western part of the continent and likely to become $765.3 Mn. By end of FY 2028. MEA is the smallest market among all regions with growth estimated in the range of CAGR 13.6%. APAC sees high growth from countries like Singapore, Australia, Japan, South Korea and India and likely to grow the fastest at CAGR 17.1% in half a decade time. In the verticals perspective, both the Government and BFSI sectors are believed to grow at CAGR 14.5% and 14.4% respectively, although government (28.5% market share) is currently the biggest consumer of Digital Trust Services. Leading players in Digital Trust Services include DigiCert (USA), Sectigo (USA), Entrust (USA), GlobalSign (Belgium), GoDaddy (USA), IdenTrust (USA), Comodo (USA), and more. (*Source: F&S Report*)

North America continues to prove its dominance in the global cyber security solutions market with Americas currently valued at $5,919.7 Mn. However, the region would lose market share to faster growing markets like APAC (CAGR 19.8%) and Europe (CAGR 19.2%) till FY 2028. Europe has seen the émergence of stronger industry regulations formulated by the European Union (EU) across energy &utilities, medical devices, automotive, industrial, etc. which thereby has pushed forward the use the of PKI solutions. With seriousness around data security, more regulations are likely to come in the course of time that will increase awareness and demand for PKI among businesses. (*Source: F&S Report*)

Paperless transformation is a mature market in North America. Some of the large organizations have already transformed their business processes to improve process efficiency and reduce the use of paper. Europe is also fast catching up and accepting the change. Both APAC and Europe is expected to remain as the fastest growing markets contributing to 20.4% and 28.8% of the total market by end of FY 2028. Key global players offering paperless transformation and workflow solutions include Adobe (USA), OneSpan (USA), DocuSign (USA), Alpha Trust (USA), WISeKey (Switerland), eMudhra (India), etc. (*Source: F&S Report*)

In pursuit to tap these opportunities and to harbour the benefits offered by the market in United States of America to companies functioning in the IT sector, we propose to invest ₹ 270.00 million out of the Net Proceeds in our Subsidiary, eMudhra INC for funding its working capital requirement in the ordinary course of their business. Our R&D team plays an integral role in designing and developing new products and technology and diversifying our product portfolio and we rely on skilled personnel and technical professionals for product development and product enhancement. We propose to utilize our existing team of professionals as well as engage new skilled professionals and technical staff on a contractual basis and outsource part of

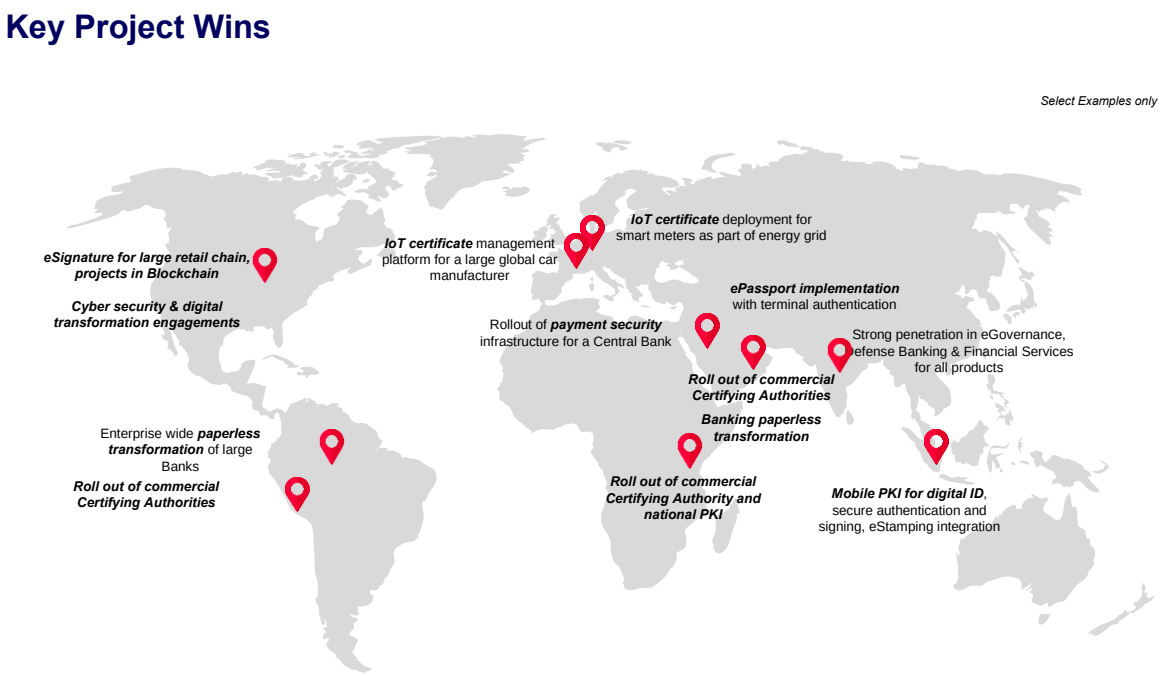
the software development work to appropriate vendors to carry out the development process and enable us to achieve the desired outcome.

We propose to expand our Digital Trust Services backbone to international markets either directly using our global root or through setup of local trust service operations or through various trust service and enterprise solution partners. We will continue to explore international opportunities, especially in the developed markets including, the United States of America, where we can either launch our services and solutions independently or collaborate with partners to launch diverse products and services specific to digital certification and signature requirements.

5. **Expand share of revenues among existing customers and broaden our partner network and customer base.**

Our Company has a wide and diversified customer base in the domestic and international markets. These customers offer significant cross-selling and up-selling opportunities as they adopt more use cases for paperless transformation or enhance their cyber security framework. We have a strong global channel partner network, enterprise partnerships and large system integration partnerships who are integral to our Company's business operations. We presently cater to customers operating in various industries such as banking, eGovernment, automotive, information technology, consumer durables, *etc*. and propose to enhance our presence in various other industries such as manufacturing, logistics, healthcare *etc*.

We also intend to cater to new age industries which are significantly more dependent upon an enhanced cyber security framework and would therefore require our trust and digital signature services on a regular basis. These include use cases in the electric vehicle space and smart cities where devices connected to the internet need to be identified and authenticated securely. We also plan to continue to expand our channel and enterprise partner network while also deepening our partnerships with existing partners. We will continue to expand our service offerings and innovate to offer wider selection of trust and Enterprise Solutions some of which may be verticalized to cater to domain specific needs. While we already have a large and diversified customer and partner base, we believe that there is continuous scope for expansion given the under-penetration of the various products and services we offer. We endeavour to continue to increase the engagement and retention of our consumers and merchants on our ecosystem by offering them better products. Please see below key project wins by way of representation of the following map:



as of September 2023
****Location pins are for indicative purposes only***

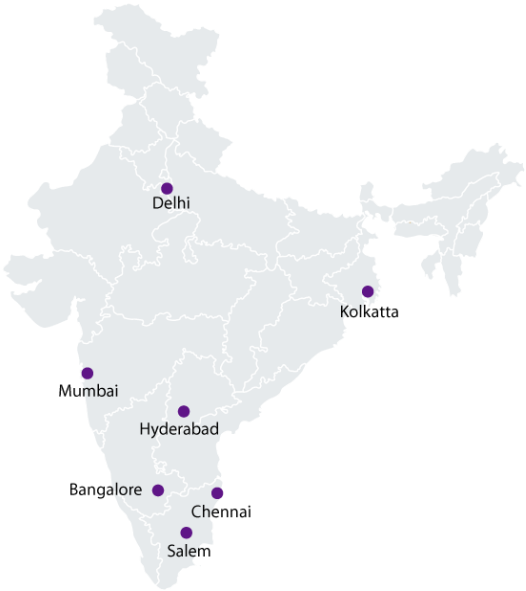
Our Presence

Our domestic and international presence is depicted by way of the following maps:

International Presence:

(Note: Map not to scale)

Domestic Presence:



(Note: Map not to scale)

International Operations

We provide our solutions and services in overseas regions, in the Americas, Europe, Middle East and Africa and Asia Pacific. We are also actively evaluating opportunities in these markets. In addition, as of the date of this Preliminary Placement Document, we also market and sell our solutions in 21 countries across the world.

Our Product Categories

Digital Trust Services

We provide Digital Trust Services in the capacity of a licensed Certifying Authority in India and internationally through our Webtrust accreditation which enables us to help enterprises create frictionless user experiences which is simple as well as secure. Our DSCs provide cryptographic digital identities to individuals, organizations, websites and devices controlled over internet (IoT) and ensure authenticity of transactions emanating from the above said entities through cryptographic validation along with the Remote Signing Service which helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally. DSC is used in government procedures like income tax return filing, GST, e-tendering, patent and trademark e-filing, IRCTC, government eProcurement Marketplace Portal, EPFO, MCA e-filing, and more, in addition to other official activities like in banking (customer onboarding, lending), enterprise (paperless office solutions), government (digital transformation in citizen initiatives), mutual funds and capital markets (customer onboarding and interactions for redemption), etc (*Source: F&S Report)*.

Through our Certifying Authority operations, we issue certificates for every need –

i) *Digital Certificates including Remote Signing*- Allowing individuals/organizations to authenticate or sign documents as part of ecommerce or online transactions; the Remote Signing Service helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally

- *Signature Certificate*: It is used by individuals or organizations for signing purpose.
- *Encryption Certificate*: The encryption key pair is used by the subscriber for receiving encrypted messages which is encrypted using subscriber's public key.
- *Code Signing Certificate*: Code signing certificates are used by software developers to ensure integrity of the IoT device software and firmware updates and to defend against risks connected to code tampering or code change. In public key cryptography, code signing has the specific use of digital signatures that help organizations to ascertain the identity of the software developer and ensures/certifies that the software has not been tampered/changed after it has been released.
- *Document Signer Certificate*: This type of certificate is issued to organizational software applications for operating automatically to authenticate documents/information attributed to the organization by using Digital Signature applied on the document.

ii) *SSL/TLS Certificates*- This creates a protective layer of encryption for information transferred between a server and a browser. SSL makes sure that any information sent to an user's browser or information sent back to the web browser is encrypted. Protecting websites through the issuance of DV (Domain Validation), OV (Organizational Validation) and EV (Extended Validation) certificates that provide varying levels of assurances to the end user on the security of the website. Further within the above categories, we also issue Multi Domain SSL and Wildcard SSL allowing users to buy a single certificate to protect different domains or multiple sub-domains under the same domain. The below table summarises the products offered by us under SSL/TLS certificates.

Product	Type	Features
Domain Validation	Regular	Get HTTPS and Secure Pad Lock for Single Domain
	Wildcard	Get HTTPS and Secure Pad Lock for Domain and all it's sub-domains
Organisation Validation	Regular	Get HTTPS, Secure Pad Lock and Organisation Validation for Single Domain
	Wildcard	Get HTTPS, Secure Pad Lock and Organisation Validation for Domain and all it's sub-domain

Product	Type	Features
Extended Validation	Regular	Get HTTPS, Secure Pad Lock along with Organisation Name and Country Code for the domain

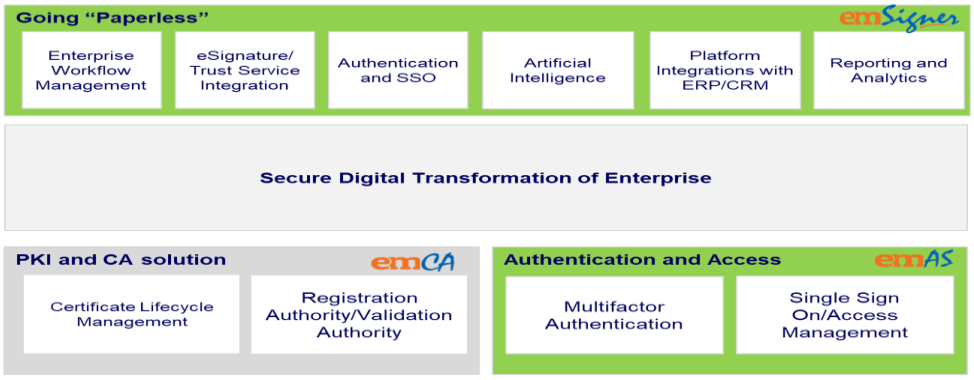
iii) *Device Certificates*– Securing devices and communication in IoT ecosystems and ensuring authenticity and confidentiality of data exchange. Ensures authenticity and confidentiality of data exchange amongst authorized devices. Without the right authorization of the IT/security admin, no IoT device could be synchronised in with the network

As part of our Digital Trust Services business, we provide technology platforms that cater to both partners and direct retail customers to enable them to purchase DSCs, complete the required verification process and obtain a DSC. Our partner portal acts as a one stop shop for our channel partners and provides them the ability to gain access to our extensive certificate portfolio along with price points to offer our Digital Trust Services to meet the demand of any sized customer. To strengthen the relationship with the channel partners, we also continuously conduct training programs, webinars and knowledge dissemination mailers to ensure mutual win-win with the partner community. For our retail customers, we operate through our website 'www.emudhradigital.com', our online presence that provides an easy, paperless and secure way of purchasing DSCs directly from us. We provide paperless issuance processes with online video KYC, prompt turnaround times and round the clock support to our customers who come back to us for renewal of their DSCs.

Enterprise Solutions

Our Company's Enterprise Solutions are majorly divided into four broad categories *viz*., eSignature workflow solutions for paperless office (emSigner), authentication solutions (emAS), PKI solutions (emCA) and Certificate Lifecycle Management Platform (emDiscovery). emSigner enables comprehensive workflows, identity backed DSCs and platform integrations; emAS enables multi factor authentication, single sign on and access management; emCA enables issuance of multiple certificate profiles, timestamping, Certificate Revocation List ("**CRL**")/OSCP and large scale deployments, issuance of DSCs to individuals, organizations and devices; emDiscovery enables key/ certificate lifecycle management, auto provisioning etc. eSignature workflow enabled paperless office and authentication solutions are majorly used by eGovernment platforms, banks and financial institutions and other industries in India as well as internationally. Our Enterprise solutions are used by the various government agencies and for Smart City, Electric Vehicle use cases among others. Our Enterprise Solutions are either cloud based or on-premises, which supports the DevSecOps, based deployment models allowing clients rapid deployment of our solutions using continuous development, integration and delivery process using tools such as Docker and Kubernetes. Our PKI Solutions are an important foundation in cyber security for data privacy and PQC.

A schematic representation of how our solutions enable secure digital transformation of enterprises is presented below:



Our products come with a range of features "out of the box" enabling enterprises to quickly get started with their identity and transaction management journeys. Our products and their features have been briefly summarised below:

1) emSigner – eSignature Workflow

Convenience, compliance, and cost are some of the primary reasons why firms today are striving to take the paperless route. However, to reap in all the rewards of secure paperless transformation, it's imperative that

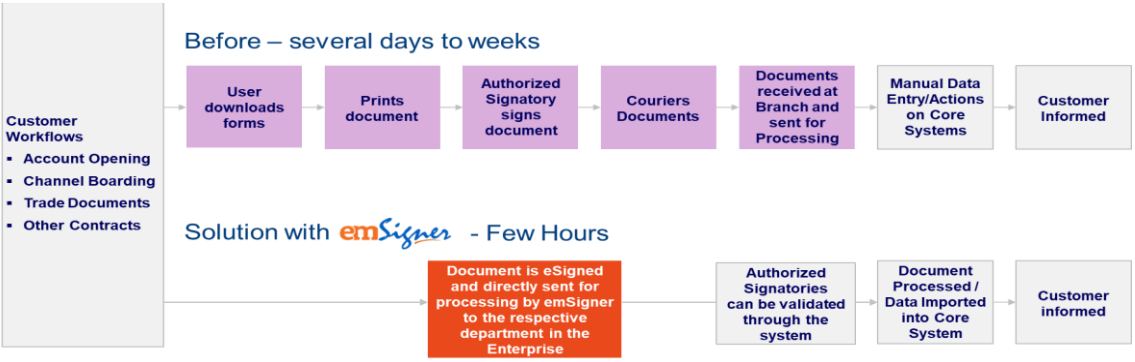
they select a solution that evolves with the industry and the ever-changing business landscape globally. With various regulations around privacy and data protection as well as availability of advanced technologies such as Artificial Intelligence, there is a lot more to going paperless.

emSigner is our solution to the paper problem that haunts many organizations across all industries today. Being an eSignature enabled document processing automation platform, emSigner powers electronic signing workflows to transform customer experience and manage risk governance better.

emSigner comes with a range of features to help organizations go paperless quickly. Some of the key features include:

- *Powerful Flexiforms and Workflows* – To support predefined templates or flexiforms that permit user input as part of a document submission and signing process
- *Integrations with 3rd party ERP/CRM systems* – Ready connectors to allow users of 3rd party ERP/CRM systems to quickly sign documents
- *Bulk Signing* – To sign documents in bulk and send them to various parties
- *Support for multiple global eSignatures* – Support for various types of global electronic signatures
- *Support for API's and Gateway* – External applications can easily integrate with emSigner with API's or Signer Gateway. API's allow multiple other systems to push documents to emSigner for document signing. The Signer Gateway works like a Payment Gateway to allow easy signing of documents as part of a web document workflow process
- *Multi language support* – emSigner supports user interface to be shown in multiple languages including Spanish, Arabic and Bahasa
- *Identity Assurance and Trust* – emSigner also provides users with additional layer of 2-Factor authentication to authenticating signatories before they are provided access to the document
- *QR Code Support* – Documents signed on emSigner can be embedded with a QR Code to allow end users to verify the signer information
- *Timestamping and Long Term Validity* – Documents signed on emSigner can optionally be timestamped to ensure reliability of time and also configured for Long Term Validity which allows easy verification of documents for those documents that require to be stored for long periods of time (for instance: educational degrees)

A pictorial representation of how our eSignature workflow solution is used in an Enterprise with a Business to Consumer context is presented below.



2) emCA – PKI

emCA is our PKI solution that is robust, standards compliant, scalable and policy driven and allows easy and seamless setup of private, public or root Certifying Authorities to issue digital certificates. The key modules of emCA include:

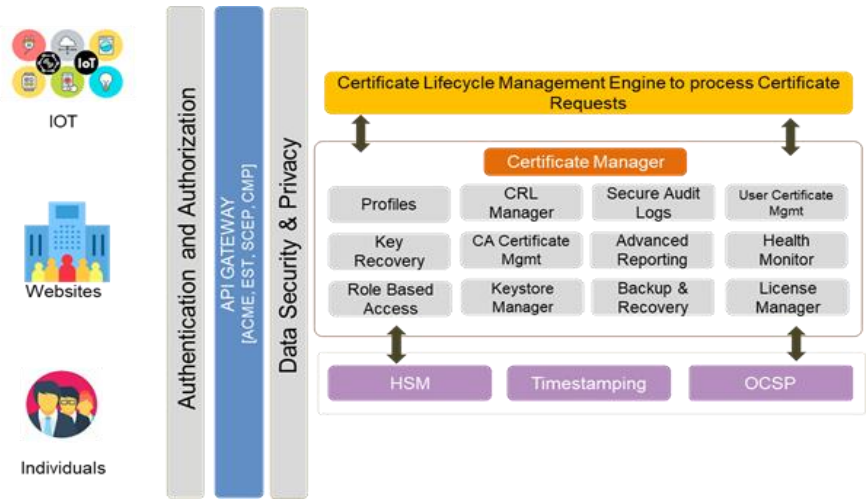
- *Timestamping Authority* – ability to run a timestamping service that can issue timestamps through a NTP device that synchronizes with a reliable time clock
- *CRL (Certificate Revocation List)/ OCSP (Online Certificate Status Protocol)* – ability to run a service that publishes the revocation status of a certificate allowing relying parties to validate whether a certificate was not expired at the time of authentication of signing a document
- *Tamper Proof Logging* – Given the secure nature of the system, emCA also provides tamper proof

logging capabilities to record critical approval actions on the system

- *Reporting* – capability to show a dashboard of certificate issued from the system

emCA can be paired with other modules such as a Registration Authority module which gives enterprises the capability to manage the Identity Verification process of onboarding users and ensuring maker/checker approvals are done before issuance of the certificate. emCA can also be paired with a Subscriber Portal that allows end users to directly request certificate issuance, manage their renewals also upload documents for signing.

A pictorial representation of the various modules available in emCA is presented below



3) emAS – Authentication and Access Management

emAS or our Authentication Server empowers organizations to securely manage their online identity and authentication and access management needs. The product has a number of features to support seamless user identity and access management including:

- *Multi Factor Authentication Engine* – emAS provides capability to authenticate users using One Time Password ("**OTP**"), DSCs, Facial Recognition, Biometric, QR Code based and Adaptive Authentication.
- *Single Sign On* – emAS supports single sign on including Web, Desktop and Agentless ("**Single sign-on**") SSO through open standard based protocols including Security Assertion Markup Language ("**SAML**") and Open Authorization ("**OAUTH**")
- *Integration with Lightweight Directory Access Protocol ("**LDAP**") /AD* – support for integrating user directories through LDAP or AD for easy user provisioning
- *Role and Policy definition* – support for configuring roles, policies and entitlements based access that allows fairly granular authentication options for end user trying to access sensitive resources
- *Advanced Reporting* – Out of the box reports across users, transaction and logs

4) emDiscovery – Certificate Lifecycle Management solution

emDiscovery or our Certificate Lifecycle Management solution helps organizations to get a centralized view of certificates deployed and manage their lifecycle namely renewals, reprovisioning including features for checking certificate vulnerability, support for multiple environments in which certificates are used. Certificate Lifecycle Management has the ability to define Root CA's, Issuing CA's and connect to Hardware Security Modules for provisioning key pairs that can then be used to sign end user certificates. By employing a comprehensive and systematic approach, emDiscovery offers a range of features including certificate discovery, management, revocation, and renewal, all while adhering to global compliance standards. Moreover, it supports a wide range of certificate enrollment protocols, which enables the issuance, management, and validation of certificate-based electronic identities. With an intuitive user dashboard, high-security Certificate Authority software, and API gateways working within a PKI, it is a great option for organizations looking for Certificate Lifecycle Management software to customize operations on-premises or in a hosted environment.

Our Company has continuously and consistently invested in our R&D team to develop new and diverse products to provide Cyber Security, authentication and access management and paperless transformation solutions. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three years and the six months period ended September 30, 2023:

(₹ in million)

Particulars	Six months period ended September 30, 2023	Financial Year 2023	Financial Year 2022	Financial Year 2021
Employee costs towards product development	77.00	100.02	43.06	36.95
Purchase of related software/services	146.64	59.77	6.40	16.67
Total	223.64	159.79	49.46	53.62

We propose to further invest in our R&D team, focus on positioning for Zero Trust and the tools and platform used by us in the ordinary course, for development of new products in areas, namely, PQC, FHE and Mobile PKI that are complementary to our current business operations. To build these products, we propose to utilise ₹ 407.80 million from the Net Proceeds of this Issue to hire large technical teams with the right skillset or to subcontract the work under its supervision and also invest in the right tools and platforms. Please see below brief description on the New Products:

(a) ***PQC:*** In response to the evolving landscape of cybersecurity threats posed by quantum computing advancements, our business strategy aims to establish a robust research and development framework for PQC. We recognize the urgency to pre-emptively address potential vulnerabilities in current cryptographic systems. Our strategy involves a multidisciplinary approach, combining cryptography experts and software engineers to collaboratively implement cutting-edge PQC algorithms and strengthen our cyber security products using those algorithms. These solutions will not only safeguard sensitive data but also provide competitive advantages across diverse markets, including Government, BFSI, healthcare, telecommunications. By tailoring PQC solutions to specific market needs and ensuring seamless integration, we intend to position ourselves as a key player in post-quantum security, offering our clients the highest level of protection against emerging cyber threats.

Developing post-quantum crypto-compliant products entails several considerations.

First, the selection of appropriate post-quantum cryptographic algorithms requires careful evaluation, balancing their resilience with performance impact.

Second, transitioning from traditional cryptography to post-quantum cryptography necessitates a thoughtful approach, ensuring smooth coexistence and interoperability.

Moreover, efficient key management practices, adaptation to resource constraints, and compliance with evolving regulations are crucial factors. Rigorous testing, user education, and long-term security planning are essential for the successful development of products in the post-quantum cryptographic landscape. Overall, the development of such products requires a holistic approach, taking into account algorithmic choices, performance implications, and adherence to security best practices.

Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. (*Source: F&S Report*). Also, basis our experience in the technology sector, our Company has identified the United States of America as a suitable jurisdiction to source the relevant highly skilled technical professionals required in relation to the development of PQC.

Considering the nature and complexities of development of post quantum cryptography product, a product development budget of ₹ 216 million is envisaged.

(b) ***FHE:*** Our business strategy underscores the critical importance of investing in research and development for FHE, revolutionizing data security and privacy paradigms. With the increasing reliance on digital platforms and the rise of personal data breaches, the urgency to ensure robust encryption mechanisms has never been greater. The current encryption methodologies do not allow searching and analysis of encrypted data. Due to this, in a number of situations the data remains unencrypted leading to high security risk. By focusing on

FHE, we aim to develop solutions that enable the searching and analysis of encrypted data, eliminating the need to compromise data privacy for analysis. This technology aligns seamlessly with the growing global emphasis on data protection, as underscored by legislation such as GDPR (General Data Protection Regulation), CCPA (California Consumer Privacy Act), and Data Protection Act in India. By adhering to these privacy laws, we not only address legal requirements but also gain a competitive edge by offering data-driven organizations the ability to extract insights while safeguarding data including individual privacy rights, thus cementing our leadership in this transformative field. Developing search and analytics solutions based on FHE is a multifaceted endeavour:

Firstly, FHE introduces a notable performance overhead, rendering real-time processing and analysis challenging, especially when dealing with substantial datasets. The intricate nature of FHE algorithms demands a deep understanding of advanced mathematical concepts. Managing FHE keys securely, including generation, storage, and distribution, is paramount but inherently complex, particularly in scenarios involving multiple users and data sources.

Secondly, transforming input data into an encrypted format compatible with FHE operations can be a non-trivial task, especially for complex data structures. FHE's suitability is context-dependent, making it more appropriate for privacy-centric use cases rather than universal applicability. While building FHE solutions, the scalability issues need to be kept in mind. Balancing usability and adoption are essential, as FHE solutions can be complex for end-users, necessitating educational efforts and thoughtful user experience design.

Lastly, FHE being an active research area implies the need for continuous updates and adaptations to remain aligned with emerging developments and enhancements.

Considering the nature and complexities of development of FHE product, a product development budget of INR ₹110 million is envisaged.

(c) ***Mobile PKI:*** Our business strategy underscores the imperative of investing in research and development for Mobile PKI, harnessing the secure elements found in devices like iPhone and Samsung Knox. As the threat landscape evolves, ensuring robust authentication and digital signatures gains prominence across diverse sectors. By capitalizing on hardware-backed secure elements, we offer an unparalleled level of key security, mitigating risks of potential attacks. Our strategy is tailored to various industries, including Government, BFSI, healthcare, e-commerce, etc, where streamlined authentication and signing are vital. A key distinction lies in the user experience; compared to cumbersome crypto tokens, our approach offers seamless ease of use through mobile, fostering mass adoption. Our mobile PKI platform will be built leveraging industry standards such as Federal Information Processing Standards ("**FIPS**") and EAL certifications in elevating security. This approach positions us as a trustworthy partner, not only in compliance with regulations but also in driving digital identity security, making it accessible and intuitive for businesses and retail users to embrace, setting a new benchmark in the digital landscape. Developing solutions for mobile-based PKI and digital signatures involves navigating several intricacies:

Firstly, ensuring seamless integration with a diverse array of mobile devices, operating systems, and versions can be complex. This necessitates a deep understanding of mobile development ecosystems and the ability to adapt to rapid changes in technology.

Secondly, striking a balance between security and usability is a persistent challenge. Implementing robust PKI and digital signature solutions on mobile devices requires meticulous attention to security best practices, such as secure storage of private keys and strong authentication methods, while ensuring a user-friendly experience.

Thirdly, addressing the unique challenges of mobile environments, such as limited screen real estate and touch-based input, demands innovative design approaches. Managing user trust in mobile-based PKI and digital signatures is crucial, and establishing transparent and user-friendly workflows can be a complex task. Overall, mobile-based PKI and digital signature solutions require a holistic approach that encompasses technical expertise, adaptability, and user-centric design to be successful. Considering the nature and complexities of development of mobile PKI product, a product development budget of ₹ 126 million is envisaged.

Case Studies

The following case studies are examples of how certain of our end users have deployed and benefited from our

solutions.

emSigner (eSignature Workflow enabled paperless transformation)- Large bank in UAE

Problem: A large bank in UAE wanted to implement electronic signature driven workflows for its customers across its banking system, including corporate banking, vendor management, human resources *etc*. to drive paperless banking in UAE in compliance with the country's Electronic Transactions Act and to fulfil the paperless vision of the government. Before working with our Company, the Bank largely relied on paper based workflows which were sent through email or courier and receiving signed and executed documents took a long span of time ranging from a few days to weeks. Furthermore, some of the Bank's corporate banking workflows followed a policy of obtaining joint authorizations from customers as well as movements across multiple departments of the Bank including front office and operations teams before the document could be executed.

Solution: Our Company suggested implementing white labelled version of emSigner which would cater to the specific workflow requirements of the bank and be implemented with the bank's data residency guidelines. Due to the COVID-19 pandemic and the lockdown imposed by the Central Government and various State Governments in India, finalisation of implementation strategy, planning of phase-wise rollout and deployment was done remotely by our Company. eSignature workflows (emSigner) were configured into the system of the Bank to create various use cases and provide support for forms that could be filled online via the system and upload of forms filled offline. The system was also configured with multi-factor authentication to secure user logins, integrated with UAE Pass (UAE's Digital ID programme). Further, maker/checker controls were configured to ensure that all customers logins created go through two levels of approvals as is normally common in Banking scenarios. The system also provided a feature for multiple teams across the Bank to work on the same document so that the time to action could be cut short and different members of operations teams could act on the case in one another's absence.

emAS (Multi Factor Authentication): Tax Authority of a Government

Problem: The tax authority wanted to implement secure authentication system for several million users to enable their registration, authentication and signing of tax documents using DSCs. Prior to adoption of digital signatures, tax filings were largely paper based resulting in manually intensive work to process millions of filings resulting in errors, delays and ultimately longer time to act on cases that require refunds. The tax authority wanted to transition to a system of using DSCs that would provide a dual benefit of authenticating customers securely as well as to allow sign filings with DSCs that would be legally compliant.

Solution: In order to cater to the authority's requirement of large volume registrations, digital signature enabled authentication, logging and identity matching with extremely fast response times, our Company suggested implementing emAS for DSC registration and authentication. emAS was adapted to be implemented in a DevOps environment to enable handling of large loads during peak times. emAS provided an easy integration for digital certificate registration, authentication and validation, thereby allowing Indirect Tax Authority to quickly adopt digital signature enabled authentication and filing.

emCA – Large telecom infrastructure company in the Kingdom of Saudi Arabia (KSA)

Problem: A large telecom infrastructure company in the KSA which is a key player in the digital transformation space ("**KSA Telecom Company**")in wanted to be the first player to setup a Certifying Authority to offer digital signature enabled services to the Kingdom's citizens and residents and enabled paperless transformation of the Kingdom in line with the country's e-Governance strategy.

Solution: Our Company worked closely with the KSA Telecom Company, to implement emCA and associated modules to support business operations of BTC for issuance of DSCs. Our team of PKI experts worked closely with the KSA Telecom Company's team to support them through the process of deployment of solution in highly secure data centres, providing consulting services for the setup of PKI operations and finally assisting in completion of WebTrust audit for the KSA Telecom Company resulting in this KSA Telecom Company becoming the first commercial Certifying Authority in the Kingdom of Saudi Arabia. As a result of this, our Company has been collaborating with BTC to further strengthen this partnership to offer emSigner along with KSA Telecom Company's digital signature service to enable paperless transformation of various industries in the Kingdom of Saudi Arabia.

emDiscovery – Large Bank in India

Problem: The rapid expansion of digital services in the financial industry has led to the proliferation of certificates across various systems and applications within our customer which is a large bank. However, the absence of a centralized and automated Certificate Lifecycle Management (CLM) solution resulted in an increasingly complex and error-prone environment. This lack of efficient CLM posed significant security risks, compliance challenges, and operational inefficiencies as certificates expire, become vulnerable to attacks, and lead to service disruptions. To ensure the continued integrity and security of our digital infrastructure, the Bank felt that there was a need for the implementation of a Certificate Lifecycle Management system that can effectively manage the issuance, renewal, monitoring, and revocation of certificates.

Solution: Our company provided an on-premise version of emDiscovery, our Certificate Lifecycle Management solution to give the Bank the ability to scan and discover certificates across multiple source environments such as Webservers, Firewalls etc, renew them in a timely manner and reprovision them within relevant expiry periods to ensure risk mitigation, better compliance and minimal service disruptions.

Research and Development

Our R&D Team works on enhancing our existing technology with distinguished capabilities and build new technology that complements our solutions and services. Some of these examples include:

- Ensuring our technology stack is compliant and compatible with new developments in cloud infrastructure and carry out DevSecOps based deployments using Docker and Kubernetes to support continuous integration/continuous delivery models.

- Ensuring our technology products can be deployed across various cloud platforms thus enabling easy transition for enterprises that wish to move workloads to dedicated environments on cloud instead of managing infrastructure on-premise.

- Developing modules that leverage artificial intelligence for structured and unstructured data intelligence, adaptive authentication and remote identification and onboarding of users using machine learning, facial recognition and document matching.

We have constantly invested into augmenting product capabilities to build ourselves as a 'one stop shop' player in digital transformation, innovating and developing new products in the areas of digital identity management, authentication and authorization or digital signatures for our customers. In view of the above, we plan to invest in positioning for Zero Trust and enhancement and development of our product portfolio by developing new products in areas, namely, PQC, FHE and Mobile PKI that are complementary to our business. For developing these new products and technologies, we plan to invest in our R&D team by hiring skilled and technical professionals and augmenting our existing infrastructure of software and tools and also outsource certain work under our supervision.

Quality Control

We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates and to be accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*).

As part of our ongoing efforts to ensure quality of our offerings, we continuously engage in external validation of our quality and have obtained the certifications certifying the quality of our services and diverse product offerings.

We are also subject to regular audits and inspections under Indian and international laws. Our offerings under Enterprise Solutions and Digital Trust Services for health care related product development are regularly audited and supervised by third parties to ensure their compliance with Health Insurance Portability and Accountability Act, 1996. Further, our Company has been awarded EAL 4+ Common Criteria certification for our product emCA

by the Cyber Security Agency of Singapore. Our product, emCA is used for issuing DSCs to individuals, organizations, websites and devices in highly trusted environments, and therefore offers a security assurance to customers when deploying our solution to manage their trust service business.

Marketing

Our marketing efforts revolve around building our brand and reputation, increasing awareness of our platform and drive customer demand. To this extent, we work on digital ads through search engines, search engine optimization, social media awareness campaigns, industry analyst recognition, print advertorials among other initiatives. We also regularly conduct webinars with our customer and partner community combined with physical events to showcase vertical specific offerings. We also work with analyst communities forming part of research companies focussed on the IT sector to drive evaluation and coverage of our solutions and from time to time get featured in a number of their publications enhancing our visibility in our segment to our prospective customers.

Sales and Distribution

Our sales efforts are focussed on generating new client acquisition as well as cross-selling and up-selling to our existing customer base through field sales and inside sales teams. Given that our products require a consultative approach to selling, we also have pre-sales teams and subject matter experts who aid the sales team in their conversations with customers.

Our approach to sales uses a land and expand strategy where we typically engage with clients with a specific use case or application for our authentication or signing solutions and then engage with them deeply to onboard other applications or use cases. We also have an established deal incentive program to enable our sales teams meet revenue goals. Given the breadth of our offerings and their wide applicability across industries, we spend considerable time training and skilling our sales force and inside sales teams through a formal training program.

Our distribution is also driven through a partner led approach where we have invested in establishing processes, teams and technology to manage our channel partners and enterprise solution partners to grow our domestic as well as international market presence. As of September 30, 2023, we have 116,011 channel partners for Digital Trust Services spread across various States and Union Territories in India and out of our 638 enterprise solution partners, 333 are present in India and 305 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. Our system integrator partners and enterprise partner base is supported by an efficient partner management team who constantly work with the partners to keep them updated on latest developments with respect to our solutions and provide feedback to us with regard to changing needs of customers and any regulatory requirements.

Risk Management

Our Company has implemented a risk management policy, the main objectives of which are, *inter-alia*, to ensure protection of shareholder value through the establishment of an integrated risk management framework for identifying, assessing, mitigating, monitoring, evaluating and reporting of all risks; to provide a clear basis for informed decision making at all levels of the organization; to continually strive towards strengthening the risk management and compliance system through continuous learning and improvement. In order to achieve this key objective, the policy establishes a structural and disciplined approach to risk management, which helps in arriving at correct solutions for various risks related issues.

Intellectual property

a) As of the date of this Preliminary Placement Document, our Company has registered the trademarks disclosed below:

S. No.	Description	Trademark Number	Class	Valid up to
1.	e' Logo – B&W Trademark	1890689	9, 35, 36 and 42	December 1, 2029
2.	e' Logo – Colour Trademark	1890688	9, 35, 36 and 42	December 1, 2029
3.	emAs Logo mark	4520187	9 and 42	June 3, 2030
4.	emCA Word mark	4863578	9 and 42	February 2, 2031
5.	emCA Logo mark	4520188	9 and 42	June 3, 2030
6.	emSafe Logo mark	4532275	9 and 42	June 15, 2030
7.	emSigner word mark*	4087478	9 and 42	February 13, 2029

S. No.	Description	Trademark Number	Class	Valid up to
8.	emSigner Logo mark*	4087479	9 and 42	February 13, 2029
9.	emudhra Logo mark	1753861	9,35,38 and 42	November 14, 2028
10.	emudhra word mark	1737836	9,35,38 and 42	September 26, 2028
11.	emAS – wordmark	5131099	9 and 42	September 13, 2031
12.	emSafe – wordmark	5131100	9 and 42	September 13, 2031

Our Company has entered into a deed of assignment dated February 4, 2021 with one of our Subsidiaries, eMudhra Consumer Services Limited (hereinafter referred to as the "Assignee**"). Vide this deed of assignment, our Company on receiving a consideration of ₹ 1,000 from the Assignee has conveyed and assigned its entire rights, title and interest in the trademark and wordmark obtained for the product 'emSigner' to the Assignee, including the goodwill of its business relating to the said trademarks. By virtue of the said deed of assignment, the Assignee shall hold in an absolute manner, all the rights enjoyed by our Company under the above-mentioned trademarks.*

b) Our Company has filed applications for the registration for the following trademarks:

S. No.	Trademark	Application number	Class	Date of application	Status
1.	emstream	4543724	9 and 42	June 25, 2020	Applied

Data collection, data centres, storage and information security

We have a data protection policy that focusses on ensuring the following:

- Implementation of technology, security features and controls, strict policy guidelines to safeguard client confidential data, personally identifiable information from unauthorized access or improper use;
- Use of appropriate client consents while capturing personally identifiable information as part of our applications or solutions directly exposed to customers;
- Decision not to sell, trade or disclose to third-parties any client identifiable information derived from registration for or use of our services without such clients' consent, unless required by law or other exceptional circumstances; and
- Implementation of physical and logical security controls to support high availability and redundancy of our Digital Trust Services offerings.

As of date of this Preliminary Placement Document, we have two existing data centres situated at Bengaluru and Chennai. While the Chennai data centre (for Indian trust services and global trust services) is operational, the Bangalore data centre is (though operational for global trust services but) awaiting certain approvals for commencement of Indian trust services.

We are also in the process of setting up a global data centre under the wholly owned subsidiary, eMudhra BV, Amsterdam. The amount earmarked for the global data center has been remitted to our wholly owned subsidiary, eMudhra B V, Amsterdam. However, the actual setting up of the data center is in progress and is expected to be completed by the end of the financial year 2024.

Human Resources

As of September 30, 2023, we had more than 794 full-time employees, including more than 275 employees in the R&D Team. We do not have any employees that are covered by a collective bargaining agreement, and we believe our overall relations with our employees are good. Our Company has been certified as a great workplace for the period December 2022 to December 2023 by the Great Place to Work Institute, India

The level of competition among employers in India for skilled personnel is high and we believe that our leading industry position, brand recognition and positive reputation are key advantages in attracting qualified and talented candidates. We recruit candidates from premier universities, colleges and institutes in India, as well as from some of the leading IT companies in India and overseas. Our rigorous selection process includes technical tests, programming tasks and interviews.

We have a similarly competitive recruitment programme for our lateral hires. All new hires are inducted into our organisation through a structured programme, which involves extensive training as well as mentoring.

Competition

We operate in the Digital Trust Services, Cyber Security Solutions and Paperless Transformation market. The markets for our solutions are intensely competitive and are subject to rapid changes in technology. While few of the vendors have a larger focus on all segments of Digital Trust Services, others have narrower focus on specific areas. We face competition from large international players. However, the biggest advantage that our Company has over its competitors is the fact that it is the largest licensed Certifying Authority in India with strong DSC expertise enabling us to penetrate into the market much easily than our competitors and also its 'one stop shop' positioning.

Insurance

We have taken insurance policies with various insurance companies such as, professional indemnity and commercial general liability covering certain risks in relation to our business and our people. We have obtained directors' and officers' liability cover. We also maintain a group mediclaim policy and group personal accident policy for our employees. We have also availed fire and burglary policy coverage for claims against professional services, business liabilities and destruction of assets of our Company. As of the date of this Preliminary Placement Document, we have not experienced any material product liability claim from our end users arising from or relating to the use of our solutions. There can be no assurance that our insurance coverage will be sufficient to cover the losses we may incur.

The details of our Insurance coverage are disclosed below:

Fiscal	Insurance Coverage *(₹ in million)*	% of non-current assets excluding investments and intangible assets
2021	1,240	100.15
2022	1,640	127.67
2023	2,660	186.21

For further details in relation to risks associated with insurance policies of our Company, see "*Risk Factors — An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*" on page 82.

Corporate Social Responsibility

As a part of our corporate social responsibility ("**CSR**"), we have already setup a CSR Committee comprising of Chandra Iyer, V. Srinivasan and Chandrasekar Padmanabhan. We believe in contributing to the communities in which we operate. While being focused on sustained economic performance, we are also aware of the necessity and importance of social stewardship. In our efforts towards CSR, and in terms of our CSR policy, we intend to focus on activities relating to promoting education in employment enhancing vocational skills especially in information technology and arranging socio-economic development programs through vocational training and student empowerment programs. During the preceding three Fiscals 2023, 2022 and 2021, our Company has contributed ₹ 3.80 million, ₹ 2.41 million and ₹ 2.18 million towards our CSR projects.

Property

As of September 30, 2023, we operated out of eight leased and two owned premises. Our Registered and Corporate Office, existing data centres located in Bengaluru and Chennai, have been taken on lease basis, and while we do not own the underlying property, we invest in furniture, fixtures and equipment, IT infrastructure. Typically, the term of our leases ranges from three months to 99 years, and we are required to pay security deposits, specified monthly rentals and common area maintenance charges for the duration of the relevant agreement, subject to periodic adjustments at agreed rates.

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

You should read the following discussion in conjunction with our Audited Consolidated Financial Statements and our Unaudited Consolidated Financial Statements. Unless the context requires otherwise, the financial information corresponding to (i) Fiscals 2021, 2022 and 2023 has been derived from the Audited Consolidated Financial Statements, and (ii) the six months ended September 30, 2022 and September 30, 2023 has been derived from the Unaudited Consolidated Financial Results. Our Audited Consolidated Financial Statements have been prepared under Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") (Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act and the Unaudited Consolidated Financial Results have been prepared in accordance with the principles laid down in the Indian Accounting Standard 34, "Interim Financial Reporting" as prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Financial information for the six months ended September 30, 2022 and September 30, 2023 is not annualized and not indicative of full year results, and is not comparable with annual financial statements presented in this Preliminary Placement Document. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-Looking Statements" and "Risk Factors" on pages 18 *and* 57*, respectively.*

Overview

We are the largest certifying authority ("**Certifying Authority**") in India with a market share of 39.8% in the Digital Signature Certificates ("**DSC**") market space in Financial Year 2023 (*Source: F&S Report)* having grown from 37.9% in Financial Year 2021. We are engaged in the business of Digital Trust Services and Enterprise Solutions to individuals and organisations functioning in various industries.

As part of our Digital Trust Services business, we issue a range of certificates including digital certificates (including remote signing), Secure Sockets Layer / Transport Layer Security ("**SSL/TLS**") certificates and device certificates (used in Internet of Things ("**IoT**") use cases) to build a strong digital trust backbone. Under our Enterprise Solutions business, we offer a diverse portfolio of cyber security and paperless transformation solutions, complementing our Digital Trust Services business, to customers engaged in different industries. This makes our Company a 'one stop shop' solution provider in secure digital transformation providing a wide spectrum of services and solutions from issuance of certificates as a Certifying Authority to offering identity, authentication and signing solutions.

As of September 30, 2023, with more than 60 million DSCs issued since inception, our Company caters to all kind of subscribers who use DSCs for uses such as, income tax return filing, filings with the Ministry of Corporate Affairs (Registrar of Companies), tenders, foreign trade, banking, railways and many other needs. Our Company works closely with large government and banking customers including, public and private sector banks and state governments. We have been mentioned as a "Representative Vendor" in the 2023 Gartner's "Market Guide for User Authentication". We have also been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector 2019' by CIO Review India. We are admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates. We are also accredited to WebTrust, which makes our DSCs directly recognized by browsers across the world allowing us to issue DSCs in many countries. (*Source: F&S Report*). We have a strong DSCs expertise and is recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing us to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. (*Source: F&S Report*).

Our Offerings

Digital Trust Services

Digital Trust Services focus on the issuance of DSCs or digital identities to websites, individuals, organizations, or IoT devices in the form of cryptographic key pairs by Certifying Authorities or Trust Service Providers ("**TSP**") who are typically accredited under global standards such as WebTrust and follow the procedures prescribed by

such accreditation bodies in issuance of DSCs. *(Source: F&S Report).* We provide Digital Trust Services in the capacity of a licensed Certifying Authority in India and internationally through our WebTrust accreditation which enables us to help enterprises create frictionless user experiences which is simple as well as secure. As part of our Digital Trust Services business, to build a strong digital back bone, we issue a range of certificates as set out below:

(i) digital certificates (including remote signing services);

(ii) SSL/TLS certificates; and

(iii) device certificates (used in IoT use cases)

eMudhra Offerings	Brief Description	Use Cases
Digital Certificates including Remote Signing	▪ Allows individuals/ organizations to authenticate or sign documents as part of ecommerce or online transactions ▪ Remote Signing Service helps to digitally sign invoices and other documents, without the burden of managing digital certificates and signing keys locally	*Secure and legally valid paperless communication* *E-commerce transactions* *Data encryption*
SSL/TSL Certificates	▪ To create a protective layer of encryption for information transferred between a server and a browser. ▪ SSL makes sure that any information sent to an user's browser or information sent back to the web browser is encrypted. ▪ TLS an updated version of SSL	*Domain Validation* *Organizational Validation* *Extended Validation*
IoT Device Certificates	▪ Helps secure devices and communication in IoT ecosystems ▪ Ensures authenticity and confidentiality of data exchange amongst authorized devices ▪ Without the right authorization of the IT/security admin, no IoT device could be synced in with the network.	*Device Identity and Authentication* *Data Integrity & Verification* *Firmware Updates*

Enterprise Solutions

As a part of our Enterprise Solutions business, we, *inter alia*, provide identity, authentication and authorization solutions, that are both web and mobile app enabled, thereby enabling enterprises to secure, manage, and govern identities of their consumers, employees/ partners and IoT.

We offer a diverse portfolio of cyber security solutions and paperless transformation solutions, complementing our Digital Trust Services business, to customers engaged in different industries.

The cyber security solutions have two functional elements i.e., identity and access management ("**IAM**") and public key infrastructure ("**PKI**") where (a) IAM is defined as a solution that helps enterprises to determine and control access to application, system and network by end users. It is a set of complementary technologies and methodologies that facilitates identity management, policy controls, access management, authentication, and analytics; and (b) the PKI is an important foundation in cybersecurity for data privacy, and post quantum cryptography. It is the platform for issuing digital certificates using asymmetric key pair-based encryption and binding them to users, websites or devices *(Source: F&S Report)*

The Enterprise Solutions business includes the following products as part of cyber security solutions:
(i) emCA;
(ii) emAS; and
(iii) emDiscovery.

The Enterprise Solutions business includes the following products as part of paperless transformation solutions:

emSigner

Our cyber security solutions and paperless transformation solutions are developed by us and are built on the principle of delivering digital trust by helping users seamlessly identify, authenticate and authorize or sign digital transactions thus accelerating the transition to a presence-less and paperless way of doing business.

We provide the ability to manage the following identity types:

Consumer: Our platform enables enterprises to provide secure digital identity experiences for their consumers and accelerates their digital journeys while ensuring compliance and governance. User journeys built on our platform provide recognition and personalization across channels and devices, which we believe leads to better customer acquisition, loyalty, and retention while reducing friction and fraud. Consumer use cases as part of our Digital Trust Services business include, an individual trying to authorize a fund transfer for banking or digitally signing documents to file taxes. Other consumer use cases as part of the Enterprise Solutions cut across customer interaction, etc. For customer interaction, use cases including, customer onboarding, digital lending, payment instructions, channel on-boarding and trade finance.

Employees/ Partners: Our platform helps enterprises increase the productivity of their employees by enabling access to appropriate systems during their lifecycle with the enterprise. Our platform also helps reduce enterprise risk by securing system access through multi factor authentication. Use cases include, an employee trying to access Customer Relationship Management ("**CRM**") or Enterprise Resource Planning ("**ERP**") systems or authorizing/signing documents as part of various internal or external approvals. Other use cases include, operations related approvals for compliance reporting, internal audit and policy creation, legal and risk functions and operations, *etc*. For legal and risk use cases would include supplier contracts, agreements, approval letters, *etc*.

IoT: Our platform helps enterprises secure non-human identities, including IoT, machine identities, and bots. IoT use cases include devices such as electric vehicles or smart city devices securely interacting with central command centres or with other devices. Other IoT use cases cut across manufacturing and healthcare in which IoT devices, such as industrial and medical devices, respectively, need to securely communicate. This rise in IoT devices also leads to an increase in digital certificates that secure them. Digital certificates act as a crucial component that assigns an identity to these devices, thereby establishing integrity and authenticity in the digital ecosystem. However, managing digital certificates is a challenging task due to various roadblocks like, increased certificate volume, shorter certificate timelines, compliance requirements and complex IT environments.

Our Products	Brief Description	Key Product Attributes		Use Cases
emCA	▪ Digital Signature certificate manager that issues digital signature certificates based on global standards	▪ EAL 4+ security certification (Cyber Security Agency, Singapore) ▪ Support for flexible PKI deployment	*Multiple certificate profiles* *Timestamping,CRL/OCSP* ** *Large scale deployments*	▪ Setup of Govt Root CA, private CA setup, DSC for IoT, Smart City etc ▪ Cyber security in Defence
emAS	▪ Empowers organizations to manage online identity, authentication and access management	▪ Backbone for digital signature authentication ▪ Large scale implementation for Defense, Banking	*Multi Factor Authentication* *Single Sign On* *Access Management*	▪ Authorizing fund transfers, login into eGovt portals ▪ Banking fund transfer authorization ▪ Enterprise access management
emSigner	▪ An eSignature/digital signature enabled document processing automation platform to eliminate paper	▪ Full service, global, enterprise platform ▪ Verticalized for Banking/Pharma ▪ Private Cloud/On-prem deployment	*Comprehensive workflows* *Identity backed DSC* *Platform integrations*	▪ Customer onboarding, loan documentation, contract signing etc ▪ Remote Signing for invoicing etc
emDiscovery	▪ Focusses on managing the lifecycle of certificates to enterprises to easily manage and renew certificates	▪ Deploy range of certificates – SSL/TLS, Device, User ▪ Provisioning across servers, devices ▪ Connectors for public trust, private PKI	*Key/Certificate Mgmt.* *Auto Provisioning* *DevSecOps Security*	▪ Enterprise authentication/cyber security using digital certificates for server, VPN, firewall etc ▪ Encryption key management for data protection

Our Company has started offering certificate lifecycle management solution through the product called emDiscovery in the Fiscal 2023. The solution offers visibility, lifecycle management, compliance, scaling through automation, and easily integrates with other Certifying Authorities. *(Source: F&S Report)* emDiscovery is a comprehensive and user-friendly certificate lifecycle management solution that simplifies the process of managing digital certificates. By employing a comprehensive and systematic approach, it offers a range of features including certificate discovery, management, revocation, and renewal, all while adhering to global compliance standards. Some of the key components of emDiscovery includes certificate issuance, distribution, validation, renewal, revocation, auditing and compliance, and reporting and analytics. *(Source: F&S Report).*

Significant factors affecting our results of operations

Our business, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that we expect will continue to have, a significant impact on our business, results of operations and financial condition follows below:

Acquiring New Customers

Our results of operations and growth depend in part on our ability to attract new customers and increase the demand of our digital products and solutions in domestic and international markets. The growth of our user base and consequent increase in demand of our digital products and solutions is a primary driver of our revenue. To date, we have primarily relied on our marketing efforts, direct sales, channel partners and enterprise solution partners, industry recognition and referrals to attract new customers. One of the main drivers of growth of our active user base has been the introduction of new and upgraded solutions. In addition, we believe we provide a user-friendly, efficient and effective user experience that helps us to retain existing users, acquire new users and increase the demand of our digital products and solutions in the domestic and international markets. We have been increasing our efforts to penetrate new markets in India and drive awareness and market adoption in the international markets. Our efforts to grow our user base, both in India and overseas, have occurred in the context of increasing awareness and concern among individuals, businesses, and governments of cyber security threats.

We have been experiencing a significant rise in the number of users of our Digital Trust Services business as well as of our Enterprise Solutions business, which can be seen from below:

S. No.	Particulars	Financial Year 2023	Financial Year 2022	Financial Year 2021
1.	Digital Trust Services (number of digital signature certificates issued) (#in millions)	2.94	2.43	2.28
2.	Enterprise Solutions (number of customers)	870	714	518
3.	Digital Trust Services (Revenue ₹ in millions)	850.04	845.60	672.50
4.	Enterprise Solutions (Revenue ₹ in millions)	1,637.53	980.77	643.43

While we believe we have a significant market opportunity and an effective go-to-market strategy to win new customers, we will need to continue to invest in partner and leverage, digital marketing, and expand into new markets and new customer segments to maintain or accelerate our customer growth. Any decline in our partner network and consequent decline in the demand of our digital products and solutions in the domestic or international cyber security and paperless transformation market, could adversely impact our business operations and the revenues earned form such markets.

R&D and Product Development

The market for cyber security products and solutions is competitive and characterised by rapid changes in technology, user requirements, industry standards and frequent new product introductions and improvements. As a result, our revenue growth has been steered by our R&D efforts to design and develop new digital products and solutions with the latest technology and augment our resources in the form of skilled and technical staff that can respond to the needs of our end users. Constant innovation and customisation of our digital products and solutions to meet user requirements and updates to existing products and our R&D resources, aimed at protecting our users from evolving threats has helped us to grow the number of new users and retain existing users, which drives our revenue, while also constituting a major and growing component of our costs. We seek to strengthen our R&D capability continuously by expanding our R&D team with relevant skills and expertise. For the six-month period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, we expensed ₹ 223.64 million, ₹ 159.79 million, ₹ 49.46 million and ₹ 53.62 million, respectively on capital expenditure incurred towards developing our intellectual property which formed 12.70%,6.42%, 2.71% and 4.07%, of our revenue from operations (net), respectively.

For the six-month period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, our EBITDA margins were 30.10%, 36.45 %, 37.45 % and 30.79 %, respectively. The number of our R&D employees increased from 254 employees as of March 31, 2022 to 271 employees as of March 31, 2023. Among them, 71 had obtained masters or higher degrees, and 200 had obtained bachelor's degrees or other degrees. We expect that our ability to anticipate technological advances, retain and recruit qualified and talented R&D staff and develop innovative solutions for our users to meet their requirements in a timely and cost-effective manner will have a significant effect on our results of operations.

Adoption of cyber security and paperless transformation solutions are now forming part of strategic initiatives for global enterprises to meet the increasing need for personalized and omnichannel experiences. The market offers opportunities with respect to emAS (identity and access management), emSigner (eSignature workflow), emCA (PKI solutions) and emDiscovery (Certificate Lifecycle Management Platform) to cater to enterprise digital transformation needs.

To capitalise these opportunities, we propose to further invest in enhancement and development of our products portfolio by developing new products in areas, namely, Post Quantum Cryptography, Fully Homomorphic Encryption and Mobile PKI that are complementary to our business. We have constantly invested into augmenting product capabilities to build ourselves as a 'one stop shop' player in digital transformation, innovating and developing new products in the areas of digital identity management, authentication and authorization or digital signatures for our customers.

Our Company has incurred capital expenditure incurred towards developing our intellectual property aggregating to ₹ 223.64 million, ₹ 159.79 million, ₹ 49.46 million and ₹ 53.62 million during the six-month period ended September 30, 2023 Financial Years 2023, 2022 and 2021, respectively. Our revenue from operations grew at a CAGR of 37.50% between Financial Years 2021 to 2023 which reflects the market acceptance of our existing products such as emSinger, emCA, emAS and emDiscovery, which in turn has provided the necessary growth impetus to our Company. We have invested in large technical teams with relevant skillsets to build, support and manage our existing products and have also invested in the required tools and platforms to make such products user friendly and easily available to our end users. This can be demonstrated through the capital expenditure incurred by us towards developing our intellectual property in the preceding three years:

(₹ in million)

Particulars	**Six months period ended September 30, 2023**	**Financial Year 2023**	**Financial Year 2022**	**Financial Year 2021**
Employee costs towards product development	77.00	100.02	43.06	36.95
Purchase of related software/services	146.64	59.77	6.40	16.67
Total	**223.64**	**159.79**	**49.46**	**53.62**

Our Company in order to achieve consistent growth needs to continuously invest in our R&D team and resource to develop new and diverse products around cyber security and paperless transformation.

Expanding Usage by existing Customers

Our business depends, in part, on the degree to which our land-and-expand strategy is successful. Our customers often initially adopt our platform for a specific use case, such as consumer identity, and subsequently increase their adoption as they realize the benefits and flexibility of our platform. We have been successful in expanding our existing customers' adoption of our platform as demonstrated by our customer retention rate, which we consider an indicator of our ability to retain and expand revenue from existing customers over time. Our customer retention rate for the Enterprises Solutions business was 91.82% for the year ended March 31, 2023. This was notwithstanding the change in the business model of selling directly to smaller customers instead of larger customers with whom the realization has historically been lower. We continue to invest in our customer success efforts to help our customers realize the full potential of our platform and expand their usage of our platform over time.

Expanding Partnerships

We sell our products and solutions directly and through enterprise solution partners and channel partners, who in

turn distribute our solutions through resellers. Our users may purchase our solutions directly from us or online or through our enterprise solution or retail channel partners. End users such as enterprises and government customers may purchase our solutions either directly from us or through our enterprise solution partners and channel partners. We believe that our distribution reach and the selling capabilities of our extensive channel network will continue to be a key factor to drive our business growth. We have invested, and intend to continue to invest, in expanding our sales capacity and improving our sales operations to drive additional revenue and support the growth of our user base. We work with our enterprise solution partners and channel partners to secure prospects, convert prospects to users, and pursue sales opportunities. We are continuing to develop and expand our enterprise solution partner and channel partner community and sales team to supplement our sales and support operations to drive adoption of our solutions. Our partners help source and support relationships with new and existing customers, as well as provide technology and go-to-market benefits. We believe we have a meaningful opportunity to increase our revenue through our partners and our growth depends in part on the strength of these partnerships. As of September 30, 2023, we have issued 60 million DSCs through 116,011 channel partners for Digital Trust Services spread across various States and Union Territories in India. Out of our 638 Enterprise Solution Partners, 333 are present in India and 305 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific.

Competition and Pricing

Our business is competitive, and our success is dependent upon our ability to compete against other, including some that have greater resources than we have. Some of our global competitors have longer operating histories, greater financial, technical, product development and marketing resources and greater name recognition. Such competitors could use these resources to market or develop solutions that are more effective or less costly than our solutions or that could render any or all of our solutions obsolete. Competitive pressures could also affect the pricing of our solutions. Greater competition for particular solutions could have a negative impact on pricing. We will continue to seek to distinguish our offerings by providing quality solutions at competitive prices. In addition, we may face pressure to provide higher sales incentive to our enterprise solution partners and channel partners or increase our advertising and sales promotion expenses significantly, which would adversely affect our profitability.

Growth of International Markets

Our growth strategy, in addition to continued focus on India, contemplates increased presence in international markets for the expansion of our user base. As of September 30, 2023, we had end users in regions such as the Americas, Europe, Middle East, Africa and Asia Pacific. While we have steadily increased our focus on enterprise solution partner and channel partner efforts to drive new user acquisitions outside India, there is a large opportunity for us to leverage our technology infrastructure and expand to international markets.

We continue to make investments into business development, local team support for handling direct/partner sales complemented by inorganic opportunities that provide market access. While we continue to innovate and provide better products and services to our customers in India, there is a large opportunity for us to leverage our technology infrastructure and expand to international markets. Americas (includes North America and South America) is the biggest revenue region within the global cyber security and paperless transformation market contributing to over 52.8% of the total market share. Europe was the fastest growing market from FY 2018 to FY 2023 however, APAC is likely to be the fastest growing market for the next 5 years (with CAGR of 23.4%). (*Source: F&S Report*).

The below table summarises the past and the projected revenue contribution of APAC to the Cyber Security and Paperless Transformation Market:

Particulars	**FY** 2018	**FY** 2019	**FY** 2020	**FY** 2021	**FY** 2022	**FY** 2023	**FY** 2024*	**FY** 2025*	**FY** 2026*	**FY** 2027*	**FY** 2028*
Rev. ($ Mn.)	1,392.5	1,569.8	1,771.0	2,000.7	2,507.7	3,052.3	3,685.6	4,543.6	5,636.2	6,972.4	8,272.4
YoY (%)	12.0	!2.7	12.8	13.0	25.3	21.7	20.7	23.3	24.0	23.7	25.2

**Projected, Base Year is FY 2023, APAC = includes South Asia, ANZ, China/GCR and other east Asian countries;*
Source: F&S Report

The Americas Digital Trust Services market was estimated to be $722.4 Mn. in FY 2023 and likely to grow ~1.7 fold in the next 5 years. The European market is driven by growth from the western part of the continent and likely to become $765.3 Mn. by end of FY 2028. MEA is the smallest market among all regions with growth estimated in the range of CAGR 13.6%. APAC sees high growth from countries like Singapore, Australia, Japan, South

Korea and India and likely to grow the fastest at CAGR 17.1% in half a decade time. In the verticals perspective, both the Government and BFSI sectors are believed to grow at CAGR 14.5% and 14.4% respectively, although government (28.5% market share) is currently the biggest consumer of Digital Trust Services. Leading players in Digital Trust Services include DigiCert (USA), Sectigo (USA), Entrust (USA), GlobalSign (Belgium), GoDaddy (USA), IdenTrust (USA), Comodo (USA), and more. (*Source: F&S Report*)

North America continues to prove its dominance in the global cyber security solutions market with Americas currently valued at $5,919.7 Mn. However, the region would lose market share to faster growing markets like APAC (CAGR 19.8%) and Europe (CAGR 19.2%) till FY 2028. Europe has seen the émergence of stronger industry regulations formulated by the European Union (EU) across energy &utilities, medical devices, automotive, industrial, etc. which thereby has pushed forward the use the of PKI solutions. With seriousness around data security, more regulations are likely to come in the course of time that will increase awareness and demand for PKI among businesses. (*Source: F&S Report*)

Paperless transformation is a mature market in North America. Some of the large organizations have already transformed their business processes to improve process efficiency and reduce the use of paper. Europe is also fast catching up and accepting the change. Both APAC and Europe are expected to remain as the fastest growing markets contributing to 20.4% and 28.8% of the total market by end of FY 2028. Key global players offering paperless transformation and workflow solutions include Adobe (USA), OneSpan (USA), DocuSign (USA), Alpha Trust (USA), WISeKey (Switerland), eMudhra (India), etc. (*Source: F&S Report*)

In pursuit to tap these opportunities and to harbour the benefits offered by the market in United States of America a to companies functioning in the IT sector, we propose to invest ₹ 270.00 million out of the Net Proceeds in our Subsidiary, eMudhra INC for funding their working capital requirement in the ordinary course of their business. Our R&D team plays an integral role in designing and developing new products and technology and diversifying our product portfolio and we rely on skilled personnel and technical professionals for product development and product enhancement. We propose to utilize our existing team of professionals as well as engage new skilled professionals and technical staff on a contractual basis and outsource part of the software development work to appropriate vendors to carry out the development process and enable us to achieve the desired outcome.

SIGNIFICANT ACCOUNTING POLICIES

The discussion and analysis of our financial condition and results of operations are based upon amounts derived from our Audited Consolidated Financial Statements, except where otherwise noted. The preparation of these financial statements require us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We evaluate these estimates on an on-going basis. We base our estimates on our historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amount values of assets and liabilities that are not readily apparent from other sources.

Following are the critical accounting policies used in the preparation of our Audited Consolidated Financial Statements:

1. **Basis of Preparation**

The consolidated financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (Ind AS) (as 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, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

The consolidated financial statements of the Company and its Subsidiaries (the "**Group**") up to and for the year ended March 31, 2023 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

2. **Use of Estimates and judgement**

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles in India that requires that the management to make judgements, estimates and assumptions that affect

the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained and in any future periods affected.

Management also uses judgement in deciding whether individual item or group of items are material in the consolidated financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the consolidated financial statements.

Critical estimates and Judgements:

The areas involving critical estimates or judgements are:

i) Note 3a - Depreciation rates of Property Plant and equipment
ii) Note 4 - Determination of lease term
iii) Note 22 - Recognition of deferred tax asset
iv) Note 21 and 29 - Gratuity and Compensated absences
v) Note 36 - Share based payments

3. **Basis of Measurement**

The consolidated financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

i) Derivative financial instruments, if any
ii) Financial assets and liabilities that are qualified to be measured at fair value
iii) The defined benefit asset / liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
iv) Employee share-based payments

4. Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the parent Company.

5. Current/ non-current classification

All assets and liabilities are classified into current and non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 in respect of parent and subsidiary companies which are incorporated in India.

Assets

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

i) it is expected to be realised in the normal operating cycle;
ii) it is held primarily for the purpose of being traded;
iii) it is expected to be realised within 12 months after the reporting date; or
iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

i) it is expected to be settled in the normal operating cycle;
ii) it is held primarily for the purpose of being traded;
iii) it is due to be settled within 12 months after the reporting date; or
iv) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

6. Revenue Recognition

The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the proportionate completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our consolidated financial statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual Maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

In case of AMC and license subscription model, revenue is recognized on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million. In case of trust services and software reseller model, the revenue is recognised as and when the performance obligations are transferred for negotiated price (transaction price), and it is highly probable that the group will be able to collect the transaction price due under the contract/sales orders or otherwise.

Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/based on customary business practices.

Other Income:

i) Interest income is recognised using the effective interest rate method.
ii) Dividend income is recognised when the right to receive is established.
iii) Rental income arising from operating leases is recognised on a straight-line basis over the lease term unless increase in rentals are in line with the expected inflation or otherwise justified.
iv) Other income not specifically stated above is recognised on accrual basis.

7. Property, Plant and Equipment and Capital Work in-Progress

Property, Plant and Equipment's ("PPE") are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

8. Intangible Assets and Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and Direct expenditure incurred for development of intangible assets resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of accounts when the same is ready for use.

Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as "Intangible Assets under Development''. Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

9. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Depreciation is provided as per the useful life prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The residual values, useful lives and methods of depreciation / amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation/amortisation on PPE added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/disposal.

Intangible assets are amortised over the estimated useful lives of 10 years on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or Cash Generating Unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or CGU either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

11. Leases

As a Lessee: -

Contracts with third party, which gives the right to use of an asset, is accounted in line with the provisions of "Ind AS 116 – Leases" if the recognition criteria as specified in the accounting standard are met.

Lease payments associated with short terms leases and leases in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowings. Subsequent measurement of right of use assets is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the respective company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

As a lessor: -

Leases are classified as operating lease, or a finance lease based on the recognition criteria specified in Ind AS 116.

a) **Finance lease:**

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable.

The implicit interest rate is used to measure the value of the "net investment in Lease". Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The Group recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

12. **Borrowing Costs**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing 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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

13. **Inventories**

The inventories are valued at lower of cost or net realisable value.

The cost of bought out materials is ascertained by using the weighted average cost formula. The cost comprises the purchase cost of the item and cost of bringing such item into factory.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

14. **Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if,

- as a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

15. **Foreign Currencies**

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

16. **Employee Benefits**

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972 and other applicable law outside India, the Group provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability / (asset) are recognized in Other Comprehensive Income.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit and loss.

Defined Contribution Plan

The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance for the parent and subsidiary companies incorporated in India. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year when the contributions are due. The group liability is limited to the extent of contributions made to these funds.

Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

17. **Provisions/ Contingent liabilities and Contingent Assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities/Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a Contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize a Contingent asset but discloses its existence in the consolidated financial statements where an inflow of economic benefits is probable.

18. **Cash Flow Statement**

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 -Statement of Cash Flows.

19. **Cash and Cash Equivalents**

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value. Bank overdrafts, if any, are classified as borrowings under current liabilities in the balance sheet.

20. **Financial Instruments**

Initial measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement (non-derivative financial instruments)

Financial assets carried at amortized cost.

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income [FVTOCI]

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss [FVTPL]

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

Trade receivables

Trade receivables are the amount due from the customers for the services rendered in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Group holds trade receivables for the receipt of contractual cashflows and therefore measures them subsequently at the amortised cost using effective interest rate method.

Trade payables and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recorded initially at fair value and subsequently measured at amortised cost using effective interest rate method.

Investment in Subsidiaries and associates

Investment in subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all its liabilities. Equity instruments recognized by the Group are recognized at the proceeds received net of direct issue cost.

De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

21. **Fair value Measurement**

Fair value is the price that would be received on sale of 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 which can be accessed by the Group for the asset or liability

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. The Group 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 consolidated 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 prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within 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 the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

22. **Impairment of Financial Assets**

Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

23. **Reclassification of Financial Instruments**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively.

24. **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

25. **Dividends**

Final dividends on shares are 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 respective Company's Board of Directors.

26. **Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

27. **Events after the Reporting Period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The consolidated financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

28. **Prepaid expenses**

Expenses which are spread across multiple financial year have been amortised on straight line basis over the period in which the services are received except in those cases where contract/purchase order is less than INR 1 million.

29. **Share based payments**

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payment transactions are set out in note 55 to the consolidated audited financial statements for the year ended March 31, 2023. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share based payments reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

30. **Segment reporting**

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. 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 executive Management in deciding how to allocate resources and in assessing performance.

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.

Change in Accounting Policies / Estimates

Our accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Our Results of Operations

The following table sets forth select financial data from our consolidated statement of profit and loss for the six-

month period ended September 30, 2023 and Financial Years 2023, 2022 and 2021, the components of which are also expressed as a percentage of total income for such periods:

(All amounts are in INR million, unless otherwise stated)

Particulars	Six-month period ended September 30, 2023		Six-month period ended September 30, 2022		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue
Income										
Revenue from operations	1,760.49	99.21%	1,107.04	98.24%	2,487.57	97.91%	1,826.37	99.40%	1,315.93	99.35%
Other income, net	13.85	0.78%	19.83	1.75%	52.99	2.09%	10.98	0.60%	8.61	0.65%
Total Revenue	**1,774.34**	100%	**1,126.87**	100%	**2,540.56**	100%	**1,837.35**	100%	**1,324.54**	100%
Expenses										
Operating expenses	418.31	23.57%	108.72	9.64%	300.55	11.83%	119.93	6.53%	129.12	9.75%
Purchase of stock-in-trade	160.05	9.02%	102.64	9.10%	287.62	11.32%	311.32	16.94%	179.56	13.56%
Changes in stock of finished goods	-17.66	0.99%	4.59	0.40%	11.04	0.43%	(14.26)	(0.78)%	7.5	0.57%
Employee benefit expenses	413.02	23.27%	292.24	25.93%	643.61	25.33%	468.15	25.48%	417.11	31.49%
Finance costs	6.50	0.36%	14.07	1.24%	33.85	1.33%	52.72	2.87%	8.41	0.63%
Depreciation and amortisation expense	99.45	5.60%	79.14	7.02%	158.45	6.24%	130.70	7.11%	87.67	6.62%
Other expenses	266.47	15.01%	175.65	15.58%	371.65	14.63%	264.20	14.38%	183.37	13.84%
Total Expenses	**1,346.14**	75.86%	**777.05**	**68.95%**	**1,806.77**	71.12%	**1,332.76**	72.54%	**1,012.74**	76.46%
Profit/(Loss) before exceptional items and tax	**428.20**	24.13%	**349.82**	**31.04%**	**733.79**	28.88%	**504.59**	27.46%	**311.80**	23.54%
Exceptional items	-	0%	-	0%	-	0%	-	0%	-	0%
Profit/(Loss) before tax	**428.20**	24.13%	**349.82**	**31.04%**	**733.79**	28.88%	**504.59**	27.46%	**311.80**	23.54%
Tax expenses										
Current tax	63.48	3.57%	45.56	4.04%	112.61	4.43%	88.94	4.84%	52.15	3.94%
Deferred tax	13.34	0.75%	2.41	0.21%	9.20	0.36%	4.28	0.23%	6.06	0.46%
Total tax expenses	**76.82**	4.32%	**47.97**	4.25%	**121.81**	4.79%	**93.22**	5.07%	**58.21**	4.39%
Profit/(Loss) for the year	**351.38**	19.80%	**301.85**	26.78%	**611.98**	24.09%	**411.37**	22.39%	**253.59**	19.15%
Other comprehensive income										
Items that will be reclassified to profit or loss:										
Remeasurement (loss)/gain on defined benefit plan	0.09	0%	-2.65	(0.23)%	(4.64)	(0.18)%	7.98	0.43%	(3.31)	(0.25)%
Exchange differences on translation of foreign operations (net of tax)	6.86	0.38%	-1.32	(0.11)%	(43.96)	(1.73)%	-	0%		0%
Other comprehensive income/(loss) for the year	**6.95**	0.39%	**-3.97**	(0.35)%	**(48.61)**	(1.91)%	**7.98**	0.43%	**(3.31)**	(0.25)%

Total comprehensive income for the year	**358.33**	20.19 %	**297.88**	26.43 %	**563.37**	22.18 %	**419.35**	22.82%	**250.28**	18.90 %
Profit is attributable to										
Owners of eMudhra Limited	339.42	19.12 %	305.30	27.09 %	616.77	24.28 %	414.05	22.54%	174.60	13.18 %
Non-controlling interests	11.96	0.67 %	-3.45	(0.30) %	(4.79)	(0.19) %	(2.68)	(0.15) %	78.99	5.96%
Other comprehensive income [OCI] attributable to										
Owners of eMudhra Limited	6.95	0.39 %	(3.97)	(0.35) %	(48.61)	(1.91) %	7.98	0.43%	(3.35)	(0. 25)%
Non-controlling interests	-	0%	-	0%	-	0	-	0	**0.04**	0
Total comprehensive income attributable to										
Owners of eMudhra Limited	346.37	19.52 %	301.33	26.747 %	568.16	22.36 %	422.03	22.97%	171.25	12.93 %
Non-controlling interests	11.96	0.67 %	(3.45)	(0.30) %	(4.79)	0.19%	(2.68)	(0.15) %	79.03	5.97%

Key Components of our Statement of Profit and Loss based on our Consolidated Financial Information

The following descriptions set forth information with respect to the key components of our profit and loss statements.

Income

Income consists of revenue from operations and other income.

Revenue from operations: Revenue from operations comprises revenue from the sale of Digital Trust Services and Enterprise Solutions. Revenue from operations also comprises revenue from sale of products, services and other operating revenues.

Other income: Other income primarily comprises interest on bank deposits, interest income on income tax refunds, gain on sale of shares and gain on foreign exchange fluctuations, liabilities no longer required written back and miscellaneous income.

Expenses

Expenses consist of operating expenses, purchases of stock-in-trade, changes in inventories of stock-in-trade, employee benefits expenses, depreciation and amortization expense, finance cost and other expenses.

Operating expenses: Operating expenses includes commission on sales, DSC application form collection and verification expenses, payment gateway charges, direct postage and courier charges and other direct operating expenses.

Purchases of stock-in-trade: Purchases of stock-in-trade relates to costs incurred for the procurement of inventories primarily comprising crypto token and hardware security modules.

Changes in stock of finished goods: Changes in stock of finished goods comprises net increase or decrease in the inventory of stock of finished goods.

Employee benefit expenses: Employee benefits expenses comprise salary, allowances and bonus, employee insurance expenses, contribution to provident and other funds, staff welfare expenses, leave compensation, and gratuity.

Financial cost: Financial cost comprises interest expenses on term loans and on working capital/cash credit measured at amortized cost; interest accrued on lease liability and also includes interest expensed on delayed statutory dues. This amount is further reduced by the borrowing cost capitalised during the reporting period/year.

Depreciation and amortization expense: Depreciation and amortization expense relate to depreciation of tangible assets (property, plant and equipment), depreciation on right-of-use assets and amortization of intangible assets. Intangible assets include our software applications trademarks and other software licenses.

Other expenses: Other expenses primarily comprise expenses relating to rent, rates & taxes, legal and professional fees, advertisement, business promotion, sales promotion expenses, printing & stationery, power and fuel, repairs & maintenance, travelling and conveyance, office maintenance expenses, technology expenses, fees rates and taxes, insurance expenses, meeting and conference expenses, membership expenses and miscellaneous expenses.

Tax Expense

Tax expense consists of current tax and deferred tax.

Six-month period ended September 30, 2023 compared to Six-month period ended September 30, 2022

Total Income

Our total income increased by 57.46% to ₹ 1,774.34 million for the six-month period ended September 30, 2023 from ₹ 1,126.87 million for the six-month period ended September 30, 2022, primarily due to revenue growth in our international market and increase in interest income.

Revenue from Operations- Our revenue from operations increased by 59.03% to ₹ 1,760.49 million for the six-month period ended September 30, 2023 from ₹ 1,107.04 million for the six-month period ended September 30, 2022, primarily due to growth of solution business in our international markets viz, USA and UAE.

Other income- Our other income decreased by 30.18% to ₹ 13.85 million for the six month period ended September 30, 2023 from ₹ 19.83 million for the six-month period ended September 30, 2022, primarily due to increase in interest income.

Total Expenses

Our total expenses increased by 73.24% to ₹ 1346.14 million for the six-month period ended September 30, 2023 from ₹ 777.05 million for the six-month period ended September 30, 2022, due to the factors described below:

Operating expenses: Our operating expenses increased by 284.75% to ₹ 418.31 million for the six-month period ended September 30, 2023 from ₹ 108.72 million for the six-month period ended September 30, 2022. The increase in our operating expenses was mainly due to increase in direct service component in the overall revenue.

Purchases of stock-in-trade and changes in stock of finished goods: Our cost of goods sold comprises purchase of stock in trade and changes in inventory of stock in trade. The cost of goods sold marginally increased by 32.78% to ₹ 142.39 million for the six-month period ended September 30, 2023 from ₹ 107.23 million for the six-month period ended September 30, 2022 primarily due to increase in the purchase cost of hardware.

Increase in operating expenses and purchase of stock in trade has resulted in a decrease in gross margin (gross margin refers to revenue from operations reduced by operating expenses, purchase of stock in trade and changes in stock of finished goods) from 80.84% in six-month period ended September 30, 2022 to 68.40% in six-month period ended September 30, 2023 mainly due to the higher direct service component in the overall revenue.

Employee benefit expenses: Employee benefit expenses increased by 41.33% to ₹ 413.02 million for the six-month period ended September 30, 2023 from ₹ 292.24 million for the six-month period ended September 30, 2022, primarily due to increase in salary of employees based in India by ₹ 56.50 million and also due to increase in foreign salaries of employees by ₹ 32.00 million. ₹ 20.00 million increase in provision for ESOP.

Financial costs: Our financial costs decreased by 53.83% to ₹ 6.50 million for the six-month period ended September 30, 2023 from ₹ 14.07 million for the six-month period ended September 30, 2022, primarily due to closure of our term loan facilities from banks.

Depreciation and amortization expense: Our depreciation and amortization expense increased by 25.66% to ₹ 99.45 million for the six-month period ended September 30, 2023 from ₹ 79.14 million for the six-month period

ended Septemebr 30, 2022, in line with our additions of property, plant and equipments right use of assets and intangible assets.

Other expenses: Our other expenses increased by 51.71% to ₹ 266.47 million for the six-month period ended September 30, 2023 from ₹ 175.65 million for the six-month period ended September 30, 2022, primarily on account of marketing and global information technology research coverage on global product visibility related efforts and secondly on account of travelling and other technology expenses.

Total tax expenses: Our total tax expenses increased by 60.14% to ₹ 76.82 million for the six-month period ended September 30, 2023 from ₹ 47.97 million for the six-month period ended September 30, 2022 generally in line with increase in profit before tax.

Profit after tax: As a result of the foregoing our profit after tax increased by 16.41% to ₹ 351.38 million for the six-month period ended September 30, 2023 from ₹ 301.85 million for the six-month period ended September 30, 2022. Thus, on increase of 57.46% on total income our Company achieved an increase in profit after tax of 16.41% during the six-month period ended September 30, 2023. Lower proportion of increase in profit after tax compared to increase in revenue is mainly due to reinvestment in employee and other costs for global expansion.

Financial Year 2023 compared to Financial Year 2022

Total Income

Our total revenue increased by 38.27% to ₹ 2,540.56 million for the Financial Year 2023 from ₹ 1,837.35 million for the Financial Year 2022, primarily due to increase in our solutions business in India and international geographies and also due to increase in our interest income.

Revenue from Operations- Our revenue from operations increased by 36.20% to ₹ 2,487.57 million for the Financial Year 2023 from ₹ 1,826.37 million for the Financial Year 2022, primarily due to growth in our solution business in India as well as in other international geographies. During the year under review, we have added 156 new enterprise customers and also added 50 enterprise partners. During the year, a few new players entered the certifying authority business in India. Due to this the competition for trust services intensified in India. In view of this, in spite of the volume increase, due to price drop by the competitors our trust service business remain almost constant with respect to revenue growth. Due to this, we changed our business model effective January 2023 by eliminating one layer in the channel. Thus, we reached one step close to our end customer which will help us to convert them into our direct business yielding much higher retail revenue from trust services. India enterprise business and global enterprise business saw significant improvement during Financial Year 2023.

Other income- Our other income increased by 382.60% to ₹ 52.99 million for the Financial Year 2023 from ₹ 10.98 million for the Financial Year 2022, primarily due to increase in our interest income.

Total Expenses

Our total expenses increased by 35.57% to ₹ 1,806.77 million in the Financial Year 2023 from ₹ 1,332.76 million in the Financial Year 2022, due to the factors described below:

Operating expenses: Our operating expenses increased by 150.60% to ₹ 300.55 million in the Financial Year 2023 from ₹ 119.93 million in the Financial Year 2022. The increase in or operating expenses was mainly due to service/software cost consumed during the course of delivery of international solution business.

Purchases of stock-in-trade and changes in stock of finished goods: Our cost of goods sold comprises purchase of stock in trade and changes in inventory of stock in trade. The cost of goods sold increased by 0.54% to ₹ 298.66 million for the Financial Year 2023 from ₹ 297.06 million for the Financial Year 2022 primarily due to increase in third party hardware/software in the overall sales by the company resulting in a marginal decrease gross margin (gross margin refers to revenue from operations reduced by operating expenses, purchase of stock in trade and changes in stock of finished goods) from 77.16 % in Financial Year 2022 to 75.91% in Financial Year 2023.

Employee benefit expenses: Employee benefit expenses increased by 37.48% to ₹ 643.61 million for the Financial Year 2023 from ₹ 468.15 million for the Financial Year 2022, primarily due to increase in salary of employees based in India by ₹ 40.45 million and also due to increase in foreign salaries of employees by ₹ 56.51 million. The salary increase is due to increase in the number of our employees as well as general increase in salary in IT

industry. Our number of employees increased to 763 employees as of March 31, 2023 from 659 employees as of March 31, 2022.

Financial costs: Our financial costs decreased by 35.79% to ₹ 33.85 million for the Financial Year 2023 from ₹ 52.72 million for the Financial Year 2022, primarily as a result of closure of loan during first quarter of FY 22.

Depreciation and amortization expense: Our depreciation and amortization expense increased by 21.23% to ₹ 158.45 million for the Financial Year 2023 from ₹ 130.70 million for the Financial Year 2022, in line with our additions of property, plant and equipments right use of assets and intangible assets.

Other expenses: Our other expenses increased by 40.67% to ₹ 371.65 million for the Financial Year 2023 from ₹ 264.20 million for the Financial Year 2022, primarily on account of product and brand awareness events in India as well as in overseas locations. and also global information technology research coverage. The marketing activities expenses as a percentage to total income is 3.9% and 3.7% on consolidated basis for the year 2022 and 2023 respectively. Secondly, the travel, boarding and lodging expenses as a percentage to total income increased to 1.48% from 0.56% in the previous financial year on consolidated basis due to opening up of travel after Covid 19.

Total tax expenses: Our total tax expenses increased by 30.67% to ₹ 121.81 million for the Financial Year 2023 from ₹ 93.22 million for the Financial Year 2022 generally in line with increase in profit before tax.

Profit after tax: As a result of the foregoing our profit after tax increased by 48.76% to ₹ 611.98 million for the Financial Year 2023 from ₹ 411.37 million for the Financial Year 2022. Thus, on increase of 36.20 % on revenue from operations our Company achieved an increase in profit after tax of 48.76% during the Financial Year 2023.

Financial Year 2022 compared to Financial Year 2021

Total Income

Our total income increased by 38.72% to ₹ 1,837.35 million for the Financial Year 2022 from ₹ 1,324.54 million for the Financial Year 2021, primarily driven by the growth of our business verticals namely, Digital Trust Services and Enterprise Solutions and our international operations.

Revenue from Operations- Our revenue from operations increased by 38.79% to ₹ 1,826.37 million for the Financial Year 2022 from ₹ 1,315.93 million for the Financial Year 2021, primarily due to winning large business deals in the last fiscal and was also due to increased revenue from global markets as we started billing the customers in Europe and Americas region during the last fiscal. During the period, our enterprise solution customer base has increased from 518 in the financial year 2021 to 714 for the year ended March 31,2022. Also, our partner base for the enterprise solutions have also increased to 572 while comparing with the previous fiscal. This comprise of 288 partners in India and 284 partners in globally as well. Our trust service business partners have also increased from 82,688 in the previous year to 98,040.

Other income- Our other income increased by 27.53% to ₹ 10.98 million for the Financial Year 2022 from ₹ 8.61 million for the Financial Year 2021, primarily due to interest income and secondly due to write back of creditors.

Total Expenses

Our total expenses increased by 31.60% to ₹ 1,332.76 million in the Financial Year 2022 from ₹ 1,012.74 million in the Financial Year 2021, due to the factors described below:

Operating expenses: Our operating expenses decreased by 7.12% to ₹ 119.93 million in the Financial Year 2022 from ₹ 129.12 million in the Financial Year 2021. The decrease in or operating expenses was mainly due to reduction in service cost incurred for delivery of solution business.

Purchases of stock-in-trade and changes in stock of finished goods: Our cost of goods sold comprises purchase of stock in trade and changes in inventory of stock in trade. The cost of goods sold increased by 58.80% to ₹ 297.06 million for the Financial Year 2022 from ₹ 187.06 million for the Financial Year 2021 primarily due to decrease in the usage of third party hardware and software in the overall sales by the company resulting in a improved gross margin (gross margin refers to revenue from operations reduced by operating expenses, purchase of stock in trade and changes in stock of finished goods) from 76.13 % in Financial Year 2021 to 77.16% in Financial Year 2022.

Employee benefit expenses: Employee benefit expenses increased by 12.24% to ₹ 468.15 million for the Financial Year 2022 from ₹ 417.11 million for the Financial Year 2021, primarily due to increase in salary of employees based in India by ₹ 32.75 million and also due to increase in foreign salaries of employees by ₹ 4.33 million. The salary increase is due to increase in the number of our employees as well as general increase in salary in IT industry. Our number of employees increased to 659 employees as of March 31, 2022 from 641 employees as of March 31, 2021.

Financial costs: Our financial costs increased by 526.87% to ₹ 52.72 million for the Financial Year 2022 from ₹ 8.41 million for the Financial Year 2021, primarily as a result of expensing off the term loan interest.

Depreciation and amortization expense: Our depreciation and amortization expense increased by 49.08% to ₹ 130.70 million for the Financial Year 2022 from ₹ 87.67 million for the Financial Year 2021, in line with our additions of property, plant and equipments right use of assets and intangible assets.

Other expenses: Our other expenses increased by 44.08% to ₹ 264.20 million for the Financial Year 2022 from ₹ 183.37 million for the Financial Year 2021, primarily on account of increase in travelling expenses and also on account of increased brand building expenses.

Total tax expenses: Our total tax expenses increased by 60.14% to ₹ 93.22 million for the Financial Year 2022 from ₹ 58.21 million for the Financial Year 2021 generally in line with increase in profit before tax.

Profit after tax: As a result of the foregoing our profit after tax increased by 62.22% to ₹ 411.37 million for the Financial Year 2022 from ₹ 253.59 million for the Financial Year 2021. Thus, on increase of 38.79% on revenue from operations our Company achieved an increase in profit after tax of 62.22% during the Financial Year 2022.

Liquidity and Capital Resources

Our primary sources of liquidity have historically been cash generated from operations and short-term borrowings from banks. We expect that cash generated from operations will be our primary sources of liquidity. We believe that cash generated from our business operations, will be able to take care of routine capital investments, dividend and tax payments and a portion of our working capital requirements.

Cash Flows

The following table sets forth our cash flows for the periods indicated:

(₹ in million)

Particulars	Six-month period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net cash generated from/(used in) operating activities	190.50	335.64	350.19	409.44
Net cash generated/(used in) investing activities	(373.28)	(1,067.24)	380.32	(470.80)
Net cash generated/(used in) financing activities	(42.84)	1,274.88	85.56	46.62
Cash and Cash Equivalents at the end of the period/year	441.04	669.80	132.55	77.13

Operating Activities

Financial Year 2023

Net cash generated from operating activities was ₹ 335.64 million for the Financial Year 2023. While our net profit before tax was ₹ 733.79 million for the Financial Year 2023, we had an operating cash inflow before working capital changes and tax of ₹ 909.93 million. Our working capital increase of ₹ 423.61 million was primarily due to increase in trade receivables and secondly due to increase in other current assets. All other movements are in line with the business requirements.

Financial Year 2022

Net cash generated from operating activities was ₹ 350.19 million for the Financial Year 2022. While our net

profit before tax was ₹ 504.59 million for the Financial Year 2022, we had an operating cash inflow before working capital changes and tax of ₹ 648.59 million, primarily as a result of non-cash expenses. Our working capital increase of ₹ 253.13 million was primarily due to increase in trade receivables and secondly due to increase in other current assets. All other movements are in line with the business requirements.

Financial Year 2021

Net cash generated from operating activities was ₹ 409.44 million for the Financial Year 2021. While our net profit before tax was ₹ 311.80 million for the Financial Year 2021, we had an operating cash inflow before working capital changes and tax of ₹ 394.88 million, primarily as a result of non-cash expenses. Our working capital increase of ₹ 54.44 million was primarily due to increase in current assets and secondly due to decrease in trade receivables. All other movements are in line with the business requirements.

Investing Activities

Net cash used in the investing activities was ₹ 1,067.24 million in the Financial Year 2023, primarily on account of investment into Property Plant and Equipment and intangible assets amouting to ₹ 620.60 million and also made investment in overnight funds/fixed deposit of ₹ 554.69 million.

Net cash used in the investing activities was ₹ 380.32 million in the Financial Year 2022, primarily on account of investment of PPE amounting to ₹467.10 million and reduction in overnight/fixed deposits amounting to ₹138.49 million.

Net cash used in the investing activities was ₹ 470.80 million in the Financial Year 2021, primarily on account of investment into PPE, RUA and intangible assets amounting to ₹ 344.66 million and secondly due to investment into subsidiary company amounting to ₹136.99 million.

Financing Activities

Net cash inflow in financing activities was ₹ 1,274.88 million for the Financial Year 2023, primarily consisting of public issue (net of issue expenses) of shares amounting to ₹ 1,887.09 million as reduced by closure of bank loan of ₹ 387.41 million, payment of dividend of ₹94.83 million and finally redemption of preference shares of ₹ 86.00 million.

Net cash inflow generated from financing activities was ₹ 85.56 million for the Financial Year 2022, primarily consisting of receipt of fresh loan net of repayments amounting to ₹ 145.47 million and reduced by the amount spent on account of public issue amounting to ₹ 51.93 million.

Net cash inflow generated from financing activities was ₹ 46.62 million for the Financial Year 2021, primarily consisting net inflow from financing activities amounting to ₹ 74.90 million. Other movements are in line with the business requirements.

Indebtedness

The following table sets forth certain information relating to outstanding indebtedness as of September 30, 2023, and our repayment obligations in the periods indicated:

(in ₹ million)

Category of borrowing	Sanctioned amount	Outstanding amount as of September 30, 2023
Secured loans		
Term loans	NA	NA
Total (A)	**NA**	**NA**
Working Capital facilities		
Fund based	NA	NA
Non-fund based	NA	NA
Total (B)	**NA**	**NA**
Loan against fixed deposits	**NA**	**NA**
Total (C)	NA	NA
Unsecured loans	**NA**	155.57
Total (D)	NA	**155.57**
Total (A+B+C+D)	**NA**	155.57

Contractual Obligations and Commitments

As of March 31, 2023, our Company does not have any contractual obligations or commitments.

Capital Expenditures

Our capital expenditures are mainly related to the purchase of property, plant and equipments, right to use assets and intangibles. The primary source of financing for our capital expenditures has been our cash from operations and also the term loans obtained from bank.

The table below provides details of our net cash outflow or inflow on capital expenditures for the periods stated:

(in ₹ million)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Investments in property, plant and equipment(net)	403.94	236.59	181.08
Investments in right to use assets (net)	-	-	138.62
Investments in Intangible assets (net)	216.76	230.51	24.96

Contingent Liabilities

As of March 31, 2023, we did not have any contingent liabilities other than those disclosed below, which are also disclosed in the Consolidated Financial Statements:

(in ₹ million)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Bank guarantees	-	12.06	25.76
Income tax Appeal	32.29	32.29	32.29
Total	**32.29**	**44.35**	**58.05**

For details, see "*Financial Statements*" on page 277.

Debt/Equity Ratio

Our long-term debt/equity ratio was NA, 12.87% and 18.94% as of March 31, 2023, March 31, 2022 and March 31, 2021, respectively, while our total debt/equity ratio was NA%, 18.75% and 23.31%, as of March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

"*Long term debt*" represents only the long-term borrowings.

"*Total debt*" represents the sum of long-term borrowings, and current maturities of long-term borrowings.

"*Equity*" represents the sum of the paid-up share capital, other equity and non-controlling interest.

Historical Capital Commitments

We have made additions to property, plant and equipment towards land, buildings, plant and equipment, furniture and fixtures, vehicles, office equipment, electrical installations, computers and data processing units, leasehold improvements and other equipments aggregating ₹ 294.38 million, ₹ 24.91 million and ₹ 520.62 million during the Financial Years 2023, 2022 and 2021, respectively.

Credit Ratings

The following table sets forth our credit ratings as of the date of this Preliminary Placement Document:

Nature of debt instruments	Amount (₹ in million)	Rating agency	Term	Credit Ratings
Unallocated_ Long term	350.00	ICRA	June 18, 2024	[ICRA]A-
Unallocated- Short Term		ICRA	June 18, 2024	[ICRA]A2

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. All the transactions with related parties are in compliance with the Companies Act, 2013, SEBI Listing Regulations, relevant accounting standards and other statuary compliances. For details of our related party transactions, see "*Financial Statements"* starting on page 277.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's risk management policy is set by the Board. The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk relating to foreign currency exchange rate. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and other financial assets carried at amortised cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and Security deposits. The exposure is limited to its carrying value.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Group's Management is responsible for liquidity and fund management.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables and other financial liabilities.

(iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the Group's assets are located in India and Indian rupee being the functional currency of the Group. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Significant factors affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 176 and 57, respectively. To our knowledge, except as discussed in this Preliminary Placement Document, 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.

Significant Economic Changes that Materially affect or are likely to affect Income from Continuing Operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect our income from continuing operations identified above in "*Significant factors affecting our results of operations*" and the uncertainties described in "*Risk Factors*" on page 176 and 57, respectively.

Seasonality of Business

Our Digital Trust Services business vertical is impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Financial Year. Typically, we see an increase in our sales in this business vertical during the quarters in which yearly filings are due under the relevant income tax and corporate laws. Therefore, our results of operations and cash flows across quarters in a Financial Year may not be comparable and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods. See "*Risk Factors – Our business is seasonal in nature.*" on page 75.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*", "*Summary of Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 57, 32 and 173, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

Other than as disclosed in this section and in "*Summary of Business*" on page 32, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Dependence on a Few Customers and Few Suppliers

For Fiscals 2023, 2022, 2021 our top five customers in trust services (in terms of revenue) contributed 7.42%, 22.37%, 24.65% respectively and our top five customers in enterprise solutions contributed 26.63%, 24.48%, 12.14%, respectively, and our top 10 customers in trust services (in terms of revenue) contributed 8.84%, 27.38%, 29.92%, respectively, and our top 10 customers in enterprise solutions contributed 39.09%, 31.81%, 17.78%, respectively in each case of our total revenue from our operations. Our largest customer in each period contributed 7.07%, 13.14%, and 3.03%, in Fiscals 2023, 2022, 2021, respectively. Accordingly, we are not dependent on a few key customers or a few key suppliers for our business.

Competitive Conditions

We operate in a competitive environment. Please refer to "*Summary of Business*", "*Industry and Market Data*" and "*Risk Factors*" on pages 32, 17 and 57, respectively for further information on our industry and competition.

Unusual or Infrequent Events or Transactions

Except the impact of COVID-19 on our results of operations and financial condition as described in this Preliminary Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Recent Accounting Pronouncements

As of the date of this Preliminary Placement Document, there are no recent accounting pronouncements that would have a material effect on our financial condition or results of operations.

Summary of reservations or qualifications or adverse remarks of auditors

There are no reservations, qualifications or adverse remarks or matters of emphasis in the Audit Reports (including the Companies (Auditor's Report) Order, 2016).

Significant Developments after March 31, 2023 that may affect our results of operations

There are no significant developments after March 31, 2023 that may affect our results of operations.

ORGANISATIONAL STRUCTURE

Corporate History

Our Company was originally incorporated as '3i Infotech Consumer Services Limited,' as a wholly owned subsidiary of 3i Infotech Limited under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 16, 2008, issued by the Registrar of Companies, Maharashtra, at Mumbai. Pursuant to an acquisition of our Company by Indus Innovest Technologies Private Limited and our shareholders resolution dated November 16, 2010, the name of our Company was changed to 'eMudhra Consumer Services Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on December 22, 2010. The registered office of our Company was changed from Maharashtra to Karnataka, pursuant to which a fresh certificate of incorporation dated September 23, 2011 was issued by the Registrar of Companies, Karnataka, at Bangalore. The name of our Company was further changed to 'eMudhra Limited', pursuant to our shareholders resolution dated October 21, 2014, and a fresh certificate of incorporation was issued by Registrar of Companies, Karnataka, at Bangalore on November 5, 2014. The registration number of our Company is 060368 and our CIN is L72900KA2008PLC060368.

The Registered Office of our Company is situated at Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149.

Changes in Registered Office

Except as disclosed below, there has been no change in our registered office since incorporation.

Date of change of registered office	Details of the address of registered office	Reasons for the change of the registered office
August 4, 2011	Registered office of our Company was changed from Tower No. 5, 3rd to 6th Floor, International Infotech Park, Vashi Navi Mumbai Maharashtra 400703 to Sai Arcade, 3rd Floor, No. 56 Outer Ring Road Devarabeesanahalli, Bengaluru, 560103, Karnataka	Administrative and operational convenience
June 11, 2022	Registered office of our Company was changed from Sai Arcade, 3rd Floor, No. 56 Outer Ring Road Devarabeesanahalli, Bengaluru, 560103, Karnataka to Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149	Administrative and operational convenience

Our Subsidiaries

As on the date of this Preliminary Placement Document, our Company has nine Subsidiaries, of which two are Indian subsidiaries, and seven are foreign subsidiaries as below:

Indian Subsidiaries

1. eMudhra Technologies Limited;
2. eMudhra Consumer Services Limited;

Foreign Subsidiaries

1. eMudhra (MU) Ltd;
2. eMudhra DMCC;
3. eMudhra INC;
4. eMudhra PTE Ltd;
5. eMudhra BV;

6. PT eMudhra Technologies, Indonesia; and
7. eMudhra Kenya Limited;

i. eMudhra Technologies Limited

eMudhra Technologies Limited was incorporated in India under the Companies Act, 2013, pursuant to a certificate of incorporation dated August 2, 2012, issued by Registrar of Companies, Karnataka at Bangaluru. Its CIN is U72200KA2012PLC065153 and its registered office is situated at 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, B.K. Palya, Bengaluru, 562149 .

ii. eMudhra Consumer Services Limited

eMudhra Consumer Services Limited was incorporated in India under the Companies Act, 2013, pursuant to a certificate of incorporation dated August 2, 2018, issued by Registrar of Companies, Karnataka at Bangaluru. Its CIN is U72900KA2018PLC115186 and its registered office is situated at 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, B.K. Palya, Bengaluru, 562149.

iii. eMudhra (MU) Limited ("eMudhra (MU)")

eMudhra (MU) was originally incorporated as eMudhra Consumer Services (MU) Limited a private limited company, under the Mauritius Companies Act, 2001, pursuant to a certificate of incorporation dated January 31, 2013, issued by Registrar of Companies, Mauritius. Subsequently, the name was changed to eMudhra (MU) Limited on December 09, 2015. Its registration number is 114411 and its registered office is situated at 10 Frere Felix De Valois Street, Port Louis, Mauritius 1116 07.

iv. eMudhra DMCC

eMudhra DMCC was originally incorporated Cadenza Solutions JLT as a company limited by liability, under the Law No. 04 of 2001 and order dated May 1, 2002 in respect of establishing Dubai Multi Commodities Centre, pursuant to a certificate dated November 1, 2012, issued by Dubai Multi Commodities Centre. Subsequently, the name was changed to 'Cadenza Solutions DMCC' and later changed to 'eMudhra DMCC' on February 1, 2016. Its registration number is JLT4296 and its registered office is situated at Unit No: 3006, 1 Lake Plaza, Plot No: JLT-PH2-T2A, Jumeirah Lakes Towers, Dubai, UAE.

v. eMudhra PTE. Limited ("eMudhra PTE")

eMudhra Pte was incorporated as a private limited company, under the provisions of Accounting and Corporate Regulatory Authority (ACRA), pursuant to a certificate of incorporation dated May 25, 2017, issued by ACRA, Singapore. Its registration number is 201714523D and its registered office is situated at 1 Philip Street, #03-01, Royal One Philip, Singapore 048692.

vi. eMudhra BV

eMudhra BV was incorporated as a limited company, under the The Netherlands Chamber of Commerce KVK, pursuant to a certificate of incorporation dated August 21, 2019, issued by the The Netherlands Chamber of Commerce KvK. Its registration numbers are KvK 75632306 and RSIN 86034161 and its registered office is situated at Wilhelmina van Pruisenweg 104, 2595AN 's-Gravenhage.

vii. eMudhra INC.

eMudhra INC was incorporated as a limited company in the State of Delaware, USA, pursuant to a certificate of incorporation dated September 27, 2013 issued by State of Delaware, through the registered agent Blumberg Excelsior Corporate Services INC. Its registration number is 5406251 and its registered office is situated at 838 Walker Road, Suite 21-2, Dover, DE 19904.

viii. PT eMudhra Technologies Indonesia ("PT eMudhra")

PT eMudhra was incorporated as a private limited company, under the provisions Government Regulation Number 24 of 2018 concerning Services Electronically Integrated Business Licensing, pursuant to a certificate of incorporation dated June 24, 2020 each issued by BKPM, Indonesia. Its registration number is 0220008692546 and its registered office is situated at Griha Mampang, Lantai 3. Suite 305, Jalan Mampang Prpt Raya KAV 100, Jakarta Selatan .DKI Jakarta, Indonesia - 12760.

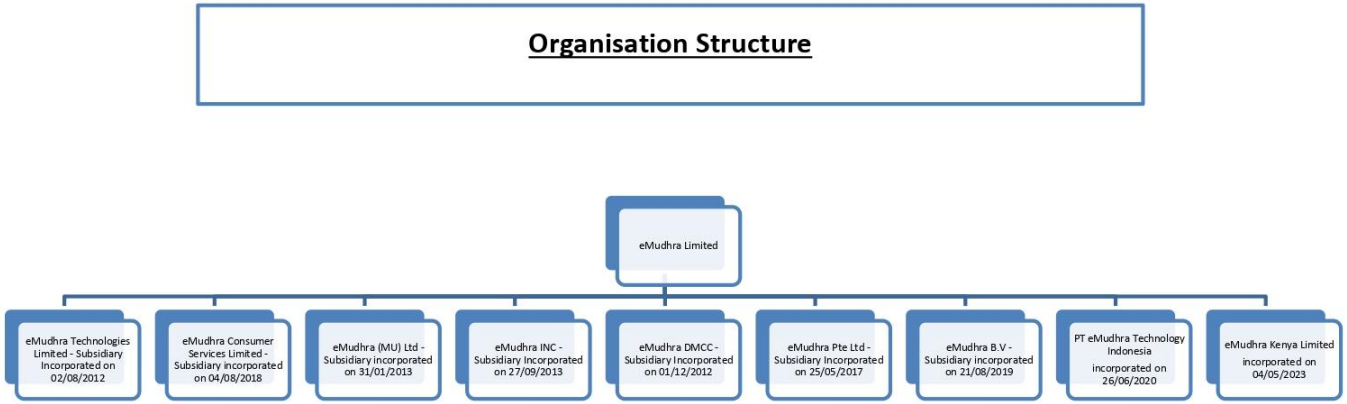
ix. eMudhra Kenya Limited

eMudhra Kenya Limited was incorporated in Kenya under the Companies Act, 2015, pursuant to a certificate of incorporation dated May 4, 2023, issued by Registrar of Companies, Kenya. Its registration number is PVT-KAUZPKP3 and its registered office is situated at P.O Box 49434, Parklands Avenue, Building: Diamond Plaza, G.P.O Nairobi.

Our Associates

Our Company does not have any associate companies or joint ventures

The organisational structure of our Company as on the date of this Preliminary Placement Document is as follows:



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board of Directors is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles of Association of our Company. The Articles of Association of our Company provide that the our Company is required to have not less than two Directors and not more than 15 Directors; .
As on the date of this preliminary Placement Document, our Company has six Directors, which includes one Executive Chairman, one Whole-Time Directors and four Independent Directors (including a woman Independent Director).

The following table sets forth details regarding the Board as on the date of this Preliminary Placement Document:

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Designation
1.	**Venkatraman Srinivasan** ***Date of Birth***: May 26, 1956 ***Address*:** No. B1603, RMZ Latitude, Bellary Road, Amruthnagar Hebbal, Bangalore North, Bengaluru, Karnataka– 560092 ***Occupation*:** Business ***Current term***: For a period of five years effective from November 3, 2021. ***Period of Directorship***: Since June 19, 2008 ***Nationality***: Indian ***DIN***: 00640646	67	Executive Chairman
2.	**Venu Madhava** ***Date of Birth***: July 20, 1974 ***Address*:** No. 417, Radiant Reshan, Yelenahalli, Bangalore 560 068, Karnataka. ***Occupation*:** Service ***Current term***: For a period of three years effective from April 1, 2020. ***Period of Directorship***: January 10, 2014 ***Nationality***: Indian ***DIN***: 06748204	49	Whole-time Director
3.	**Nandlal Laxminarayan Sarda**	75	Independent Director

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Designation
	Date of Birth: May 2, 1948 ***Address*:** Near IIT Main Gate A-5 Bungalow, IIT Campus, Powai, Mumbai - 400076, Maharashtra ***Occupation*:** Service ***Current term:*** For a period of five years effective from June 19, 2023 ***Period of Directorship***: Since June 19, 2018 ***Nationality***: Indian ***DIN***: 00147782		
4.	**Manoj Kunkalienkar** ***Date of Birth***: August 22, 1959 ***Address*:** A/3002, Gokul Concorde, 30th Floor, Surya Village, Kandivali East, Mumbai – 400101, Maharashtra. ***Occupation*:** Business ***Current term***: For a period of five years with effect from April 1, 2020. ***Period of Directorship***: Since March 23, 2015 ***Nationality***: Indian ***DIN***: 00019200	64	Independent Director
5.	**Chandra Lakshminarayan Iyer** ***Date of Birth***: September 30, 1957 ***Address*:** 162, 16th Floor, Dhawalgiri, Genral Arunkumar Vaidya Marg, Off Filmcity Road, Goregaon East, Mumbai 400063, Maharashtra ***Occupation*:** Service ***Current term***: For a period of five years with effect from August 13, 2021. ***Period of Directorship***: Since August 13, 2021. ***Nationality***: Indian	66	Independent Director

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Designation
	DIN: 08111743		
6.	**Chandrasekar Padmanabhan** ***Date of Birth***: May 25, 1958 ***Address*:** 4 Shobha, 5th Road, Chembur, Mumbai 400 071, Maharashtra ***Occupation*:** Service ***Current term***: For a period of five years effective from November 3, 2021. ***Period of Directorship***: Since November 3, 2021 ***Nationality***: Indian ***DIN***: 00503673	65	Independent Director

Brief profiles of our Directors

Venkatraman Srinivasan is the Executive Chairman of our Company and has been the Director of the Company since incorporation in 2008. He has a bachelor's degree of science in mathematics from the University of Madras. He is an associate member of the Institute of Chartered Accountants of India and Institute of Cost and Works Accountants of India. He is a qualified company secretary from the Institute of Company Secretaries of India. He participated in the Executive Development Programme at Kellogg Graduate School of Management. He is a board member of European Cloud Signature Consortium, Chairman of Asia PKI Consortium and was the Chairman of India PKI Forum. He has over 36 years of experience in the information technology industry and has served as the managing director and chief executive office of ICICI Infotech Limited. He is the author of the book titled "New Age Management Philosophy from Ancient Indian Wisdom" which has been fore worded by K.V. Kamath, ICICI Bank, May 31, 2006.

Venu Madhava is a Whole-time Director of our Company, and the Senior Vice -President, Legal. He holds a bachelor's degree in commerce and a bachelor's degree in law, both from Kwempu University. He has over 13 years of experience and has worked as Manager - Legal at Adecco India.

Nandlal Laxminarayan Sarda is an Independent Director of our Company. He holds a master's degree in technology in electrical engineering from Indian Institute of Technology, Bombay. He has doctor of philosophy degree from Indian Institute of Technology, Bombay. He has previously served as the dean of academic programmes, IIT Bombay for almost two years in which his role he coordinated with the Society for Innovation and Entrepreneurship (SINE). He is presently serving on the board of Cybertech Systems and Software Limited.

Manoj Kunkalienkar is an Independent Director of our Company. He holds a bachelor's degree in technology in electrical engineering and a master's degree in technology in interdisciplinary programme of computer science, both from the Indian Institute of Technology, Bombay. He is on the board of Rohan Software Private Limited, Soft Com India Private Limited and eMudhra DMCC.

Chandra Lakshminarayan Iyer is an Independent Director of our Company. She holds a bachelor's degree in commerce and a master's degree in commerce, both from the University of Mumbai. She has diploma in financial management from the directorate of distance education, University of Mumbai. She has previously served as the president of Anunta Technologies Management Services Limited for over two years, and is on the board of Lords

Freight (India) Private Limited, Mahindra Retail Limited and Mumbai Mantra Media Limited.

Chandrasekar Padmanabhan is an Independent Director of our Company. He is a member of the Institute of Chartered Accountants of India and passed the final examination of the Institute of Company Secretaries of India. He worked with ICICI Bank Limited for a period of over three years**.** He was appointed as the first director of Erudite Capital Creations Private Limited and continued to hold the office, for 28 years, till October 31, 2018.

Terms of appointment of our Executive Directors:

Venkatraman Srinivasan

Pursuant a resolution of our Board of Directors and our Shareholders each dated November 3, 2021, our Executive Chairman, does not receive any remuneration from our Company, however shall be entitled to receive remuneration from our Subsidiary, eMudhra DMCC, pursuant to the service contract as stated at "- *Service Contracts with Directors*" on page 210, within the range of AED 20,000 to AED 40,000 per month, as may be decided by the board of eMudhra DMCC from time to time. Further, our Executive Chairman is entitled to rent free accommodation at Bangalore by our Company, and reimbursement of travel and out of pocket expenses incurred in respect of official duties.

For the Fiscal 2023 Venkatraman Srinivasan has received a total remuneration of ₹ 5.25 million.

Venu Madhava

Venu Madhava was appointed as the Whole-time Director with effect from July 25, 2014 pursuant to the Board resolution dated July 25, 2014. The remuneration of Venu Madhava is ranging from ₹ 6 million to ₹ 12 million per annum as may be decided by the Board of Directors from time to time with all other perquisites as may be applicable, to the Board resolution dated April 28, 2023. The total remuneration paid to Venu Madhava for Fiscal 2023 was ₹ 5.74 million.

Terms of appointment and payments or benefits to Independent Directors by our Company:

The Board at their Board Meeting held on July 23, 2022 approved the payment of the sitting fees to Independent Directors for attending Board meetings and meetings of the committees of our Board in the following manner:

Sr. No.	Board/Committee	Sitting Fee (in ₹)
1.	Board	₹ 100,000 per meeting
2.	All the Committees of the Board	₹ 50,000 per meeting

The Shareholders at the Annual General Meeting held on October 14, 2021, approved commission to the Independent Directors for Fiscal 2023, which is set out that they are entitled to a commission of 1% of net profit for their time and efforts.

Except as disclosed below, our Company has not paid any compensation or granted any benefit to any of our Independent Directors in all capacities in Fiscal 2023:

Sr. No.	Name of the Director	Sitting fees paid (in ₹ million)	Commission Paid (in ₹ million)	Total Remuneration (in ₹ million)
1.	Nandlal Laxminarayan Sarda	1.03	0.97	2.00
2.	Manoj Kunkalienkar	0.88	0.97	1.85
3.	Chandra Lakshminarayan Iyer	0.78	0.97	1.75
4.	Chandrasekar Padmanabhan	0.88	0.97	1.85

Remuneration of Directors

Executive Director:

The table below sets forth the details of the remuneration paid to our Executive Directors from April 1, 2023 till date and the last three Fiscals:

(*in ₹ million*)

Name	From April 1, 2023 till date	Fiscal 2023	Fiscal 2022	Fiscal 2021
Venkatraman Srinivasan	4.05	5.25	4.87	5.26
Venu Madhava	4.72	5.74	4.68	4.37

Independent Directors and Non-Executive Directors:

The table below sets forth the details of directors' fees and commission paid to our Independent Directors and Non-Executive Directors for the six month period ended September 30, 2023 and the last three Fiscals:

(*in ₹ million*)

Name	From April 1, 2023 till date	Fiscal 2023	Fiscal 2022	Fiscal 2021
Nandlal Laxminarayan Sarda	1.47	2.00	1.76	1.00
Manoj Kunkalienkar	1.37	1.85	1.76	1.00
Chandra Lakshminarayan Iyer	1.37	1.75	0.38	-
Chandrasekar Padmanabhan	1.42	1.85	0.25	-

Shareholding of Directors

Our Articles of Association do not require our Directors to hold qualification shares. The table below sets forth details of Equity Shares held by the Directors as on date of this Preliminary Placement Document:

Name of Director	Number of Equity Shares held	Percentage of paid-up Equity Share capital (in %)
Venkatraman Srinivasan	27,122,543	34.74%
Venu Madhava	50,000	0.07%

Relationship between our Directors

None of the Directors of our Company are related to each other.

Borrowing powers of the Board

Pursuant to our Articles of Association and applicable provisions of the Companies Act and pursuant to a resolution passed by our Shareholders at their meeting held on September 15, 2008, our Board has been authorised for borrowing of funds from Banks, bodies corporate, financial institutions, and creation of charges or mortgages and hypothecation of movable and immovable properties of our Company subject to such limits as may be approved by the Members of our Company, from time to time, in one or more tranches in terms of the Companies Act, 2013, for a limit up to ₹ 500 million.

Interest of Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as the sitting fees and commission, if any, payable to them for attending meetings of our Board and/or committees thereof as approved by our Board/ Shareholders, the reimbursement of expenses payable to them, as approved by our Board.

The Executive Chairman of our Company, Venkatraman Srinivasan, who is also the first director under the Articles of Association, may also be interested to the extent of his shareholding in our Company and to the extent of any

dividend payable to him and other distributions in respect of such shareholding and to the extent of Equity Shares and Preference Shares, if any, that may be subscribed by or allotted to the companies, firms, ventures, trusts in which he is interested in as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company in the three years preceding the date of this Preliminary Placement Document.

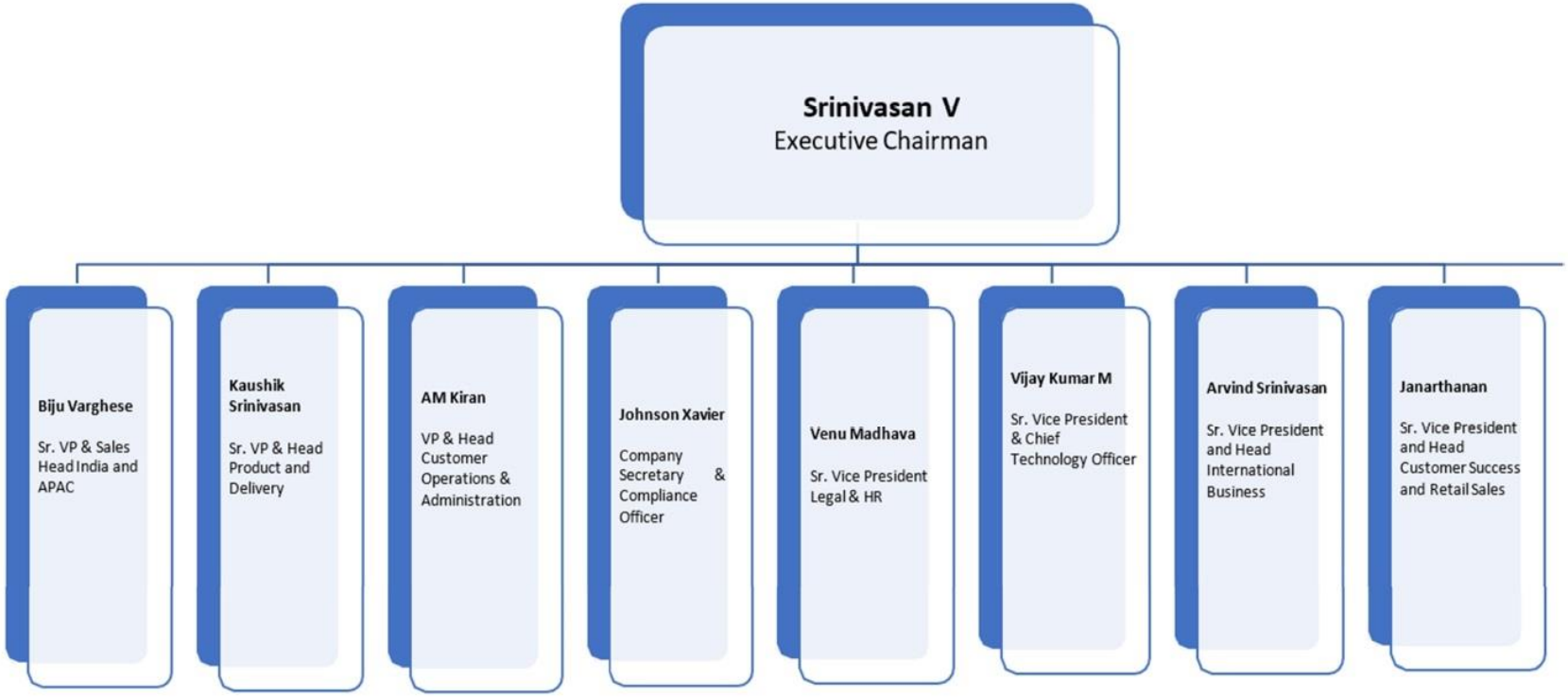
Except as provided in "*Related Party Transactions*" on page 114, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details relating to contracts, agreements or arrangements entered into by our Company during the last three Fiscals, in which the Directors are interested directly or indirectly and for payments made to them in respect of such contracts, agreements or arrangements and for other interest of Directors in respect to the related party transactions, during the last three Fiscals, see "*Related Party Transactions*" on page 114.

Service contracts with Directors

Our Executive Chairman, Venkatraman Srinivasan has entered into an employment contract dated March 12, 2013, as amended on April 15, 2021, with our Subsidiary, eMudhra DMCC, to act as a special advisor of eMudhra DMCC. The details of the monthly remuneration received is as below:

Particulars	Amount in AED
Basic Salary	8,000
Accommodation	5,000
Transport	4,000
Other	3,000
Total	**20,000**

Organisation chart



Corporate Governance

The Board of Directors presently consists of six Directors. In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has four Independent Directors (including a woman Independent Director). Our Company is currently in compliance with the corporate governance requirements including the constitution of Board and committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

Committees of Board of Directors

The Board of Directors have constituted committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The following table sets forth the members of the aforesaid committees as of the date of this Preliminary Placement Document:

Committee	Members
Audit Committee	Chandrasekar Padmanabhan *(Chairman)*, Venkatraman Srinivasan, and Nandlal Laxminarayan Sarda
Nomination, Remuneration and Compensation Committee	Nandlal Laxminarayan Sarda *(Chairman,)* Manoj and Chandra Lakshminarayan Iyer
Stakeholders Relationship Committee	Manoj Kunkalienkar *(Chairman)*, Venkatraman Srinivasan and Chandra Lakshminarayan Iyer
Corporate Social Responsibility Committee	Chandra Lakshminarayan Iyer *(Chairman)*, Venkatraman Srinivasan and Chandrasekar Padmanabhan
Risk Management Committee	Venkatraman Srinivasan *(Chairman)*, Chandrasekar Padmanabhan and Venu Madhava

Key Managerial Personnel*

In addition to, Venkatraman Srinivasan our Chairman and Venu Madhava our whole time director, whose details are set out in "- *Brief profiles of our Directors*" on page 207, the details of our other Key Managerial Personnel is given below:

Johnson Xavier is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since 2012. He has a bachelor's degree in corporate secretartaryship from Bharathiar University, Coimbatore and is a member of the Institute of Company Secretaries of India. He has over 10 years of experience, and has previously worked as Senior Executive – Company Secretarial & Accounts for Expat Projects and Developments Private Limited and as Officer – Finance for Pricol Corporate Services Limited. The total remuneration paid to him in Fiscal 2023 was ₹ 3.15 million.

* Our erstwhile chief financial officer of the Company resigned with effect from November 8, 2023. For further details, please see, "*Risk Factors - Our erstwhile chief financial officer of the Company resigned with effect from November 17, 2023 due to personal reasons. If we are unable to appoint a replacement within the statutory timelines as provided under the Companies Act, 2013, our Company, every Director and Key Managerial Personnel who are in default, may be punishable under the provisions of the Companies Act, 2013, which could adversely affect our reputation, operations and business.*"

Senior Management Personnel

The details of our Senior Management Personnel are given below:

Biju Varghese is the Senior Vice President & Sales Head India and APAC. He has been associated with our Company since 2009. He has a bachelor's degree in technology in mechanical engineering and master's degree in technology in futures studies with specialisation in technology management both from the University of Kerala. He has completed the Senior Management Programme from Indian Institute of Management, Calcutta. He has over 17 years of experience, and has previously worked with Aditya Birla Group, and Institute for Development and Research in Banking Technology (established by the Reserve Bank of India.) The total remuneration paid to him in Fiscal 2023 was ₹ 5.79 million.

Kaushik Srinivasan is the Senior Vice President & Head Product and Delivery. He has been associated with our Company since 2015. He has a bachelor's degree in engineering and a masters' degree engineering in Networked Information Systems, both from Stevens Institute of Technology, New Jersey. He is a member of the CFA Institute. He has previously worked as a Quantitative Analyst with Trafelet Delta Funds, New York and with UBS

Wealth Management, New Jersey. The total remuneration paid to him in Fiscal 2023 was ₹ 6.48 million inclusive of the ₹ 1.31 million received from eMudhra DMCC.

Arvind Srinivasan is the Senior Vice President & Head International Business. He has been associated with our Company since 2019. He has a Bachelor of Science from Rutgers, the state University of New Jersey and Master of Science degree in finance from the University of Michigan. He has previously worked at Barclays Capital Services Inc. The total remuneration paid to him by our Subsidiary, eMudhra DMCC in Fiscal 2023 was ₹ 9.73 million.

Janarthanan S is Senior Vice President & Head Customer Success. He has been associated with our Company since 2012. He has Bachelor of Science degree in electrical and electronical engineering from Bharatidasan University. He has a master's in business administration from Anna University. He has over 15 years of experience and has worked with e-Serve International Limited, GE Countrywide Consumer Financial Services Limited, and Amazon Development Centre (India) Private Limited**.** The total remuneration paid to him in Fiscal 2023 was ₹ 5.24 million.

Vijay Kumar is Senior Vice President & Chief Technology Officer. He has been associated with our Company since 2012. He has a masters in business administration from the Innova University. He has over 17 years of experience and has worked with Relyon Softech Limited as Senior Manager. The total remuneration paid to him in Fiscal 2023 was ₹ 7.35 million.

A M Kiran is VP & Head Customer Operations. He has been associated with our Company since 2013. He has Bachelor of Commerce from Bangalore University. He has a master's in business administration from Madurai Kamaraj University. He has worked with AXA Business Services as Information Processor, and DB Operations International Private Limited as team manager. The total remuneration paid to him in Fiscal 2023 was ₹ 3.75 million.

Except for Arvind Srinivasan all Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company, except for Arvind Srinivasan who is an employee of one of our Subsidiaries.

Relationship between Key Managerial Personnel and Senior Management Personnel

Except for Kaushik Srinivasan and Arvind Srinivasan who are sons of Venkatraman Srinivasan, Chairman of the Company, none of the Key Managerial Personnel and Senior Management Personnel of our Company are related to each other.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have any bonus or profit-sharing plan with the Key Management Personnel or Senior Management Personnel.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

Except as stated at "- *Service Contracts with Directors*" on page 210, our Subsidiary, eMudhra DMCC, has entered into employment contract dated April 15, 2021, with Arvind Srinivasan, and provides for their fixed compensation, variable pay, benefits and scope of other increments and revisions.

Interest of Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in "*Related Party Transactions*," and "-*Interest of Directors*" on page 114,and 209, respectively, and the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service our Key Managerial Personnel or our Senior Management do not have any other interest in the Company.

Other than as disclosed in "*Related Party Transactions*", on page 114 of this Preliminary Placement Document, our Key Managerial Personnel or our Senior Management are not interested in any contract, agreement or arrangement entered into by the Company and no payments have been made in respect of these contracts, agreements or arrangements or are proposed to be made.

No loans have been availed by our Key Management Personnel or Senior Management from the Company as on date of this Preliminary Placement Document.

Shareholding of our Key Managerial Personnel and Senior Management Personnel

Except as stated below, and at *"- Shareholding of the Directors in our Company"* none of our Key Managerial Personnel or Senior Management holds any Equity Shares as on date of this Preliminary Placement Document.

S.No.	Name of Key Managerial Personnel	Shareholding	Percentage (%)
1.	AM Kiran	25,000	0.03
2.	Arvind Srinivasan	31,54,646	4.04
3.	Biju Varghese	52579	0.06
4.	Janarthanan S	1500	Negligible
5.	Johnson Xavier	3	Negligible
6.	Kaushik Srinivasan	9,25,880	1.19
7.	V Srinivasan	2,71,22,543	34.74
8.	Venu Madhava	50,000	0.07
9.	Vijay Kumar	76,482	0.15

Other confirmations

1. Except as otherwise stated above in *"– Interest of our Directors*" and *"– Interest of Key Managerial Personnel, and Senior Management Personnel",* none of the Directors, Promoters, Key Managerial Personnel, or Senior Management Personnel of our Company has any financial or other material interest in the Issue.
2. Our Promoters, Directors and Key Managerial Personnel, or Senior Management Personnel will not participate in the Issue.
3. Neither our Company, nor any of our Directors or Promoters have been declared as a Wilful Defaulter.
4. None of our Directors or Promoters have been declared as a 'fraudulent borrower' by lending banks or financial institutions or consortiums.
5. Neither our Company, nor our Directors or Promoter are debarred from accessing capital markets under any order or direction made by SEBI.
6. None of our Directors or Promoters have been declared as a Fugitive Economic Offender.
7. No change in control in our Company will occur consequent to the Issue.
8. No loans have been availed or extended by our Directors, from, or to, our Company or the Subsidiaries
9. Except as disclosed below, as on the date of this Preliminary Placement Document, there are no outstanding options granted to our Directors or Key Managerial Personnel, or Senior Management Personnel under the eMudhra ESOP Scheme 2016:

Sr. No.	Name	Number of options granted but not yet vested	Number of options vested but not yet exercised
1.	V Srinivasan	Nil	Nil
2.	Venu Madhava	Nil	1,66,000
3.	Johnson Xavier	Nil	Nil
4.	Kaushik Srinivasan	Nil	Nil
5.	Arvind Srinivasan	Nil	Nil
6.	Biju Varghese	Nil	1,50,000
7.	Vijay Kumar	Nil	25,000
8.	Janarthanan S	25,000	2,40,000
9.	Kiran A M	Nil	50,000

For details of our Company's ESOP Scheme, see "*Capital Structure – Employee Stock Option Scheme*" on page 112.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to formulate and implement a code of internal practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct namely, '*Code Of Conduct For Prohibition Of Insider Trading'***,** in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

SHAREHOLDING PATTERN OF OUR COMPANY

The following tables present information regarding the ownership of Equity Shares by the Shareholders as of September 30, 2023:

Table I - Summary statement holding of specified securities:

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		Sub-Category_I	Sub-Category_II	Sub-Category_III
(A) Promoter & Promoter Group	4	4,50,45,946	4,50,45,946	57.7	4,50,45,946	57.7	1,56,15,000	34.66	4,50,45,946	--	--	--
(B) Public	66,026	3,30,26,425	3,30,26,425	42.3	3,30,26,425	42.3		0	3,30,26,425			
(C1) Shares underlying DRs				0		0		0		--	--	--
(C2) Shares held by Employee Trust				0		0		0		---	--	--

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form	Sub-categorization of shares (XV)		
							No.(a)	As a % of total Shares held(b)		Shareholding (No. of shares) under		
										Sub-Category_I	Sub-Category_II	Sub-Category_III
(C) Non Promoter-Non Public				0		0		0		--	--	--
Grand Total	66,030	7,80,72,371	7,80,72,371	100	7,80,72,371	100	1,56,15,000	20	7,80,72,371			

Table II - Statement showing shareholding pattern of our Promoters and Promoter Group:

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of Locked in shares		Number of equity shares held in dematerialized form
						No.(a)	As a % of total Shares held(b)	Class eg: X	Total	
A1) Indian					0		0		0	
Individuals/Hindu undivided Family		1	2,71,22,543	2,71,22,543	34.74	2,71,22,543	34.74	1,56,15,000	57.57	2,71,22,543
Venkatraman Srinivasan	Promoter	1	2,71,22,543	2,71,22,543	34.74	2,71,22,543	34.74	1,56,15,000	57.57	2,71,22,543
Sub Total A1		1	2,71,22,543	2,71,22,543	34.74	2,71,22,543	34.74	1,56,15,000	57.57	2,71,22,543
A2) Foreign					0		0		0	

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of Locked in shares		Number of equity shares held in dematerialized form
						No.(a)	As a % of total Shares held(b)	Class eg: X	Total	
Individuals (NonResident Individuals/ Foreign Individuals)		2	40,80,526	40,80,526	5.23	40,80,526	5.23		0	40,80,526
Arvind Srinivasan	Promoter Group	1	31,54,646	31,54,646	4.04	31,54,646	4.04		0	31,54,646
Kaushik Srinivasan	Promoter Group	1	9,25,880	9,25,880	1.19	9,25,880	1.19		0	9,25,880

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of Locked in shares		Number of equity shares held in dematerialized form
						No.(a)	As a % of total Shares held(b)	Class eg: X	Total	
Any Other (specify)		1	1,38,42,877	1,38,42,877	17.73	1,38,42,877	17.73		0	1,38,42,877
Taarav Pte Ltd	Promoter	1	1,38,42,877	1,38,42,877	17.73	1,38,42,877	17.73		0	1,38,42,877
Sub Total A2		3	1,79,23,403	1,79,23,403	22.96	1,79,23,403	22.96		0	1,79,23,403
A=A1+A2		4	4,50,45,946	4,50,45,946	57.7	4,50,45,946	57.7	1,56,15,000	34.66	4,50,45,946

Table III - Statement showing shareholding pattern of the Public shareholders:

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	SubCategory_III
B1) Institutions	0	0		0		0		0		-	-	-
B2) Institutions (Domestic)	0	0		0		0		0		-	-	-
Mutual Funds/	4	4716569	47,16,569	6.04	47,16,569	6.04		0	47,16,569			
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	1	3088051	30,88,051	3.96	30,88,051	3.96		0	30,88,051			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	SubCategory_III
Alternate Investment Funds	6	1890163	18,90,163	2.42	18,90,163	2.42		0	18,90,163			
Baring Private Equity India AIF 2	1	1248737	12,48,737	1.6	12,48,737	1.6		0	12,48,737			
Insurance Companies	1	4000	4,000	0.01	4,000	0.01		0	4,000			
Sub Total B1	11	6610732	66,10,732	8.47	66,10,732	8.47		0	66,10,732			
B3) Institutions (Foreign)	0	0		0		0		0		-	-	-

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
							No.(a)	As a % of total Shares held(b)		Shareholding (No. of shares) under		
										SubCategory_I	SubCategory_II	SubCategory_III
Foreign Portfolio Investors Category I	11	3331050	33,31,050	4.27	33,31,050	4.27		0	33,31,050			
Hornbill Orchid India Fund	1	1692094	16,92,094	2.17	16,92,094	2.17		0	16,92,094			
Foreign Portfolio Investors Category II	2	20786	20,786	0.03	20,786	0.03		0	20,786			
Sub Total B2	13	3351836	33,51,836	4.29	33,51,836	4.29		0	33,51,836			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	SubCategory_III
B4) Central Government/ State Government(s)/ President of India	0	0		0		0		0		-	-	-
B5) Non-Institutions	0	0		0		0		0		-	-	-

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	SubCategory_III
Directors and their relatives (excluding independent directors and nominee directors)	3	9209462	92,09,462	11.8	92,09,462	11.8		0	92,09,462			
Aishwarya Arvind	1	3468392	34,68,392	4.44	34,68,392	4.44		0	34,68,392			
Lakshmi Kaushik	1	5697159	56,97,159	7.3	56,97,159	7.3		0	56,97,159			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
							No.(a)	As a % of total Shares held(b)		Shareholding (No. of shares) under		
										SubCategory_I	SubCategory_II	SubCategory_III
Key Managerial Personnel	5	292043	2,92,043	0.37	2,92,043	0.37		0	2,92,043			
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	63695	8258609	82,58,609	10.58	82,58,609	10.58		0	82,58,609			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
										Shareholding (No. of shares) under		
							No.(a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	SubCategory_III
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	6	434667	4,34,667	0.56	4,34,667	0.56		0	4,34,667			
Non Resident Indians (NRIs)	1151	874097	8,74,097	1.12	8,74,097	1.12		0	8,74,097			
Foreign Nationals	1	800	800	0	800	0		0	800			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
							No.(a)	As a % of total Shares held(b)		Shareholding (No. of shares) under		
										SubCategory_I	SubCategory_II	SubCategory_III
Foreign Companies	1	513980	5,13,980	0.66	5,13,980	0.66		0	5,13,980			
Bodies Corporate	201	687228	6,87,228	0.88	6,87,228	0.88		0	6,87,228			
Any Other (specify)	939	2792971	27,92,971	3.58	27,92,971	3.58		0	27,92,971			
Clearing Members	3	1726	1,726	0	1,726	0		0	1,726			
HUF	922	336781	3,36,781	0.43	3,36,781	0.43		0	3,36,781			
LLP	11	110311	1,10,311	0.14	1,10,311	0.14		0	1,10,311			

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
							No.(a)	As a % of total Shares held(b)		Shareholding (No. of shares) under		
										SubCategory_I	SubCategory_II	SubCategory_III
Emudhra Employees Stock Option Trust	1	2343051	23,43,051	3	23,43,051	3		0	23,43,051			
Sub Total B4	66002	23063857	2,30,63,857	29.54	2,30,63,857	29.54		0	2,30,63,857			
B=B1+B2+B3+B4	66026	33026425	3,30,26,425	42.3	3,30,26,425	42.3		0	3,30,26,425			

Table IV - Statement showing shareholding pattern of the Non – Promoter – Non-Public Shareholders:

Category & Name of the Shareholders(I)	No. of shareholder(III)	No. of fully paid up equity shares held(IV)	Total no. shares held(VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Locked in shares(XII)		Number of equity shares held in dematerialized form(XIV)(Not Applicable)
					No	As a % of total Shares held	
C1) Custodian/DR Holder	0	0		0.00		0.00	
C2) Employee Benefit Trust	0	0		0.00		0.00	

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the BRLM. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, employees, counsels, shareholders, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" on pages 246 and 253, respectively.

Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 other applicable provisions of the Companies Act, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, a listed company in India may issue eligible securities to Eligible QIBs on a private placement basis provided that certain conditions are met by such Company. Some of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the above-mentioned special resolution;

- In accordance with SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be done in dematerialised form only;

- Promoters and Directors are not fugitive economic offenders;
- invitation to apply in the QIP must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- the issuer shall have completed allotments with respect to any earlier offer or invitation made by the issuer or shall have withdrawn or abandoned such invitation or offer made by the issuer, except as permitted under the Companies Act;

- the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document), the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- in accordance with the SEBI ICDR Regulations, the Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;

- the Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited. In accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and

- the promoters and directors of the issuer are not Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Prospective purchasers were required to make certain representations, warranties and undertakings in order to participate in the Issue. Prospective purchasers are deemed to have represented to us and the Book Running Lead Managers in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an "*offshore transaction*" as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For details, see sections entitled '*Representations by Investors*', '*Selling Restrictions*' and '*Purchaser Representations and Transfer Restrictions*' beginning on pages 5, 246 and 253, respectively of this Preliminary Placement Document.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the Floor Price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated August 24, 2023 and our Shareholders through a special resolution on September 22, 2023, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price.

The "relevant date" mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The Equity Shares must be allotted within 12 months from the date of the shareholders' resolution approving the QIP and also within 60 days from the date of receipt of subscription money from the relevant Eligible QIBs.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of Allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 2,500 million; and
- five, where the issue size is greater than ₹ 2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*Bid Process - Application Form*" on page 237.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on August 24, 2023 , and our Shareholders by way of a special resolution dated on September 22, 2023 at the EGM held through VC / OAVM facility.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in *"offshore transactions"*, as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company in consultation with the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary

Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act and PAS Rules.

2. **The list of Eligible QIBs to whom the Application Form and serially numbered Preliminary Placement Document have been delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.**

3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLM.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

   - it has agreed to all the representations, warranties, acknowledgements and agreements set forth in or incorporated by reference in the Application Form, which will include, but will not be limited to, the representations, warranties, acknowledgements and agreements set forth in the "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" beginning on pages 1, 5, 230, 246, and 253, respectively, which will be incorporated by reference; details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

   - Equity Shares held by the Bidder in our Company prior to the Issue; and

   - it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document.

   - A representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, and it has agreed to certain other representations set forth in this Preliminary Placement Document and in the Application Form.

   NOTE**:** *Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly*

indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

5. Bidders shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of *"EMudhra Ltd-QIP*" with the Escrow Bank, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "– *Refunds*" on page 242.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. In case of Bids being made on behalf of the Eligible QIB where the Application Form was unsigned, it was assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so.

7. The Bidder acknowledges that in accordance with the requirement of the Companies Act, upon Allocation, our Company is required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

8. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**

9. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

16. Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, will be considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

    - Eligible FPIs;
    - insurance companies registered with the Insurance Regulatory and Development Authority of India;
    - insurance funds set up and managed by army, navy or air force of the Union of India;
    - insurance funds set up and managed by the Department of Posts, India.
    - multilateral and bilateral development financial institutions eligible to invest in India;
    - Mutual Funds, VCFs, AIFs;
    - pension funds with minimum corpus of ₹ 25 crore;
    - provident funds with minimum corpus of ₹ 25 crore;
    - public financial institutions as defined under Section 2(72) of the Companies Act;
    - scheduled commercial banks;
    - state industrial development corporations;
    - systemically important non-banking financial companies;
    - the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and

    subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCI'S ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share capital of our Company on a fully diluted basis. With effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Company i.e. 100% on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post -Issue paid-up capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of P- Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 246 and 253, respectively.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoters. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoters:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the board of the issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoters.

Our Company, the BRLM and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Bidders shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Bidder will be deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" *and "Purchaser Representations and Transfer Restrictions"* on pages 1, 5, 246 and 253, respectively:

1. Each Bidder confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. Each Bidder confirms that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);

3. Each Bidder confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral

development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

5. Each Bidder acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

6. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;

7. Each Bidder confirms that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;

8. Each Bidder confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;

9. The Bidder agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. Each Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;

10. The Bidder agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees that, disclosure of such details as "proposed Allottees" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM.

12. The Bidder confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    (a) QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary(ies) or holding company and any other Bidder; and

    (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Bidders acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

14. Each Bidder confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in

such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

16. A representation that it is outside the United States, is acquiring the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and is not an affiliate of the Company or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

BIDDERS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLM, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLM, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLM) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLM either through electronic form or through physical delivery at the following address:

Name	Address	Contact Person	Website and e-mail	Phone (Telephone)
IIFL Securities Limited	24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 Maharashtra, India	Pinkesh Soni/Nishita Mody	Website: https://www.iiflcap.com E-mail: emudhra.qip@iiflcap.com	+91 (22) 4646 4728

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms shall be duly completed and Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "*EMudhra Ltd-QIP*" with the Escrow Bank, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "*EMudhra Ltd-QIP* " only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders by way of a special resolution dated September 22,2023 through VC / OAVM facility in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board (or a duly constituted committee thereof) decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the Placement Document with the Stock Exchanges.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the BRLM.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with BRLM has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLM IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLM AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE

WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLM ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders. Our Company will dispatch a serially numbered CAN to all the Bidders pursuant to which the details of the Equity Shares Allocated to them (if any), the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board / its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section "*Notice to Investors*" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act.

7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares

offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until receipt of notice from the BRLM, the final listing and trading approvals of the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with the Company/BRLM as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see "- *Bid Process*" and "- *Refunds*" on pages 237 and 242 respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLM shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The BRLM has entered into the Placement Agreement dated [●] with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage this Issue and to act as the placement agent in connection with the proposed Issue and procure subscription for the Equity Shares to be issued pursuant to the Issue on a reasonable efforts basis.

The Equity Shares will be placed with the QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document and the Placement Document have not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in *"offshore transactions"*, as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.

Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "*Offshore Derivative Instruments*" on page 12.

From time to time, the Book Running Lead Manager , and its respective affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, our Subsidiaries, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and its affiliates and associates.

Lock up

The Company undertakes that it will not for a period of 120 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions

described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

Lock-up by Promoters and Promoter Group

The Company acknowledges that the Promoters and each member of the Promoter Group has undertaken that it will not for a period of 120 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (c) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Equity Shares; or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which jurisdiction such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors", "Representations by Investors" and "Purchaser Representations and Transfer Restrictions" on pages 1, 5 and 253, respectively.

General

The Issue is being made only to Eligible QIBs. The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under "*Notice to Investors*", "*Representations by Investors*" and "*Purchaser Representations and Transfer Restrictions*" beginning on pages 1, 5 and 253, respectively.

Republic of India

This Placement Document may not be distributed, directly or indirectly, in India or to residents of India and any Equity Shares may not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/ or subject to restrictions on their resale. Prospective investors of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "Relevant State"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Shares at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Company or the Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This Preliminary Placement Document is not for general circulation to the public in Kuwait. The Equity Shares have not been licenced for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. the interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. no regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of

securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Book Running Lead Manager is authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Book Running Lead Manager are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective investors of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the

information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Issue described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

The Equity Shares have not been offered or will not be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Company or the Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the

public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For further information, see "*Purchaser Representations and Transfer Restrictions*" on page 253.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on a recognized stock exchange, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 246 and 253, respectively.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented, agreed and acknowledged as follows:

(i) It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

(ii) It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

(iii) It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

(iv) It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

(v) It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

(vi) It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.

(vii) It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced

in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the Book Running Lead Manager for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

(viii) It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

(ix) It agrees to indemnify and hold the Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the Book Running Lead Manager liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

(x) Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

(xi) It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

It acknowledges that the Company and the Book Running Lead Manager and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the Book Running Lead Manager. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Bank, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Manager or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "SCRA") and the SCRR. On October 9, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SCR (SECC) Rules"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or noncompliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, respectively, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Further, pursuant to the budget for financial

year 2020, SEBI has been authorised to consider increasing the minimum public shareholding requirement to 35%. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognized as a stock exchange under the SCRA in April 1993.

Internet-based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE On-line Trading facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back office work.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/ voting rights/ control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Prohibition of Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, inter alia, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following information relates to the share capital of our Company, including a brief summary of the Memorandum of Association and Articles of Association and certain provisions of the Companies Act and certain related legislations of India, all as currently in effect. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares. Capitalised terms used and not defined herein, shall have the same meaning as ascribed to such words in the Memorandum and Articles of Association.

Share capital

The authorized share capital of our Company is ₹ 865,000,000 divided into 123,000,000 Equity Shares of ₹ 5 each and 25,000,000 preference shares of ₹10 each. For further details, see "*Capital Structure*" on page 109.

The following information relates to the share capital of our Company, including a brief summary of the Memorandum of Association and Articles of Association and certain provisions of the Companies Act and certain related legislations of India, all as currently in effect. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each fiscal year. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any fiscal year except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous fiscal year(s) arrived at as laid down by the Companies Act. According to the Articles of Association, the amount of dividends shall not exceed the amount recommended by the Board of Directors. In addition, as is permitted by the Articles of Association, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

Further, as per the Companies (Declaration and Payment of Dividend) Rules, 2014, in the absence of profits in any year, a company may declare dividend out of surplus, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; provided, this rule shall not apply to a company, which has not declared any dividend in each of the three preceding financial years; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of the paid up share capital of the company and free reserves as per the most recent audited financial statement; (c) the amount so drawn shall be first utilised to set off the losses incurred by the company in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of reserves of the company after such withdrawal shall not fall below 15% of the company's paid up share capital as per the most recent audited financial statement of the company.

The Equity Shares issued pursuant to this Preliminary Placement Document shall rank pari passu with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

Capitalisation of profits and issue of bonus shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus ordinary shares, which are similar to stock dividend. These bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to SEBI ICDR Regulations and the Companies Act, 2013.

As per the Articles of Association, a general meeting may upon the recommendation of the Board resolve that that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution and that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions, in terms of the manner set out under the Articles of Association and under applicable laws.

Alteration of share capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. The Board is entitled to make private placement and preferential issue of Equity Shares, debentures, preference shares or any other instruments to such class of persons as the Board may deem fit which would be convertible or exchanged with Equity Shares, at a later date or such other securities as may be permissible to be issued by our Company under any law from time to time.

According to Section 62(1)(a) of the Companies Act such new shares shall be offered to existing shareholders in proportion to the amount paid-up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer or as may be permitted by applicable law) within which the offer, if not accepted, will be deemed to have been declined. After such date, the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our shareholders in a general meeting. Further, the Companies (Share Capital and Debentures) Rules, 2014 prescribe that price of shares to be issued on preferential basis by a listed company need not be determined by the valuation report of the registered valuer.

General meetings of shareholders

There are two types of general meetings of the shareholders, namely, AGM and EGM. Our Company must hold its AGM in each Fiscal year, provided that not more than 15 months shall elapse between each AGM, unless extended by RoC at its request for any special reason. Our Board may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of our Company's issued paid-up capital carrying a right to vote on such date.

As per the provisions of the Companies Act and Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Notices, along with statement containing material facts concerning each special item, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to every member or the legal representative of a deceased member, auditors of the company and every director of the company, at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote in case of annual general meeting and in the case of any other general meeting, by members of the company (a) holding, if the company has a share capital, majority in number of members entitled to vote and who represent not less than ninety-five per cent of such part of the paid-up share capital of the company as gives a right to vote at the meeting. Unless, the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with in case of general meeting held other than through electronic mode.

In accordance with Section 110 of the Companies Act, a company intending to pass a resolution relating to matters such as, but not limited to, amendments to the objects clause of the Memorandum, a variation of the rights attached

to a class of shares or debentures or other securities, buy-backs of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. Provided that any item of business required to be transacted by means of postal ballot, may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under Section 108, in the manner provided in that section. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the notice. Postal ballot includes voting by electronic mode.

Voting rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company. On a show of hands, every member holding equity shares and present in person shall have one vote. On poll conducted via e-voting or postal ballot, every member holding equity shares therein shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, anyone of such persons may vote at any meeting either personally or by his proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting, that the vote of the first named person of such joint holders in the register of members, who tenders a vote whether in person or proxy shall be accepted to the exclusion of the votes of the other joint holders.

At a general meeting, every member holding shares is entitled to vote through e-voting process and has one vote for every one equity share held. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion to their share in the paid-up equity share capital of the Company and as provided under the Companies Act and rules framed thereunder. The chairperson of the meeting has a casting vote or second vote.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association. The instrument appointing a proxy is required to be lodged with our Company not less than 48 hours before the time of the meeting.

Registration of transfers and register of members

Our Company is required to maintain a register of members wherein the particulars of the members of our Company are entered. We recognize as shareholders only those persons whose names appear on the register of shareholders and cannot recognize any person holding any share or part of it upon any express, implied or constructive trust, except as permitted by law. In respect of electronic transfers, the depository transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. In turn, the name of the depository is entered into our records as the registered owner of the shares. The beneficial owner is entitled to all the rights and benefits as well as the liabilities with respect to the shares held by a depository.

For the purpose of determining the shareholders, entitled to corporate benefits declared by our Company, the register may be closed for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board of Directors may deem expedient in accordance with the provisions of the Companies Act. Under the SEBI Listing Regulations of the stock exchanges on which our Company's outstanding Equity Shares are listed, our Company may, upon at least seven working days' or such lesser period as may be prescribed for certain situations (excluding the date of intimation and the record date) advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These provisions provide the regime for the functioning of the depositories and the participants and set out in the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. We have entered into an agreement for such depository services with

NSDL and CDSL. SEBI requires that our shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The registrar and transfer agent shall maintain a register in which every transfer or transmission of shares will be entered. In addition to complying with the Companies Act, 2013 and the other applicable laws, our Company is also required to comply with the provisions of the SEBI Listing Regulations for effecting the transfer of shares. In terms of the SEBI Listing Regulations, except in case of transmission or transposition of shares, requests for effecting transfer of shares shall not be processed unless the shares are held in the dematerialized form with a depository and that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. The Equity Shares shall be freely transferable, subject to applicable laws.

Directors

The Articles provide that the number of Directors shall not be less than two and not be more than fifteen. The Directors shall be appointed by our Company in the general meeting subject to the provisions of the Companies Act and the Articles. Two-thirds of the total number of Directors is subject to retirement by rotation. Of such Directors, one-third, or if their number is not three or multiples of three, then the number nearest to one-third, must retire every year.

As provided under Section 161 of the Companies Act, 2013, the Director may be appointed by the Board or by the general meeting of the Shareholders. The Directors have the power to appoint any other persons as an additional Director but any Director so appointed shall hold office only up to the date of the next following AGM of our Company but the total number of Directors shall not at any time exceed the maximum strength. The Board shall also have the power to appoint any person to act as an alternate Director for a Director (not being an independent director) during the latter's absence for a period of not less than three months from India. The alternate Director shall vacate the office if and when the original Director returns to India and in case the office of the original Director is determined before he returns, the provisions of the Companies Act, 2013.

Liquidation rights

In the event of our winding up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. The liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Buy back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors
eMudhra Limited
eMudhra Digital Campus,
12-P1-A & 12-P1-B,
Hi-Tech Defence and Aerospace Park (IT Sector),
Jala Hobli, B. K. Palya, Bengaluru,
Karnataka- 562 149.

IIFL Securities Limited
24th Floor, One Lodha Place,
Senapati Bapat Marg,
Lower Parel (W),
Mumbai 400013,
Maharashtra, India.
("**IIFL Securities**"/ "**Book Running Lead Manager**" or "**BRLM**").

Re: Qualified Institutions Placement of equity shares of face value of ₹ 5 each ("Equity Shares") (such placement, the "Issue") by the Company

Dear Sir/ Madam

We, Suri and Co., the statutory auditors of the Company, hereby confirm that the enclosed statement is in connection with the possible special tax benefits available to the Company, the shareholders and material subsidiaries (as defined under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) of the Company, under the Income Tax Act, 1961, as amended (the "IT Act"), presently in force in India, the Income-tax Rules, 1962, ('Rules'), the Finance Act, 2022 and the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "Taxation Laws") including the regulations, circulars and notifications issued in connection with the Taxation Laws, each as amended, i.e. applicable for financial year 2023-24, relevant to the assessment year 2024-25 presently in force in India as on the date of this certificate in the enclosed statement at **Annexure I**.

The material subsidiaries of the Company are eMudhra DMCC and eMudhra INC. Several of these benefits are dependent on the Company, its shareholders or material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Act which are based on business imperatives the Company may face in the future and accordingly, the Company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure I are not exhaustive. We were informed that this statement covers only possible special tax benefits available to the Company and its shareholders and its material subsidiaries and do not cover any general tax benefits available to the Company and is only intended to provide general information to the investors for the Issue and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Further any benefits available under any other laws other than tax laws mentioned above within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

We confirm that Annexure I provide in all material respects the tax benefits available to the Company or its shareholders or material subsidiaries in accordance with the applicable tax laws as on the date of this certificate.

We do not express any opinion or provide any assurance as to whether:
(i) the Company and its shareholders and its Material Subsidiaries will continue to obtain these benefits in future; or
(ii) the conditions prescribed for availing the benefits have been/would be met with.
(iii) the revenue authorities/ courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from

the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time.

We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the preliminary placement documents and placement document of the Company or in any other documents in connection with the Issue.

We confirm that the information in this certificate is true, fair and accurate, and is in accordance with the relevant requirements of the Companies Act, 2013 as amended, the SEBI ICDR Regulations and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We hereby consent to the inclusion of this certificate or extracts thereof in the Preliminary Placement Document, the Placement Document or other offering materials, as required, in connection with the Issue and for submission to the Securities and Exchange Board of India, Stock Exchanges and any other authority as may be required. The aforesaid consent and information contained herein may be relied upon by the BRLM and legal counsel appointed pursuant to the Issue in conducting and documenting their due diligence in relation to the Issue and may be submitted to SEBI, the Stock Exchanges and any other regulatory or statutory authority in respect of the Issue and for the records to be maintained by the BRLMs in connection with the Issue. We undertake to immediately inform the BRLMs, Company and legal counsel in case of any changes to the above until the date when the Equity Shares issued pursuant to the Issue commence trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Book Running Lead Manager and the legal advisors, each to the Company and the Book Running Lead Manager, can assume that there is no change to the above information until the Equity Shares commence trading on the relevant stock exchanges pursuant to the Issue. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Placement Documents.

Annexure I

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO EMUDHRA LIMITED, COMPANY'S SHAREHOLDERS ("SHAREHOLDERS") AND IT'S MATERIAL SUBSIDIARIES, NAMELY EMUDHRA DMCC and EMUDHRA INC

The information provided below sets out the possible special direct and indirect tax benefits available to eMudhra Limited, company's shareholders and it's material subsidiary in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company or its shareholders or its material subsidiary will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO EMUDHRA LIMITED, COMPANY'S SHAREHOLDERS ("SHAREHOLDERS") AND IT'S MATERIAL SUBSIDIARIES, NAMELY EMUDHRA DMCC and EMUDHRA INC

The statement of tax benefits enumerated below is as per the Income-tax Act, 1961 ("Act") as amended from time to time and applicable for Financial Year 2023-24 relevant to Assessment Year 2024-25.

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

Lower corporate tax rate under section 115BAA

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. April 1, 2020 (A.Y. 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) as against the regular effective rate of 25% or 30% as the case may be, plus applicable surcharge (which can be 12% at peak) and cess at the rate of 4%. Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The company has already evaluated and opted for lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from Assessment Year 2020-21.

Deduction in respect of inter-corporate dividends – Section 80M of the Income-tax Act, 1961

Up to 31st March, 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished, and dividend received by a shareholder on or after 1st April 2020 is liable to be taxed in the hands of the shareholder. The Company is required to deduct Tax at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a resident corporate shareholder, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before 1 month prior to the date for furnishing the return of income under section 139(1) of the Act.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

Benefits available to the Resident Shareholders: -

• Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions, as discussed above. Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated

or not and every artificial juridical person, surcharge on tax would be restricted to a maximum of 15% (instead of peak surcharge rate of 37%).
• In case of dividend income earned by domestic shareholders, reported under the head "Income from other sources", shall be computed after making deduction of a sum paid by way of interest on the capital borrowed for the purpose of investment. However, no deduction shall be allowed from the dividend income, other than deduction on account of interest expense, and in any previous year such deduction shall not exceed 20% of the dividend income under section 57 of the Act.

• As per Section 112A of the Act, long-term capital gains arising from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that no tax shall be levied where such capital gains are less than INR 1,00,000.

• As per Section 111A of the Act, short term capital gains arising from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

Benefits available to the Non-resident Shareholders: -

• As per section 115A of the Act, a non-resident (not being a company) or of a foreign company, includes any income by way of Dividend, the amount of income-tax calculated on the amount of income by way of dividends shall be at the rate of 20% subject to fulfilment of prescribed conditions under the Act.

• As per section 115AD read with section 112A of the Act, long-term capital gains arising, to a non-resident specified fund or a non-resident Foreign Institutional Investor, from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that no tax shall be levied where such capital gains are less than INR 1,00,000.

• As per section 115AD read with section 111A of the Act, short term capital gains arising, to a non-resident specified fund or a non-resident a Foreign Institutional Investor, from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

• As per section 115E of the Act, long-term capital gains arising to non-resident Indian form transfer or sale of shares in an Indian company which the assessee has acquired or purchased with, or subscribed to in, convertible foreign exchange shall be taxed at the rate of 10% subject to fulfilment of prescribed conditions under the Act.

• In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

C. SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY, EMUDHRA DMCC

eMudhra DMCC is a Dubai based company and a material subsidiary of the company.

• There are no special tax benefits available to the subsidiary company.

D. SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY, EMUDHRA INC

eMudhra INC is a US based company and a material subsidiary of the company.

• There are no special tax benefits available to the subsidiary company.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO EMUDHRA LIMITED, COMPANY'S SHAREHOLDERS ("SHAREHOLDERS") AND IT'S MATERIAL SUBSIDIARIES, NAMELY EMUDHRA DMCC and EMUDHRA INC

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (collectively referred to as "GST Laws") the Customs Act, 1962 and the Customs Tariff Act, 1975 (all collectively referred to as "Indirect tax laws")

A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

• Export of Goods and/or Services or Both is considered as Zero rated supply as per section 16 of the IGST Act, the company would have a benefit to make exports without payment of tax under a LUT and claim refund of unutilized ITC for making such exports in accordance with section 54 subject to fulfilment of prescribed conditions under the GST Laws. Also, the company has an option to make exports with payment of IGST and later claim refund of the tax paid subject to fulfilment of prescribed conditions under the GST Laws.

B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS:

There are no special indirect tax benefits available to the shareholders of the Company.

C. SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY, EMUDHRA DMCC

eMudhra DMCC is a Dubai based company and a material subsidiary of the company. There are no special tax benefits available to the subsidiary company.

D. SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY, EMUDHRA INC

eMudhra INC is a US based company and a material subsidiary of the company. There are no special tax benefits available to the subsidiary company.

Note: We have not considered general tax benefits available to the Company or shareholders of the company or to the material subsidiaries.

Yours faithfully,

For Suri and Co.,
Chartered Accountants
Firm Registration Number: 004283S
Peer Review Number: 013321

Natarajan V
Partner
Membership Number: 223118
Place: Bengaluru
Date: January 12, 2024
UDIN: 24223118BKBNM7804

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes, criminal proceedings, regulatory actions and civil proceedings, which are pending before various adjudicating forums.

As on the date of this Preliminary Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations, as approved by the Board in its meeting held on July 28, 2023 .

Notwithstanding such materiality policy approved by the Board, solely for the purpose of the Issue, in accordance with the resolution passed by our Board on January 12, 2024, except as disclosed in this section, there are no: (i) outstanding criminal proceedings involving our Company, our Subsidiaries, our Promoters, and/or our Directors; (ii) outstanding actions by statutory or regulatory authorities involving our Company, our Subsidiaries, our Promoters, and/or our Directors; (iii) claims related to direct and indirect taxes involving our Company, our Subsidiaries, our Promoters, and/or our Directors; (iv) outstanding civil litigation proceedings involving our Company, our Subsidiaries, our Promoters, and/or our Directors, where the amount involved exceeds 1% of consolidated turnover or 1% of restated consolidated profit after tax, whichever is lower, as per the latest fiscal year i.e., *equivalent to or above ₹ 6.12 million which is approximately 1% of the Company's profit after tax as per the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023; (v) other civil proceedings involving our Company wherein a monetary liability is not determinable or quantifiable, or which does not exceed the threshold as specified in (iv) above, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company.*

Except as disclosed elsewhere, this section of the Preliminary Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 or any previous companies law in the last three years preceding the year of this Preliminary Placement Document involving our Company, our Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or our Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern of our Company or its future operations; (iv) any default by our Company (on a consolidated basis) including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act or the rules made thereunder; (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any, will be disclosed (vii) there are no reservations, qualifications or adverse remarks of auditors in their respective reports on our audited consolidated and standalone financial statements for the last five Fiscals preceding the year of the issue of this Preliminary Placement Document.

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Subsidiaries, and/or our Directors from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Subsidiaries, and/or our Directors, are impleaded as parties in any such litigation proceedings in proceedings before any judicial / arbitral forum.

Litigation involving our Company

Criminal proceedings involving our Company

<u>By our Company</u>

NIL

<u>Against our Company</u>

NIL

Material civil litigation involving our Company

By our Company

NIL

Against our Company

1. N. Sekhar Reddy and N. Dharanidhar Reddy ("**Appellants**") filed an appeal before the National Company Law Appellate Tribunal, New Delhi ("**NCLAT**") (CA 48 of 2020) on February 6, 2020 challenging the order dated September 24, 2019, passed by the National Company Law Tribunal, Hyderabad (the "**Order**"). Telangana Family Club and Resorts Private Limited ("**Respondent Company**") and others, including our Company were named as respondents to the matter ("**Respondents**"). The Appellants had claimed in the Company Petition to National Company Law Tribunal that they were illegally removed from the Directorship of the Respondent Company, that there is forgery and fabrication of forms 32 and other forms to remove the Appellants from the Respondent Company, and that 13,000 equity shares were illegally and unlawfully allotted to third parties. Our Company has been named as one of the respondents to the matter as we issued digital signature certificate to Appellants in the ordinary course of business and it is alleged that the digital signature certificates issued by us was fraudulently used. This Company Petition was dismissed by the National Company Law Tribunal on the grounds of lack of evidence and *res judicata*. The appeal has been filed on the grounds that the Order is arbitrary, unreasonable and contrary to the provisions of the Companies Act, 1956. The Appellants have prayed to the NCLAT, amongst other reliefs, to set aside the Order passed by the National Company Law Tribunal. This matter is currently pending.

2. Rajesh Rajendrakumar Sheth, Sanjay Sanjesh Rajendra Sheth ("**Plaintiffs**") and Maneklal Mansukhbhai Private Limited, ("**Plaintiff Company**") filed a s notice of motion and a suit in the High Court of Bombay ("**High Court**") (Suit (L) No 414 of 2015), against Ajay Harinath Singh and other, wherein our Company has also been names as a party ("**Defendants**"). The Plaintiffs alleged that the Defendants in the case fabricated documents and uploaded the same onto the Ministry of Corporate Affairs website to attempt to take over the Plaintiff Company. Further the Plaintiffs also alleged that our Company fraudulently issued a Digital Signature Certificate in the name of Rajendra Kumar, the Plaintiff's deceased father, who was director of the Plaintiff Company before his demise. Our Company filed its reply to the notice of motion as well as our written statement in the matter and denied the allegations by stating that, we followed the necessary guidelines issued and approved by the Controller of Certifying Authorities. The case is pending in High Court.

Litigation involving our Promoters

Criminal proceedings involving our Promoters

By our Promoters

NIL

Against our Promoters

NIL

Material civil litigation involving our Promoters

By our Promoters

NIL

Against our Promoters

NIL

Litigation involving our Subsidiaries

Criminal proceedings involving our Subsidiaries

By our Subsidiaries

NIL

Against our Subsidiaries

NIL

Material civil litigation involving our Subsidiaries

By our Subsidiaries

NIL

Against our Subsidiaries

NIL

Litigation involving our Directors

Criminal proceedings involving our Directors

By our Directors

NIL

Against our Directors

NIL

Material civil litigation involving our Directors

By our Directors

NIL

Against our Directors

NIL

Tax proceedings

We have set out below claims relating to direct and indirect taxes involving our Company, our Subsidiaries and our Directors in a consolidated manner giving details of number of cases and total amount involved in such claims:

Tax proceedings involving the Company

Direct Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Company	1	32.29#
Against the Company	Nil	Nil

** To the extent quantifiable.*

*# In 2011, the Company amalgamated with Taxsmile.Com India Private Limited. Our Company and Taxsmile.Com India Private Limited filed their respective the original return of income for AY 2013-2014. Consequently, the same were processed and assessment order dated July 14, 2014, and February 20, 2015, respectively, were passed by the Income Tax Department. The Hon'ble High Court of Karnataka at Bangalore ("**High Court**"), by way of its orders dated April 23, 2015, and July 24, 2015, sanctioned the 2015 Scheme of Amalgamation between our Company and Taxsmile.Com India Private Limited which was effective from April 1, 2014. The Deputy Commissioner of Income Tax, Koramangala, Bengaluru ("**DCIT**") issued a notice to our Company under Section 148 of the Income Tax Act, 1961 to re-file the returns filed and re-opened assessment for AY 2012 -2013 on three grounds, being (a) write-off of capital WIP of ₹ 5 million, (b) claiming ₹600 million as expenditure incurred in connection with transfer of shares and (c) non furnishing of details in relation to transfer/disposal of certain other investments. Consequently, our Company re-filed the return for AY 2012-2013 on October 4, 2019, and filed its objections before DCIT on December 12, 2019. DCIT passed an order dated December 12, 2019, overruling the objections and demanding a tax payment of ₹ 32.29 million. Thereafter, our Company has filed a writ petition ("**Petition**") before the High Court for quashing the order dated December 12, 2019, and a stay order was passed by the High Court on December 17, 2019. The Petition is currently pending before the High Court.*

Indirect Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Company	Nil	Nil
Against the Company	Nil	Nil

** To the extent quantifiable.*

Tax proceedings involving the Subsidiaries

Direct Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Subsidiaries	Nil	Nil
Against the Subsidiaries	Nil	Nil

** To the extent quantifiable.*

Indirect Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Subsidiaries	Nil	Nil
Against the Subsidiaries	Nil	Nil

** To the extent quantifiable.*

Tax proceedings involving the Directors

Direct Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Directors	Nil	Nil
Against the	Nil	Nil

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
Directors		

* *To the extent quantifiable*.

Indirect Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Directors	Nil	Nil
Against the Directors	Nil	Nil

* *To the extent quantifiable*.

Tax proceedings involving the Promoters

Direct Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Promoters	Nil	Nil
Against the Promoters	Nil	Nil

* *To the extent quantifiable*.

Indirect Tax

Nature of Proceeding	No. of Cases	Amount in dispute/ demanded (in ₹ Million) *
By the Promoters	Nil	Nil
Against the Promoters	Nil	Nil

* *To the extent quantifiable*.

OUR STATUTORY AUDITORS

Suri & Co., Chartered Accountants, are our Statutory Auditors.

Suri & Co., Chartered Accountants have audited the Audited Consolidated Financial Statements for the financial years ended March 31, 2023, which are included in this Preliminary Placement Document in "*Financial Statements*" on page 277.

Suri & Co, Chartered Accountants, have performed a review of the Unaudited Consolidated Financial Statements as at and for the six months ended September 30, 2023 and September 30, 2022 and have issued review reports dated November 8, 2023 on the Unaudited Consolidated Financial Statements, which is included in this Preliminary Placement Document in "*Financial Statements*" on page 277.

The audited consolidated financial statements of our Company as at and for the financial years ended March 31, 2021 and March 31, 2022 had been audited by Manohar Chowdhry & Associates, Chartered Accountants, our previous statutory auditors.

GENERAL INFORMATION

1. Our Company was originally incorporated as '3i Infotech Consumer Services Limited,' as a wholly owned subsidiary of 3i Infotech Limited under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 16, 2008, issued by the Registrar of Companies, Maharashtra, at Mumbai. Pursuant to an acquisition of our Company by Indus Innovest Technologies Private Limited and our shareholders resolution dated November 16, 2010, the name of our Company was changed to 'eMudhra Consumer Services Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on December 22, 2010. The registered office of our Company was changed from Maharashtra to Karnataka, pursuant to which a fresh certificate of incorporation dated September 23, 2011 was issued by the Registrar of Companies, Karnataka, at Bangalore. The name of our Company was further changed to 'eMudhra Limited', pursuant to our shareholders resolution dated October 21, 2014, and a fresh certificate of incorporation was issued by Registrar of Companies, Karnataka, at Bangalore on November 5, 2014. The registration number of our Company is 060368 and our CIN is L72900KA2008PLC06036.

2. The Registered and Corporate Office of our Company is situated at Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149. The website of our Company is www.emudhra.com.

3. The Issue was approved by the resolution of the Board in its meeting held on August 24, 2023. The Shareholders have authorised and approved the Issue by way of a special resolution dated September 22, 2023 at EGM held through conferencing VC / OAVM facility.

4. The authorized share capital of our Company as of the date of this Preliminary Placement Document is ₹ 86,50,00,000 divided into 123,000,000 Equity Shares of face value of ₹ 5 each and 25,000,000 Preference Shares of face value of ₹ 10 each. Our issued, subscribed and paid-up equity share capital as of the date of this Preliminary Placement Document is ₹ 390,361,855 divided into 78,072,371 Equity Shares.

5. The Equity Shares are listed on BSE and NSE.

6. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations from BSE and NSE on [●] and [●], respectively. We will apply to the Stock Exchanges for the final listing and trading approvals of the Equity Shares on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

7. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

8. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 11:00 am to 1:00 pm on all working days (except Saturdays and public holidays) during the Bid/Issue Period at the Registered Office.

9. Our Company has obtained necessary consents, approvals and authorizations, wherever applicable, in connection with the Issue.

10. No change in control of the Company will occur consequent to the Issue.

11. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see "*Legal Proceedings*" on page 268.

12. There have been no defaults in the annual filings of our Company under the Companies Act or the rules made thereunder.

13. Except as disclosed in this Preliminary Placement Document, there has been no material change in the financial or trading position of our Company since the date of the Unaudited Consolidated Financial Statements, which has been included in this Preliminary Placement Document.

14. Our Company confirms that it is in compliance with the requirement of minimum public shareholding requirements as required in terms of the SEBI Listing Regulations, SCRA and Rule 19A of the SCRR.

15. The Floor Price for the Equity Shares under the Issue is ₹ [●] per Equity Share which has been calculated in accordance with provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders accorded by way of a special resolution dated September 22, 2023 through VC / OAVM facility in terms of Regulation 176(1) of the SEBI ICDR Regulations.

16. Our Company and the BRLM accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

17. Details of the Company Secretary and Compliance Officer of our Company:

    Johnson Xavier
    Plot No 12-P1-A & 12-P1-B,
    Hi-Tech Defence and Aerospace Park (IT sector),
    Jala Hobli, BK Palya, Bangalore, Karnataka – 562149
    Telephone: 080-4227 5354
    E-mail: companysecretary@emudhra.com

PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment pursuant to the Issue shall be made by the Company, in consultation with the BRLM, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them in our Company is set forth below.

No.	Name of the proposed Allottee	Percentage of post-Issue paid-up Equity Share capital^*
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
	Total	**[●]**

^ Based on beneficiary position as on [●], 2024.
**Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.*

These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to this Issue, will be included in the Placement Document to be sent to such proposed Allottees.

FINANCIAL STATEMENTS

No.	Financial Statements	Page No.
1.	Unaudited Consolidated Financial Statements for the six month period ended September 30, 2023, compared to September 30, 2022 along with review report issued	278
2.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2023 along with audit report issued	291
3.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2022 along with audit report issued	363
4.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2021 along with audit report issued	414

Independent Auditor's Review Report on unaudited consolidated financial results for the quarter ended and half year ended 30th September 2023 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review report to the Board of Directors of eMudhra Limited

1. We have reviewed the accompanying statement of Unaudited Consolidated financial results of **eMudhra Limited** ("the Parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") and eMudhra employee stock option trust ("the ESOP trust") for the quarter and half year ended 30th September 2023 ("the statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("the regulation") as amended.

2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under the Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the institute of Chartered Accountants of India (ICAI). A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

SURI & CO. Bangalore 560027 Chartered Accountants

suriandco.com
blr@suriandco.com
+91 - 080 - 41240545
K M K Towers, 2nd Floor,
No. 142, K H Road (Double Road)

4. The Statement includes the results of the following entities:

    a. eMudhra Consumer Services Limited – Wholly Owned Subsidiary
    b. eMudhra Technologies Limited - Wholly Owned Subsidiary
    c. eMudhra MU Limited - Wholly Owned Subsidiary
    d. eMudhra DMCC – Subsidiary
    e. eMudhra Inc. – Subsidiary
    f. eMudhra Pte Ltd – Subsidiary
    g. eMudhra BV – Subsidiary
    h. PT eMudhra Technologies Indonesia – Subsidiary
    i. eMudhra Kenya Limited – Wholly owned Subsidiary
    j. Ikon Tech Services LLC – Subsidiary
    k. eMudhra employees stock option trust – ESOP Trust

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("the regulation") as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the unaudited financial information of 7 subsidiaries and a trust, included in the Statement, whose financial results reflect total assets of Rs. 502.47 million as at 30th September 2023, and total revenue of Rs. 42.30 million and Rs. 64.12 million and total net profit/(loss) of Rs. (15.72) million and Rs. (50.05) million and total comprehensive income/(loss) of Rs. (15.68) million and Rs. (50.06) million for the quarter and half year ended September 30th ,2023 respectively and cash flows (net) of Rs. (155.10) million for the half year ended September 30th, 2023 as considered in the Statement. This financial information is not reviewed by any auditor and our opinion on the consolidated financial information, in so far as it relates to the amounts and disclosure included in respect of these entities is based solely on the financial information certified by the management. In our opinion and accordingly to the information and explanation given to us by the management, this financial information is not material to the Group.

    Our Conclusion is not modified in respect of this matter.

For Suri & Co.,
Chartered Accountants
Firm's Registration Number: 004283S

Natarajan V
Partner
Membership Number: 223118
UDIN: 23223118BGYESF5459
Place: Bengaluru
Date: 08/11/2023

eMudhra Limited
CORPORATE IDENTITY NUMBER: L72900KA2008PLC060368
Registered Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT Sector) Jala Hobli, BK Palya, Bangalore 562149, Karnataka,India.
www.emudhra.com Telephone:080 – 48484046

Consolidated Statement of Assets and Liabilities
(All amounts are in INR million, unless otherwise stated)

	As at	
Particulars	**September 30,2023**	**March 31,2023**
	(Unaudited)	**(Audited)**
ASSETS		
Non-current assets		
Property, plant and equipment	1,055.70	914.93
Right-of-use assets	66.51	84.78
Capital work-in-progress	155.02	366.05
Goodwill	513.26	39.19
Other Intangible assets	599.08	581.52
Intangible assets under development	325.46	106.24
Financial assets		
(i) Other financial assets	28.22	18.67
(ii) Other non-current assets	5.99	4.90
Total Non-current assets	**2,749.24**	**2,116.28**
Current assets		
Inventories	28.00	10.34
Financial assets		
(i) Investments	155.68	209.46
(ii) Trade receivables	1,040.92	672.24
(iii) Cash and cash equivalents	441.04	669.80
(iv) Bank balance other than (iii) above	26.48	314.00
(v) Loans	16.83	0.49
(vi) Other financial assets	15.58	18.80
Other current assets	633.40	588.04
Total current assets	**2,357.93**	**2,483.17**
Total assets	**5,107.17**	**4,599.45**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	378.65	374.87
Other equity	3,803.72	3,541.09
Non-controlling interests	59.70	8.18
Total equity	**4,242.06**	**3,924.14**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ia) Lease liabilities	47.76	61.97
Provisions	27.29	27.61
Deferred tax liabilities (Net)	46.01	25.65
Other non-current liabilities	-	0.05
Total Non-current liabilities	**121.06**	**115.28**
Current liabilities		
Financial liabilities		
(i) Borrowings	174.37	156.50
(ia) Lease liabilities	33.33	34.75
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises, and	33.07	54.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	107.54	128.01
(iii) Other financial liabilities	131.38	57.55
Other current liabilities	72.88	62.30
Provisions	172.76	39.59
Current tax liabilities (Net)	18.71	27.20
Total current liabilities	**744.04**	**560.03**
Total liabilities	**865.10**	**675.31**
Total equity and liabilities	**5,107.17**	**4,599.45**

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560 027 Chartered Accountants

eMudhra Limited
CORPORATE IDENTITY NUMBER: L72900KA2008PLC060368
Registered Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT Sector) Jala Hobli, BK Palya, Bangalore 562149, Karnataka,India.
www.emudhra.com Telephone:080 – 48484046

Statement of Unaudited consolidated financial results for the quarter and half year ended September 30, 2023

Consolidated Results
(All amounts are in INR million, unless otherwise stated)

Particulars	Quarter ended			Half year ended		Year ended
	September 30,2023	June 30,2023	September 30,2022	September 30,2023	September 30,2022	March 31,2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
Income from operations						
Income	963.00	797.49	584.89	1,760.49	1,107.04	2,487.57
Other income, net	4.04	9.81	13.83	13.85	19.83	52.99
Total Income from operations (Net)	**967.04**	**807.30**	**598.72**	**1,774.34**	**1,126.87**	**2,540.56**
Expenses						
Operating expenses	241.13	177.18	55.84	418.31	108.72	300.55
Purchase of stock-in -trade	120.49	39.56	74.62	160.05	102.64	287.62
Changes in inventories of stock-in-trade	(13.23)	(4.43)	(1.72)	(17.66)	4.59	11.04
Employee benefits expense	210.80	202.22	147.61	413.02	292.24	643.61
Finance costs	3.91	2.59	4.44	6.50	14.07	33.85
Depreciation and amortisation expense	52.33	47.12	39.70	99.45	79.14	158.45
Other expenses	121.24	145.24	91.09	266.47	175.65	371.65
Total expenses	**736.66**	**609.48**	**411.58**	**1,346.14**	**777.05**	**1,806.77**
Profit/(Loss) before exceptional items and tax	**230.38**	**197.82**	**187.14**	**428.20**	**349.82**	**733.79**
Exceptional items	-	-	-	-	-	-
Profit/(Loss) before tax	**230.38**	**197.82**	**187.14**	**428.20**	**349.82**	**733.79**
Tax expenses (including deferred tax)	**42.73**	**34.09**	**22.42**	**76.82**	**47.97**	**121.81**
Profit/(Loss) for the period/year	**187.64**	**163.73**	**164.72**	**351.38**	**301.85**	**611.98**
Other comprehensive income/(Loss)						
Items that will not be reclassified to profit or loss (net of tax)	1.54	(1.45)	(0.17)	0.09	(2.65)	(4.64)
Items that will be reclassified to profit or loss (net of tax)	(11.63)	18.49	(1.32)	6.86	(1.32)	(43.96)
Other comprehensive income/(loss) for the period/year	**(10.09)**	**17.04**	**(1.49)**	**6.95**	(3.97)	**(48.61)**
Total comprehensive income for the period/year	**177.56**	**180.77**	**163.23**	**358.33**	**297.88**	**563.37**
Net Profit/(Loss) attributable to						
Owners of eMudhra Limited	183.65	155.77	166.44	339.42	305.30	616.77
Non-controlling interests	4.00	7.96	(1.72)	11.96	(3.45)	(4.79)
other comprehensive income attributable to						
Owners of eMudhra Limited	(10.09)	17.04	(1.49)	6.95	(3.97)	(48.61)
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income attributable to						
Owners of eMudhra Limited	173.56	172.81	164.95	346.37	301.33	568.16
Non-controlling interests	4.00	7.96	(1.72)	11.96	(3.45)	(4.79)
Paid-up-equity share capital (Face Value of Rs. 5/- each)	378.65	376.45	390.36	378.65	390.36	374.87
Other Equity	-	-	-	-	-	3,541.09
Earnings per share (Face value of share Rs. 5/- each) (not annualised)						
Basic (in Rs.)	2.43	2.07	2.19	4.48	4.02	8.35
Diluted (in Rs.)	2.35	2.00	2.19	4.35	4.02	8.01

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560 027 Chartered Accountants

eMudhra Limited
CORPORATE IDENTITY NUMBER: L72900KA2008PLC060368
Registered Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT Sector) Jala Hobli, BK Palya, Bangalore 562149, Karnataka,India.
www.emudhra.com Telephone:080 – 48484046

Consolidated cash flow statement
(All amounts are in INR million, unless otherwise stated)

Particulars	Half year ended September 30,2023 (Unaudited)	Half year ended September 30,2022 (Unaudited)
A. Operating activities		
Profit before tax	428.20	349.82
Adjustments for:		
Depreciation and amortisation expense	99.45	79.14
Interest on lease liabilities	6.35	8.08
Interest income from bank deposits and others	(6.25)	(18.84)
Provision for doubtfull debts	15.92	5.81
Interest income on security deposit	(0.37)	-
Net (gain)/loss on assets measured at fairvalue through profit & loss	0.23	-
Share based payment	20.17	-
Profit on sale of investments	(5.45)	-
Movement in Non controling interests	(11.96)	-
Operating profit before working capital changes	**546.28**	**423.99**
Working capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(48.13)	(112.08)
Decrease/(Increase) in inventories	(17.66)	4.59
Decrease/(Increase) in trade receivables	(384.60)	(178.00)
Decrease/(Increase) in loans	(16.34)	16.35
Increase/(Decrease) in non-current and current other financial liabilities	73.76	(9.97)
Increase/(Decrease) in non-current and current provisions	133.14	(44.93)
Increase/(Decrease) in non-current and current liabilities	10.53	104.76
Increase/(Decrease) in trade payables	(41.53)	(22.96)
Cash generated from operations	**255.44**	**181.77**
Income taxes paid (net)	(64.94)	(32.37)
Net Cash flow from / (used in) operating activities (A)	**190.50**	**149.40**
B. Cash flow from Investing activities:		
Purchase of Property, plant and equipment and Intangible assets	(247.69)	(290.63)
Payment towards acquisition of business (net of assets acquired)	(474.08)	-
Investments in mutual funds	(211.99)	-
Redemption of mutual funds	271.00	-
Interest received	11.15	8.93
Increase / (Decrease) from term deposits & other bank balances	278.33	-
Net cash used in investing activities (B)	**(373.28)**	**(276.43)**
C. Cash flow from Financing activities:		
Proceeds/(repayment) from short term borrowings (net)	17.87	(58.03)
Proceeds/(repayment) from long term borrowings (net)	-	(288.03)
Payment of lease liabilities	(16.29)	(33.37)
Proceeds from exercise of share options	3.78	-
Proceeds towards security premium on issuance of equity shares (net)	-	1,850.49
Proceeds from Issuance of equity shares	-	39.46
Payment of equity & preference dividend	(94.02)	(100.17)
Increase in Non-controlling interests	51.52	-
Interest paid on lease liabilities	(5.70)	(8.08)
Payment of security deposit in connection with public issue	-	(21.28)
Net cash from / (used in) financing activities(C)	**(42.84)**	**1,380.99**
Foreign exchange differences on translation of foreign operations (D)	(3.14)	22.03
Net increase/ (decrease) in cash and cash equivalents(E=A+B+C+D)	**(228.76)**	**1,275.99**
Cash and cash equivalents at the beginning of the financial year (F)	**669.80**	**132.55**
Cash and cash equivalents at the end of the period (E+F)	**441.04**	**1,408.54**
Components of cash and cash equivalents as at end of the period	**September 30,2023**	**September 30,2022**
Balance with banks:		
- On current account	440.70	231.93
Deposit accounts	0.00	1,176.14
- Cash on hand	0.34	0.46
Total cash and cash equivalents as per Balance Sheet	**441.04**	**1,408.54**
Cash and cash equivalents as per Statement of Cash Flow	**441.04**	**1,408.54**

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560 027 Chartered Accountants

Segment Information **(Rs. In million)**

	Q2FY2024				Q4FY2023			
	Quarter ended September 30, 2023				For the year ended March 31, 2023			
Business Segment	**Trust Services**	**Enterprise Solutions**		**Total**	**Trust Services**	**Enterprise Solutions**		**Total**
		India	**Outside**			**India**	**Outside**	
Segment Revenue								
External Sales	533.06	357.42	870.01	1,760.49	850.04	795.42	842.11	2,487.57
Total Revenue	**533.06**	**357.42**	**870.01**	**1,760.49**	**850.04**	**795.42**	**842.11**	**2,487.57**
Result								
Segment Result	284.55	167.39	295.49	747.43	482.84	417.81	438.60	1,339.25
Unallocated Corporate expenses (less income)				312.73				571.61
Operating Profit	**284.55**	**167.39**	**295.49**	**434.70**	**482.84**	**417.81**	**438.60**	**767.64**
Less: Interest Expenses				6.50				33.85
Profit/(loss) before taxation and exceptional items				**428.20**				**733.79**
Exceptional items								
Profit/(loss) before taxation				**428.20**				**733.79**
Less: Income Taxes (Net)				76.82				121.81
Net Profit				**351.38**				**611.98**
Other Information								
Other Information								
Segment Assets	84.11	271.55	2,139.90	2,495.56	157.56	267.49	1,290.27	1,715.33
Add: Unallocated Corporate Assets				2,611.61				2,884.12
Total Assets	**84.11**	**271.55**	**2,139.90**	**5,107.17**	**157.56**	**267.49**	**1,290.27**	**4,599.45**
Segment Liabilities	6.55	14.10	493.82	514.48	(0.21)	21.39	249.50	270.67
Add: Unallocated Corporate Liabilities				350.62				404.64
Total Liabilities	**6.55**	**14.10**	**493.82**	**865.10**	**(0.21)**	**21.39**	**249.50**	**675.31**

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560 027 Chartered Accountants

Notes to statement of unaudited consolidated financial results for the quarter and half year ended September 30,2023

1 The above consolidated financial results of eMudhra Limited "the Holding company", its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and financial statements of eMudhra employees stock options trust("The ESOP Trust") were reviewed by the audit committee thereafter approved by the Board of Directors at their meeting held on November 08, 2023. The above results have been prepared in accordance with the companies (Indian Accounting Standards) Rules,2015 (IndAS) prescribed under section 133 of the companies Act 2013 and other recognised accounting practices and polices in India.

2 As required under clause 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulation, 2015, the Statutory Auditors have conducted a Limited Review of the above financial results for the quarter and half year ended September 30, 2023.

3 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560027 Chartered Accountants

Independent Auditor's Review Report on unaudited standalone financial results for the quarter and half year ended September 30, 2023 of the Company pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review report to the Board of Directors of eMudhra Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **eMudhra Limited** ("the company") for the quarter and half year ended 30th September 2023 ("the statement"), being submitted by the Company's Management pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("the regulation") as amended. This statement which is the responsibility of the company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under the Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.

2. We conducted our review of the Statement in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

SURI & CO. Bangalore 560027 Chartered Accountants

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K M K Towers, 2nd Floor, No. 142, K H Road (Double Road) Bengaluru - 560 027

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

For Suri & Co.,
Chartered Accountants
Firm's Registration Number: 004283S

V. Natarajan

SURI & CO. Bangalore 560 027 Chartered Accountants

Natarajan V
Partner
Membership Number: 223118
UDIN: 23223118BGYESG2195
Place: Bengaluru
Date: 08th November 2023

eMudhra Limited
CORPORATE IDENTITY NUMBER: L72900KA2008PLC060368
Registered Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT Sector) Jala Hobli, BK Palya, Bangalore 562149, Karnataka,India.
www.emudhra.com Telephone:080 – 48484046

Standalone Statement of Assets and Liabilities
(All amounts are in INR million, unless otherwise stated)

	As at	
Particulars	**September 30,2023**	**March 31,2023**
	(Unaudited)	**(Audited)**
ASSETS		
Non-current assets		
Property, plant and equipment	1,054.13	913.74
Right-of-use assets	66.51	84.78
Capital work-in-progress	155.02	366.05
Other Intangible assets	256.34	216.65
Intangible assets under development	201.12	106.24
Financial assets		
(i) Investments	688.23	524.02
(ii) Other financial assets	28.22	18.67
(iii) Other non-current assets	3.61	2.56
Total Non-current assets	**2,453.18**	**2,232.71**
Current assets		
Inventories	28.00	10.34
Financial assets		
(i) Investments	155.66	209.44
(ii) Trade receivables	414.46	346.25
(iii) Cash and cash equivalents	92.41	140.07
(iv) Bank balance other than (iii) above	0.55	313.09
(v) Loans	5.76	11.31
(vi) Other financial assets	11.76	16.92
Current tax assets (Net)	36.07	15.33
Other current assets	437.55	376.77
Total current assets	**1,182.22**	**1,439.52**
Total Assets	**3,635.40**	**3,672.23**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	390.36	390.36
Other equity	2,808.85	2,807.07
Total equity	**3,199.21**	**3,197.43**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ia) Lease liabilities	47.76	61.97
Provisions	18.19	22.65
Deferred tax liabilities (Net)	39.53	18.61
Other non-current liabilities	-	0.05
Total Non-current liabilities	**105.48**	**103.28**
Current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ia) Lease liabilities	33.33	34.75
(ii) Trade payables:		
Total outstanding dues of micro enterprises and small enterprises, and	32.81	54.03
Total outstanding dues of creditors other than micro enterprises and small enterprises	120.06	150.71
(iii) Other financial liabilities	58.85	57.14
Other current liabilities	57.24	43.63
Provisions	28.42	31.26
Total current liabilities	**330.71**	**371.52**
Total liabilities	**436.19**	**474.80**
Total equity and liabilities	**3,635.40**	**3,672.23**

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bengalore 560 027 Chartered Accountants

eMudhra Limited
CORPORATE IDENTITY NUMBER: L72900KA2008PLC060368
Registered Office: Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT Sector) Jala Hobli, BK Palya, Bangalore 562149, Karnataka,India.
www.emudhra.com Telephone:080 – 48484046

Statement of Unaudited standalone financial results for the quarter and half year ended September 30, 2023

Standalone Results
(All amounts are in INR million, unless otherwise stated)

Particulars	Quarter ended			Half year ended		Year ended
	September 30,2023	June 30,2023	September 30,2022	September 30,2023	September 30,2022	March 31,2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
Income from operations						
Income	531.61	263.97	387.76	795.58	733.21	1,640.22
Other income, net	32.77	33.98	19.36	66.75	26.52	56.50
Total Income from operations (net)	**564.38**	**297.95**	**407.12**	**862.33**	**759.73**	**1,696.72**
Expenses						
Operating expenses	38.03	23.48	28.42	61.51	48.06	187.75
Purchase of stock-in -trade	120.49	39.56	73.81	160.05	101.06	285.48
Changes in inventories of stock-in-trade	(13.23)	(4.43)	(1.72)	(17.66)	4.59	6.91
Employee benefits expense	151.36	149.37	111.44	300.73	222.12	491.64
Finance costs	3.76	2.59	4.43	6.35	14.06	33.77
Depreciation and amortisation expenses	39.01	33.97	32.18	72.98	64.28	123.36
Other expenses	81.35	87.33	81.40	168.68	150.11	298.04
Total expenses	**420.77**	**331.87**	**329.96**	**752.64**	**604.29**	**1,426.95**
Profit/(Loss) before exceptional items and tax	**143.61**	**(33.92)**	**77.16**	**109.68**	**155.45**	**269.77**
Exceptional items	-	-	-	-	-	-
Profit/(Loss) before tax	**143.61**	**(33.92)**	**77.16**	**109.68**	**155.45**	**269.77**
Tax expenses (including deferred tax)	**39.69**	**(8.17)**	**20.76**	**31.52**	**41.94**	**70.03**
Profit/(Loss) for the period/year	**103.91**	**(25.75)**	**56.40**	**78.16**	**113.51**	**199.74**
Other comprehensive income/(Loss)						
Items that will not be reclassified to profit or loss (net of tax)	1.34	(0.72)	(0.40)	0.62	(2.42)	(4.00)
Other comprehensive income/(loss) for the period/year	**1.34**	**(0.72)**	**(0.40)**	**0.62**	**(2.42)**	**(4.00)**
Total comprehensive income for the period/year	**105.26**	**(26.47)**	**56.00**	**78.78**	**111.09**	**195.74**
Paid-up-equity share capital (Face Value of Rs. 5/- each)	390.36	390.36	390.36	390.36	390.36	390.36
Other Equity	-	-	-	-	-	2,807.07
Earnings per share (Face value of share Rs. 5/- each) (not annualised)						
Basic (in Rs.)	1.33	(0.33)	0.74	1.00	1.50	2.60
Diluted (in Rs.)	1.33	(0.33)	0.74	1.00	1.50	2.60

V. Srinivasan

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560027 Chartered Accountants

eMudhra Limited
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Standalone cash flow statement
(All amounts are in INR million, unless otherwise stated)

Particulars	Half year ended September 30,2023 (Unaudited)	Half year ended September 30,2022 (Unudited)
A. Operating activities		
Profit before tax	109.68	155.45
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	72.98	64.28
Interest income from bank deposits and others	(4.48)	(18.82)
Interest on lease liabilities	6.35	8.08
Provision for doubtful debts	12.22	5.81
Interest income on security deposit	(0.37)	-
Net (gain)/loss on assets measured at fairvalue through profit & loss	0.23	-
Share based payment	13.97	-
Profit on sale of investments	(5.45)	-
	205.13	**214.78**
Working capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(61.30)	(95.05)
Decrease/(Increase) in inventories	(17.66)	4.59
Decrease/(Increase) in trade receivables	(80.43)	(42.89)
Decrease/(Increase) in loans	5.54	20.25
Increase/(Decrease) in non-current and current other financial liabilities	4.11	11.31
Increase/(Decrease) in non-current and current provisions	(7.30)	(25.89)
Increase/(Decrease) in non-current and current liabilities	11.09	105.08
Increase/(Decrease) in trade payables	(51.86)	(25.98)
Total cash from operations	**7.31**	**166.20**
Income taxes refund/(paid)	(31.34)	(21.22)
Net Cash flow from / (used in) operating activities (A)	**(24.03)**	**144.98**
B. Cash flow from Investing activities:		
Purchase of property, plant and equipment and other intangible assets	(118.65)	(229.48)
Investment in subsidiaries	(158.01)	-
Investments in mutual funds	(211.99)	-
Redemption of mutual funds	271.00	-
Interest received	10.17	18.82
Increase / (Decrease) from term deposits & other bank balances	303.35	-
Net cash from / (used in) investing activities (B)	**95.86**	**(210.66)**
C. Cash flow from Financing activities:		
Proceeds/(repayment) from short term borrowings (net)	-	(166.30)
Proceeds/(repayment) from long term borrowings (net)	-	(288.03)
Payment of lease liabilities	(16.29)	(33.37)
Payment of security deposit in connection with public issue	-	(21.28)
Proceeds from Issuance of equity shares	-	39.46
Proceeds towards security premium on issuance of equity shares (net)	-	1,850.49
Payment of equity & preference dividend	(97.51)	(100.17)
Interest paid on lease liabilities	(5.70)	(8.08)
Net cash from / (used in) financing activities(C)	**(119.49)**	**1,272.72**
Net increase in cash and cash equivalents(D=A+B+C)	**(47.66)**	**1,207.04**
Cash and cash equivalents at the beginning of the financial year (E)	**140.07**	**86.58**
Cash and cash equivalents at the end of the period (D+E)	**92.41**	**1,293.62**
Components of cash and cash equivalents as at end of the period		
	September 30,2023	**September 30,2022**
Balance with banks:		
- On current account	92.14	117.92
Deposit accounts	-	1,175.25
- Cash on hand	0.27	0.45
Total cash and cash equivalents as per Balance Sheet	**92.41**	**1,293.62**
Cash and cash equivalents as per Statement of Cash Flow	**92.41**	**1,293.62**

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560 027 Chartered Accountants

Notes to statement of unaudited standalone financial results for the quarter and half year ended September 30,2023

1 eMudhra is a global organization aimed at empowering secure digital transformation by offering trust services and developing solutions around identity, authentication and digital signatures. eMudhra is a global trust service provider and largest certifying authority in India having managed over 50mn digital identities. eMudhra is a Board Member of the Cloud Signature Consortium, the Chair of the Asia PKI Consortium and is a principal member of the CA/Browser Forum. eMudhra boasts a strong marquee client list including Fortune 100 clients, and over 900+ large enterprises who use its solutions for their secure digital transformation initiatives. eMudhra has 794 employees in offices across 8 countries serving customers in over 20 countries.

2 The Company publishes standalone financial results along with the consolidated financial results. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the unaudited consolidated financial results. Accordingly, the segment information is given in the unaudited consolidated financial results of eMudhra Limited and its subsidiaries for thefor the quarter and half year ended September 30,2023.

3 The company has completed its initial public offer (IPO) of 1,61,24,456 shares of face value of Rs. 5 each for cash at an issue price of Rs.256 per equity share aggregating to Rs.4127. 86 million , consisting fresh issue of 62,89,062 equity shares aggregating to Rs. 1610.00 million and an offer for sale of 98,35,394 equity share aggregating to Rs.2517.86 million by the selling shareholders. The equity share of the company were listed on BSE Limited and NSE Limited on June 01,2022. Out of the fresh issue of Rs. 1610.00 million, Rs. 88.05 million was adjusted towards various estimated offer expenses and net amount received in the monitoring agency bank account is Rs.1521.95 million.

The utilisation of IPO proceeds is summarised below:

(INR in Million)

Particulars	Objects of the issue as per prospectus	utilisation upto 30.09.2023	unutilised as on 30.09.2023
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by Company;	350.00	350.00	-
Funding working capital requirements of Company;	402.19	402.19	-
Purchase of equipments and funding of other related costs for data centers proposed to be set-up in India and overseas locations;	463.64	463.64	-
Funding of expenditure relating to product development;	150.30	150.30	-
Investment in eMudhra INC for augmenting its business development, sales, marketing and other related costs for future growth.	152.67	152.67	-
General Corporate Purposes	3.15	3.15	-
Total	**1,521.95**	**1,521.95**	**-**

The company has fully utilised the IPO proceeds and there are no balances with monitoring agnecy as on Septemebr 30,2023

4 The above standalone financial results of eMudhra Limited "the company" were reviewed by the Audit Committee thereafter approved by the Board of Directors at their meeting held on November 08,2023. The above results have been prepared in accordance with the companies (Indian Accounting Standards) Rules,2015 (IndAS) prescribed under section 133 of the companies Act 2013 and other recognised accounting practices and polices in India.

5 As required under clause 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulation, 2015, the Statutory Auditors have conducted a Limited Review of the above financial results for the quarter and half year ended September 30,2023.

6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

V. Srinivasan
Chairman and Director
DIN: 00640646
Date:08th November, 2023
Place: Bengaluru

eMudhra Limited

SURI & CO. Bangalore 560027 Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Members of eMudhra Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **eMudhra Limited** (the "Company") and its subsidiaries and eMudhra Employees Stock Option trust (the Company and its subsidiaries and the trust together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	**Auditor's Response**
Revenue recognition Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115-Revenue from contracts with customers. The application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time. The Group's revenue from contracts mainly includes sales of software licenses, digital certificates and sales of related accessories for those software licenses.	Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantive testing of the transactions. a) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards. b) Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with the performance obligation identified by the Group. c) Verified the basis of allocation of transaction price to the identified performance obligation if not specifically mentioned in the contract. d) Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the Group in determining the satisfaction of performance obligation over the time or at a point in time. e) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services. f) Verified the judgements used by the Group in determining the stages of

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	completion of the contracts where the satisfaction of entire performance obligation is partially completed. g) Verified the process towards identification of contracts where the right to consideration is unconditional and is due only after passage of time.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and the consolidated cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring

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the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The respective Board of directors of the companies included in the group are responsible for assessing the respective Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended:

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In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act, 2013.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements as at 31st March 2023 - Refer Note 45 of the consolidated financial statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the consolidated financial statements. The Group did not have any derivative contracts.

iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiary companies which are incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiary companies which are incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or

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entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in the consolidated financial statements;

a) The final dividend proposed in the previous year, declared and paid by the Company during the current financial year is in accordance with Section 123 of the Act, as applicable.

b) The Board of Directors of the Company have proposed final dividend during the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with the Section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trial (edit log) facility is applicable to the Company and its subsidiary companies which are incorporated in India, with effect from 01st April 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Suri& Co.,
Chartered Accountants
Firm Registration No. 004283S

V. Natarajan

Place: Bengaluru
Date: 28.04.2023

V Natarajan
Partner
Membership No.223118
UDIN:23223118BGYEOK7268

SURI & CO. Bangalore 560 027 Chartered Accountants

Annexure A to the Independent Auditors' report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of eMudhra Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of eMudhra Limited (hereinafter referred to as the "Company") and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with

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reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the company and its subsidiary companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 004283S

V. Natarajan

V Natarajan
Partner
Membership No. 223118
UDIN: 23223118BGYEOK7268

SURI & CO. Bangalore 560 027 Chartered Accountants

Place: Bengaluru
Date: 28.04.2023

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated Balance sheet as at 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	As at March 31,2023	As at March 31,2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3a	914.93	658.50
(b) Right-of-use assets	4	84.78	104.65
(c) Capital work-in-progress	3b	366.05	249.35
(d) Goodwill		39.19	29.28
(e) Other Intangible assets	5a	581.52	382.25
(f) Intangible assets under development	5b	106.24	179.81
(g) Financial assets			
(i) Other financial assets	6	18.67	5.23
(h) Other non-current assets	7	4.90	73.68
Total Non-current assets		**2,116.28**	**1,682.74**
Current assets			
(a) Inventories	8	10.34	21.38
(b) Financial assets			
(i) Investments	9	209.46	-
(ii) Trade receivables	10	672.24	442.23
(iii) Cash and cash equivalents	11	669.80	82.55
(iv) Bank balances other than (iii) above	12	314.00	50.00
(v) Loans	13	0.49	30.64
(vi) Other financial assets	14	18.80	28.80
(c) Other current assets	15	588.04	253.06
Total current assets		**2,483.17**	**908.66**
Total Assets		**4,599.45**	**2,591.40**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	374.87	350.90
(b) Other equity	17	3,541.09	1,177.16
Total equity attributable to the owners of the company		**3,915.96**	**1,528.06**
Non-controlling interests		8.18	12.96
Total equity		**3,924.14**	**1,541.02**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	197.69
(ia) Lease liabilities	19	61.97	103.27
(ii) Other financial liabilities	20	-	-
(b) Provisions	21	27.61	27.49
(c) Deferred tax liabilities (Net)	22	25.65	17.92
(d) Other non-current liabilities	23	0.05	2.98
Total Non-current liabilities		**115.28**	**349.35**
Current liabilities			
(a) Financial liabilities			
(i)Borrowings	24	156.50	346.22
(ia)Lease Liabilities	25	34.75	24.13
(ii)Trade payables	26		
a.Total outstanding dues of micro enterprises and small enterprises and		54.13	2.63
b. Total outstanding dues of creditors other than Micro and Small enterprises		128.01	141.09
(iii) Other financial liabilities	27	57.55	28.92
(b) Other current liabilities	28	62.30	46.56
(c) Provisions	29	39.59	44.02
(d) Current tax liabilities (Net)	30	27.20	67.47
Total current liabilities		**560.03**	**701.03**
Total liabilities		**675.31**	**1,050.38**
Total Equity and Liabilities		**4,599.45**	**2,591.40**
Corporate information and significant accounting policies	1 & 2		

See accompanying notes to the financial statements
As per our report of even date attached

For Suri & Co
Chartered Accountants
Firm Registration Number: 004283S

Natarajan V
Partner
Membership No: 223118

For and on behalf of the Board of Directors
of eMudhra Limited

V Srinivasan
Chairman and Director
DIN: 00640646

Venu Madhava
Whole time Director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

Place:Bengaluru
Date: April 28,2023

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated statement of profit and loss for the period ended 31st March 2023
(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	For the year ended March 31,2023	For the year ended March 31,2022
Income			
I Revenue from operations	31	2,487.57	1,826.37
II Other income	32	52.99	10.98
III Total Income (I+II)		**2,540.56**	**1,837.35**
IV Expenses			
Operating expenses	33	300.55	119.77
Purchase of stock-in -trade	34	287.62	311.32
Changes in inventories of stock in trade	35	11.04	(14.25)
Employee benefits expense	36	643.61	477.97
Finance costs	37	33.85	45.60
Depreciation and amortisation expense	38	158.45	130.70
Other expenses	39	371.65	261.66
Total expenses (IV)		**1,806.77**	**1,332.77**
V Profit/(Loss) before exceptional items and tax (III-IV)		**733.79**	**504.58**
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V-VI)		**733.79**	**504.58**
VIII Tax expense			
Current tax		112.61	88.94
Deferred tax		9.20	4.28
Total tax expenses		**121.81**	**93.22**
IX Profit/(Loss) for the year (VII-VIII)		**611.98**	**411.36**
X Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan (net of tax)		(4.64)	7.98
Items that will be reclassified subsequently to profit or loss			-
Exchange differences on translation of foreign operations (net of tax)		(43.96)	-
Other comprehensive income/(loss) for the year (net of tax)		**(48.61)**	**7.98**
XI Total comprehensive income/(loss) for the year (IX+X)		**563.37**	**419.34**
(comprising profit/(loss) and other comprehensive income for the year)			
Profit is attributable to			
Owners of eMudhra Limited		**616.77**	**414.04**
Non-controlling interests		**(4.79)**	**(2.68)**
Other comprehensive income attributable to			
Owners of eMudhra Limited		**(48.61)**	**7.98**
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of eMudhra Limited		**568.16**	**422.02**
Non-controlling interests		**(4.79)**	**(2.68)**
XII Earnings per share (Nominal value of share INR 5/- each)	40		
Basic		8.35	5.86
Diluted		8.01	5.86
Corporate information and significant accounting policies	1 & 2		

See accompanying notes to the financial statements
As per our report of even date attached

For Suri & Co
Chartered Accountants
Firm Registration Number: 004283S

Natarajan V
Partner
Membership No: 223118

For and on behalf of the Board of Directors
of eMudhra Limited

V Srinivasan
Chairman and Director
DIN: 00640646

Venu Madhava
Whole time Director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

Place:Bengaluru
Date: April 28,2023

eMudhra Limited

CIN:L72900KA2008PLC060368

Consolidated cash flow statement for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
A. Operating activities		
Profit before tax	733.79	504.58
Adjustments for:		
Depreciation and amortisation expense	158.45	130.70
Interest on lease liabilities	20.00	16.41
Interest income from bank deposits and others	(33.05)	(3.11)
Provision for doubtful debts	9.24	4.74
Interest income on security deposit	(0.64)	
Net gain on assets measured at fair value through profit/ loss	(1.47)	-
Share based payment	31.64	5.24
Provision written back	-	(4.07)
Profit on sale of investments	(0.49)	-
Sundry creditors written back	(2.69)	-
Profit on sale of property, plant and equipment	(0.06)	-
Movement in minority interest	(4.79)	(76.95)
Operating profit before working capital changes	**909.93**	**577.55**
Working capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(254.07)	(128.44)
Decrease/(Increase) in inventories	11.04	(14.24)
Decrease/(Increase) in trade receivable	(239.26)	(297.87)
Decrease/(Increase) in loans	14.65	(0.03)
Increase/(Decrease) in non-current and current other financial liabilities	24.50	45.32
Increase/(Decrease) in non-current and current provision	(4.32)	(35.18)
Increase/(Decrease) in non-current and current liabilities	12.80	1.41
Increase/(Decrease) in trade payables	37.00	112.80
Increase/(Decrease) in lease liability	(25.95)	-
Cash generated from operations	**486.32**	**261.33**
Income taxes paid (net)	(150.68)	(45.27)
Net Cash flow from / (used in) operating activities (A)	**335.64**	**216.05**
B. Cash flow from Investing activities:		
Purchase of Property, plant and equipment and Intangible assets	(620.70)	(467.13)
Sale proceeds from property, plant and equipment	0.10	-
Investments in mutual funds	(282.49)	138.49
Redemption of mutual funds	75.00	
Interest received	33.05	1.61
Increase / (Decrease) from term deposits & other bank balances	(272.20)	(50.00)
Net cash used in investing activities (B)	**(1,067.24)**	**(377.03)**
C. Cash flow from Financing activities:		
Proceeds / repayment from short term borrowings (net)	(189.72)	259.02
Proceeds / repayment from long term borrowings (net)	(197.69)	(23.21)
Payment of lease liabilities	(23.97)	(20.71)
Proceeds(payment) of public issue expenditures	(112.91)	(51.93)
Proceeds from issuance of equity shares (Private placement)	390.00	(0.63)
Proceeds from issuance of equity shares (Initial public offering)	1,610.00	-
Redemption of preference share capital	(86.00)	-
Payment of equity & preference dividend	(94.83)	(2.72)
Interest paid on lease liabilities	(20.00)	
Net cash from / (used in) financing activities(C)	**1,274.88**	**159.82**
Foreign exchange differences on translation of foreign operations (D)	43.96	6.58
Net increase/ (decrease) in cash and cash equivalents(E=A+B+C+D)	**587.25**	**5.42**
Cash and cash equivalents at the beginning of the financial year (F)	**82.55**	**77.13**
Cash and cash equivalents at the end of the year (E+F)	**669.80**	**82.55**

Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).

SURI & CO. Bangalore 560 027 Chartered Accountants

eMudhra Limited

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated cash flow statement for the year ended 31st March 2023
(All amounts are in INR million, unless otherwise stated)

Particulars	**For the year ended March 31,2023**	**For the year ended March 31,2022**
	For the year ended March 31,2023	**For the year ended March 31,2022**
Components of cash and cash equivalents as at end of the year		
Balance with banks:		
- On current account	645.55	82.29
Deposit accounts	24.00	
- Cash on hand	0.25	0.26
Total cash and cash equivalents as per Balance Sheet	**669.80**	**82.55**
Cash and cash equivalents as per Statement of Cash Flow	**669.80**	**82.55**

See accompanying notes to the financial statements
As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 004283S

Natarajan V
Partner
Membership No: 223118

Place:Bengaluru
Date: April 28,2023

For and on behalf of the Board of Directors
of eMudhra Limited

V Srinivasan
Chairman and Director
DIN: 00640646

Venu Madhava
Whole time Director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited
CIN:L72900KA2008PLC060368
Statement of changes in equity for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

A. Equity share capital

Particulars	Note No.	Amount
Balance as at 1st April 2021		**350.90**
Changes due to prior period errors		-
Restated balance as at 1st April 2021		**350.90**
Changes in equity share capital during the year	16	
- Issue of shares		-
- Buyback of shares		-
Balance as at 31st March 2022		**350.90**

Particulars	Note No.	Amount
Balance as at 1st April 2022		**350.90**
Changes due to prior period errors		-
Restated balance as at 1st April 2022		**350.90**
Changes in equity share capital during the year	16	
- Issue of shares		39.46
- Buyback of shares		-
Shares held by the employees stock option trust		(15.49)
Balance as at 31st March 2023		**374.87**

B. Other Equity

Particulars	Note No.	Attributable to the equity holders of the group							Preference share capital	Non controlling interest	Total Other Equity
		Reserves and Surplus									
		Capital Redemption Reserve	Retained Earnings	Securities Premium	Share based payment reserve	Foreign currency translation reserve	Capital reserve on consolidation	Remeasurement of defined benefit plans through Other			
Balance as at 1st April 2021		**200.26**	**447.30**	**0.63**	-	**(12.16)**	-	**0.66**	**86.00**	**92.59**	**815.28**
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2021	17	**200.26**	**447.30**	**0.63**	-	**(12.16)**	-	**0.66**	**86.00**	**92.59**	**815.28**
Add: Transactions during the year		(2.83)	-	-	5.24	31.99	-	-	-	(76.95)	(42.55)
Profit/(loss) for the year		-	414.04	-	-	-	-	-	-	(2.68)	411.36
Less: Adjusted from opening balance		-	1.40	-	-	-	-	-	-	-	1.40
Less: Adjusted against buy- back of preference shares		-	-	(0.63)	-	-	-	-	-	-	(0.63)
Other comprehensive income (net of taxes)		-	-	-	-	-	-	7.98	-	-	7.98
Transaction with Owners in their capacity as owner											
Dividend		-	(2.72)	-	-	-	-	-	-	-	(2.72)
Balance as at 31st March 2022		**197.43**	**860.02**	**0.00**	**5.24**	**19.83**	-	**8.64**	**86.00**	**12.96**	**1,190.12**
Balance as at 1st April 2022		**197.43**	**860.02**	**0.00**	**5.24**	**19.83**	-	**8.64**	**86.00**	**12.96**	**1,190.12**
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022		**197.43**	**860.02**	**0.00**	**5.24**	**19.83**	-	**8.64**	**86.00**	**12.96**	**1,190.12**
Add: Transactions during the year											
Profit/(loss) for the year		-	616.77	-	-	-	-	-	-	(4.79)	611.98
Remeasurement of the net defined benefit	17	-	-	-	-	-	-	(4.64)	-	-	(4.64)
On issue of equity shares		-	-	1,960.54		43.96	9.91	-	-	-	2,014.41
Transaction costs on issue of shares		-	-	(112.92)	-	-	-	-	-	-	(112.92)
Transfer to capital redemption reserve upon redemption of preference share		86.00	(86.00)	-	-	-	-	-	-	-	-
Transferred on account of exercise of stock options		-	-	9.81	(9.81)	-	-	-	-	-	-
Redemption of Preference shares		-	-		-	-	-	-	(86.00)	-	(86.00)
Employee stock compensation expense		-	-	-	31.64	-	-	-	-	-	31.64
Exchange fluctuation		-	-	-	0.12	-	-	(0.62)	-	-	(0.50)
Transaction with Owners in their capacity as owner										-	-
Dividends (including Preference dividend)		-	(94.83)	-	-	-	-	-	-	-	(94.83)
Balance as at 31st March 2023		**283.43**	**1,295.96**	**1,857.43**	**27.19**	**63.79**	**9.91**	**3.38**	-	**8.17**	**3,549.27**

See accompanying notes to the financial statements

As per our report of even date attached

For Suri & Co
Chartered Accountants
Firm Registration Number: 004283S

Natarajan V
Partner
Membership No: 223118

Place: Bengaluru
Date: April 28,2023

For and on behalf of the Board of Directors
of eMudhra Limited

V Srinivasan
Chairman and Director
DIN: 00640646

Saji K Louiz
Chief financial officer

Venu Madhava
Whole time Director
DIN: 06748204

Johnson Xavier
Company secretary

Note 1 Company Information

eMudhra Limited ("the parent company") provides various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra stands for enabling a digital future with a foundation built on digital identity and trust.

eMudhra is a licensed certifying authority under the Information Technology Act,2000, founded in 2008 from the seed of digital signatures. eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers' financial and statutory needs. eMudhra' s products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions, solutions for securing data at rest and data in transit, solutions for Internet of Things (IoT), etc.

The parent company is a public company domiciled in India and is incorporated under the provisions of the Companies Act Applicable in India. The parent company shares are listed on two recognised stock exchange i.e., on National Stock Exchange and Bombay Stock Exchange.

The consolidated financial statements are approved for issue by the Board of Directors on 28th April 2023.

Note 2 Significant Accounting Policies

1. Basis of Preparation

The consolidated financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (Ind AS) [as 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, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

The Consolidated financial statements up to and for the year ended March 31, 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

2. Use of Estimates and judgement

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles in India that requires that the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained and in any future periods affected.

Management also uses judgement in deciding whether individual item or group of items are material in the consolidated financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the consolidated financial statements.

SURI & CO. Bangalore 560 027 Chartered Accountants

eMudhra Limited

Critical estimates and Judgements:

The areas involving critical estimates or judgements are:

- Note 3a - Depreciation rates of Property Plant and equipment

- Note 4 - Determination of lease term

- Note 22 - Recognition of deferred tax asset

- Note 21 and 29 - Gratuity and Compensated absences

- Note 36 - Share based payments

3. Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset / liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- Employee share-based payments

4. Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the parent Company.

5. Current/ non-current classification

All assets and liabilities are classified into current and non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 201 in respect of parent and subsidiary companies which are incorporated in India.

Assets

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

i) it is expected to be realised in the normal operating cycle;
ii) it is held primarily for the purpose of being traded;
iii) it is expected to be realised within 12 months after the reporting date; or
iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

i) it is expected to be settled in the normal operating cycle;
ii) it is held primarily for the purpose of being traded;
iii) it is due to be settled within 12 months after the reporting date; or
iv) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

6. Revenue Recognition

The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the proportionate completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our consolidated financial statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

In case of AMC and license subscription model, revenue is recognized on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million.

In case of trust services and software reseller model, the revenue is recognised as and when the performance obligations are transferred for negotiated price (transaction price), and it is highly probable that the group will be able to collect the transaction price due under the contract/sales orders or otherwise.

Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/based on customary business practices.

Other Income:

i) Interest income is recognised using the effective interest rate method.
ii) Dividend income is recognised when the right to receive is established.
iii) Rental income arising from operating leases is recognised on a straight-line basis over the lease term unless increase in rentals are in line with the expected inflation or otherwise justified.
iv) Other income not specifically stated above is recognised on accrual basis.

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eMudhra Limited

7. Property, Plant and Equipment and Capital Work in-Progress

Property, plant and equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

8. Intangible Assets and Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and Direct expenditure incurred for development of intangible assets resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of accounts when the same is ready for use.

Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as "Intangible Assets under Development''. Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

9. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Depreciation is provided as per the useful life prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The residual values, useful lives and methods of depreciation / amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation/amortisation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/disposal.

Intangible assets are amortised over the estimated useful lives of 10 years on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

11. **Leases**

As a Lessee: -

Contracts with third party, which gives the right to use of an asset, is accounted in line with the provisions of "Ind AS 116 – Leases" if the recognition criteria as specified in the accounting standard are met.

Lease payments associated with short terms leases and leases in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowings. Subsequent measurement of right of use assets is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the respective company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

As a lessor: -

Leases are classified as operating lease, or a finance lease based on the recognition criteria specified in Ind AS 116.

a) **Finance lease:**

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable.

The implicit interest rate is used to measure the value of the "net investment in Lease". Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The Group recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

12. **Borrowing Costs**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing 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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

13. **Inventories**

The inventories are valued at lower of cost or net realisable value.

The cost of bought out materials is ascertained by using the weighted average cost formula. The cost comprises the purchase cost of the item and cost of bringing such item into factory.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

14. **Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if,

- as a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

15. **Foreign Currencies**

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

16. **Employee Benefits**

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972 and other applicable law outside India, the Group provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market

yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability / (asset) are recognized in Other Comprehensive Income.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit and loss.

Defined Contribution Plan

The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance for the parent and subsidiary companies incorporated in India. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year when the contributions are due. The group liability is limited to the extent of contributions made to these funds.

Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

17. **Provisions/ Contingent liabilities and Contingent Assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities/Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a Contingent liability but discloses its existence in the consolidated financial statements.

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A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize a Contingent asset but discloses its existence in the consolidated financial statements where an inflow of economic benefits is probable.

18. **Cash Flow Statement**

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 -Statement of Cash Flows.

19. **Cash and Cash Equivalents**

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the balance sheet.

20. **Financial Instruments**

Initial measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement [non-derivative financial instruments]

Financial assets carried at amortized cost.

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income [FVTOCI]

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss [FVTPL]

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

Trade receivables

Trade receivables are the amount due from the customers for the services rendered in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain

significant financing components, when they are recognised at the fair value. The Group holds trade receivables for the receipt of contractual cashflows and therefore measures them subsequently at the amortised cost using effective interest rate method.

Trade payables and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recorded initially at fair value and subsequently measured at amortised cost using effective interest rate method.

Investment in Subsidiaries and associates

Investment in subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all its liabilities. Equity instruments recognized by the Group are recognized at the proceeds received net of direct issue cost.

De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

21. Fair value Measurement

Fair value is the price that would be received on sale of 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 which can be accessed by the Group for the asset or liability

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. The Group 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 consolidated 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 prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within 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 the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

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22. Impairment of Financial Assets

Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

23. Reclassification of Financial Instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively.

24. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

25. Dividends

Final dividends on shares are 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 respective Company's Board of Directors.

26. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the

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period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

27. **Events after the Reporting Period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The consolidated financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

28. **Prepaid expenses**

Expenses which are spread across multiple financial year have been amortised on straight line basis over the period in which the services are received except in those cases where contract/purchase order is less than INR 1 million.

29. **Share based payments**

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payment transactions are set out in note 55. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share based payments reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

30. **Segment reporting**

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. 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 executive Management in deciding how to allocate resources and in assessing performance.

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.

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(All amounts are in INR million, unless otherwise stated)

3a Property, Plant and Equipment

Particulars	Leasehold land	Buildings	Computer and hardware	Motor vehicles	Furniture & Fixtures	Plant & Machinery	Office and Electrical equipment's	Total
Gross Carrying Amount								
As at April 01, 2021	**89.25**	**549.95**	**73.50**	**6.21**	**-**	**-**	**34.07**	**752.98**
Additions/ adjustments during the year	-	2.58	12.79	-	-	-	9.26	**24.63**
Disposals/ adjustments during the year	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	0.28	-	-	-	-	**0.28**
As at March 31, 2022	**89.25**	**552.53**	**86.57**	**6.21**	-	-	**43.33**	**777.88**
Additions/ adjustments during the year	-	156.27	11.73	-	44.98	26.67	55.16	**294.81**
Disposals/ adjustments during the year	-	-	(0.06)	-	-	-	(0.22)	**(0.28)**
Exchange fluctuation	-	-	(0.41)	-	-	-	0.26	**(0.15)**
As at March 31, 2023	**89.25**	**708.80**	**97.83**	**6.21**	**44.98**	**26.67**	**98.53**	**1,072.27**
Accumulated Depreciation								
As at April 01, 2021	**4.23**	**7.08**	**56.90**	**4.29**	**-**	**-**	**23.35**	**95.85**
Depreciation for the year	0.85	9.38	7.73	0.40	-	-	4.75	**23.12**
Disposal/ adjustments during the year	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	0.42	-	-	-	-	**0.42**
As at March 31, 2022	**5.09**	**16.45**	**65.05**	**4.69**	**-**	**-**	**28.10**	**119.39**
Depreciation for the year	0.85	11.76	8.73	0.22	4.04	1.69	10.76	**38.04**
Disposal/ adjustments during the year	(0.48)	0.49	(0.06)	-	-	-	(0.18)	**(0.23)**
Exchange fluctuation	-	-	0.41	-	-	-	(0.27)	**0.14**
As at March 31, 2023	**5.46**	**28.70**	**74.13**	**4.91**	**4.04**	**1.69**	**38.41**	**157.34**
Net carrying amount								
As at April 01, 2021	**85.02**	**542.87**	**16.60**	**1.92**	**-**	**-**	**10.72**	**657.13**
As at March 31, 2022	**84.17**	**536.07**	**21.52**	**1.52**	**-**	**-**	**15.23**	**658.50**
As at March 31, 2023	**83.79**	**680.10**	**23.70**	**1.30**	**40.94**	**24.98**	**60.12**	**914.93**

Notes:

(i) Details of leasehold land

a. Lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 &24- Part) of B K Palya Village , Jala Hobli, Bengaluru North Taluk, has been allotted to the parent company by Karnataka Industrial Areas Development Board (KIADB) for a leasehold period of 99 years. The parent company obtained possession on 29.03.2016. This land is mortgaged against term loan of INR 250 from Kotak Mahindra Bank. This term loan were fully repaid and mortgage is released in the current year.

b. Lease hold land measuring 2.5 acres in the ELCOSEZ- Jagirammapalayam,Salem has been allotted to the parent company by Electronics Corporation of Tamil Nadu Limited for a lease period of 99 years.

(ii) Depreciation / Amortisation

Depreciation is calculated on straight line basis over the estimated useful lives of the asset

Leased assets are amortised on a straight line basis over their estimated useful lives or their respective lease term whichever is shorter

(iii) Method of Accounting Depreciation

Depreciation / Amortisation has been calculated as per the Accounting Policy No. 9 and recognised as expense in the Statement of Profit and Loss.

(iv) Estimation of useful life of Assets

The estimated useful lives of various categories of Tangible Assets is as follows:

Asset Class	Years
Leasehold land	99
Buildings*	3 - 60
Computer and hardware	3 - 6
Motor vehicles*	8-10
Furniture & Fixtures	10
Plant & Machinery	15
Office and Electrical equipment's	5-10

* Based on estimated useful life (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration factors like expected usage of assets, risk of technical and commercial obsolescence etc.

(v) Restriction on title

With reference to the lease hold land allotted by KIADB, the parent company has received rectification deed from KIADB in September 2022, wherein KIADB has accorded approval to transfer the lease hold land to the parent company after 2 years of continuous production from the date of commercial production. The parent company has implemented the project on 01st April 2022 and accordingly sale deed with KIADB will be executed after the completion of 2 years. The parent company is confident of obtaining the legal title from KIADB on completion of the time period as mentioned in the rectification deed and do not foresee any further obligation towards transfer of title.

(vi) Contractual commitments

Refer Note 44 for outstanding contractual commitments.

(vii) Impairment of assets - Refer note 43

(viii) Refer Note 7 in respect of unadjusted capital advance paid towards Property, Plant and Equipment.

ix. Deemed Cost

On transition to Ind AS, the group has elected to continue with the carrying value of all its other intangible assets as at April 1, 2021 measured as per the previous GAAP and use that carrying value as the deemed cost of the other intangible assets.

x. Amount of depreciation recognised as a part of other asset is Nil.

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(All amounts are in INR million, unless otherwise stated)

3b Capital work-in-progress

Particulars	As at March 31,2023	As at March 31,2022
Buildings	13.84	225.58
Office and Electrical equipment	8.56	1.74
Plant & machinery	-	2.55
Furniture & Fixtures	8.46	-
Computer & Hardware	335.19	-
Others	-	19.48
Total	**366.05**	**249.35**

Ageing of Capital work-in-progress as at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	356.96	-	-	9.09	366.05
Projects temporarily suspended	-	-	-	-	-
Total	**356.96**	-	-	**9.09**	**366.05**

Completion schedule - Time and Cost overrun 2022-23

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building	-	9.09	-	-	9.09
Total	-	**9.09**	-	-	**9.09**

Ageing of Capital work-in-progress as at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	240.26	-	9.09	-	249.35
Projects temporarily suspended	-	-	-	-	-
Total	**240.26**	-	**9.09**	-	**249.35**

Completion schedule - Time and Cost overrun 2021-22

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building			9.09		9.09
Total	-	-	**9.09**	-	**9.09**

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4 Right-of-use assets

Particulars	Plant and Machinery
Gross Carrying Amount	
As at April 01, 2021	**138.62**
Additions	-
Derecognised	-
As at March 31, 2022	**138.62**
Additions	19.23
Adjustments	(3.57)
Derecognised	-
As at March 31, 2023	**154.28**
Accumulated Depreciation	
As at April 01, 2021	**4.83**
Amortisation for the year	29.14
Derecognised	-
As at March 31, 2022	**33.97**
Amortisation for the year	35.53
Adjustments	-
Derecognised	-
As at March 31, 2023	**69.50**
Net carrying amount	
As at April 01, 2021	**133.79**
As at March 31, 2022	**104.65**
As at March 31, 2023	**84.78**

Notes:
Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss.

(i) The following amount have been recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation (refer note 38)	35.53	29.14
Interest expense (refer note 37)	20.00	16.41
Expense relating to short term lease (refer note 39)	26.50	43.46

(ii) Extension and termination options
Extension and termination options are included in the property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the holding company and not by the respective lessor.

(iii) Critical judgements in determining the lease term:
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

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(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31,2023	As at March 31,2022
Less than one year	34.75	29.60
One to two years	32.45	65.88
More than two years	29.52	31.92
Total	**96.72**	**127.40**

The holding company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(v) Net Debt Reconciliation

Particulars	Lease liability	Cash	Total
Net debt as on April 01, 2021	**(154.20)**	**77.13**	**(77.07)**
Cash flows	43.36	5.42	48.78
Addition on account of recognition of RoU asset	-	-	-
Interest expense	(16.41)	-	(16.41)
Add: Adjustments	(0.14)	-	(0.14)
Net Debt as on March 31, 2022	**(127.39)**	**82.55**	**(44.84)**
Cash flows	43.96	587.25	631.21
Addition on account of recognition of RoU asset	(1.63)	-	(1.63)
Interest expense	(20.00)	-	(20.00)
Less: Adjustments	8.36	-	8.36
Net Debts as on March 31, 2023	**(96.70)**	**669.80**	**573.10**

(vi) References to other leases related notes
For leases accounting policy refer accounting policy no. 11
For leases liability related information refer note 19 and 25

(vii) Leases not yet commenced to which lease is committed
As at March 31, 2023, commitments for leases not yet commenced was INR Nil (2022: INR Nil)

(viii) Contractual maturities of financial liabilities : Refer note no 57

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5a Other intangible assets

Particulars	Computer Software (Including development costs)
Gross carrying amount	
As at April 01, 2021	**867.09**
Additions	40.13
Disposals	-
Effect of exchange fluctuation	(0.21)
As at March 31, 2022	**907.01**
Additions	273.82
Disposals	-
Effect of exchange fluctuation	15.60
As at March 31, 2023	**1,196.43**
Accumulated Amortisation	
As at April 01, 2021	**464.81**
Amortisation for the year	78.44
Disposals	-
Effect of exchange fluctuation	(18.49)
As at March 31, 2022	**524.76**
Amortisation for the year	84.88
Disposals	-
Effect of exchange fluctuation	5.27
As at March 31, 2023	**614.91**
Net carrying amount	
As at April 01, 2021	**402.28**
As at March 31, 2022	**382.25**
As at March 31, 2023	**581.52**

(i) Depreciation / Amortisation

Depreciation is calculated on straight line basis over the estimated useful lives of the asset

(ii) Method of Accounting Depreciation/Amortisation

Amortisation has been calculated as per the Accounting Policy No. 9 of the group and recognised as expense in the Statement of Profit and Loss.

(iii) Estimation of useful life of Assets

The estimated useful lives of the Other Intangible Assets is as follows:

Asset Class	Years
Computer software (including development costs)	10

(iv) Restriction on title: Nil

(v) Contractual commitments

Refer Note 44 for outstanding contractual commitments

(vi) Impairment of assets - Refer note 43

(vii) Refer Note 7 in respect of unadjusted capital advance paid towards Other Intangible assets

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5b Intangible assets under development

Particulars	As at March 31,2023	As at March 31,2022
Internally developed	106.24	179.81
Less: Provision for impairment	-	-
Total	**106.24**	**179.81**

Intangible assets under development ageing schedule 2022-23

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	95.71	10.53	-	-	106.24
Projects temporarily suspended	-	-	-	-	-
Total	**95.71**	**10.53**	**-**	**-**	**106.24**

Completion schedule - Time and cost over run 2022-23

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development ageing schedule 2021-22

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	172.23	7.58	-	-	179.81
Projects temporarily suspended	-	-	-	-	-
Total	**172.23**	**7.58**	**-**	**-**	**179.81**

Completion schedule - Time and cost over run 2021-22

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Total	-	-	-	-	-

(i) Contractual commitments

Refer Note 44 for outstanding contractual commitments

(ii) Impairment of assets - Refer note 43

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Note No.	Particulars	As at March 31,2023	As at March 31,2022
6	**Other financial assets**		
	Non-Current		
	Unsecured, considered good		
	Security deposit	5.24	-
	Bank deposits with maturity more than 12 months*	13.43	5.23
	Total	**18.67**	**5.23**
	* Includes INR 13.43 (2022: INR 5.23) held as margin money deposit as against Bank Guarantees.		
	(i) Refer note 56 for classification of financial instruments		
7	**Other non-current assets**		
	Capital advances	2.71	17.64
	Balance with government authorities	0.55	0.55
	Other receivables#	-	52.19
	Prepaid expenses	1.64	3.30
	Total	**4.90**	**73.68**
	# Amount is below the round off norm adopted by the group		
8	**Inventories (Valued at lower of cost or Net realisable value)**		
	Stock in trade*	10.34	21.38
	Total	**10.34**	**21.38**
	*includes stock in trade of Rs. 0.60 (2022: Nil)		
9	**Financial Assets**		
	Current investments		
	Unquoted		
	Investment in mutual funds at fair value through Profit and loss		
	ICICI Prudential Overnight Fund Direct Plan Growth [units 92,802.64 @ Rs. 1208.48 per unit]	112.15	-
	HDFC Overnight Fund Direct Plan Growth option [units 29,231.01 @ Rs.3328.44 per unit]	97.29	-
	Investment in equity shares at fair value through Profit and loss		
	ICICI Bank Limited [no. of shares 60 @ Rs.359.13 per share]	0.02	-
	Total	**209.46**	-
	i. Particulars	**2022-23**	**2021-22**
	(a) Aggregate amount of quoted investments and market value thereof	0.02	-
	(b) Aggregate amount of unquoted investments	209.44	-
	(c) Aggregate amount of impairment in value of investments	-	-
10	**Trade receivables**		
	Unsecured, considered good		
	- Others	680.78	446.97
	Less: Allowances for expected credit loss	8.54	4.74
	Total	**672.24**	**442.23**

(i) Payment terms

a. In majority of contracts, payment is due on delivery of License. However, in some contracts a portion of dues is linked to satisfaction of further performance obligations like completion of installation and commission activity etc.

b. Amount retained by customer in respect of completed performance obligation, due to linking of payment with completion of other performance obligations in the contract, is classified as contract asset. Balance amount receivable is classified as Trade receivable.

(i) Financial instruments

Refer note 56 for classification of financial instruments

(ii) Related party disclosure

For related party disclosure refer note 53

(iii) Refer note 51 for trade receivable ageing schedule

11	**Cash and cash equivalents**		
	Balance with banks:		
	- In current account	645.55	82.29
	-Deposit accounts	24.00	-
	Cash on hand	0.25	0.26
	Total	**669.80**	**82.55**

Cash and cash equivalents includes Term Deposits with original maturity period up to three months. Term Deposits with original maturity period beyond Three months upto Twelve months have been included in Bank balances (Refer Note 12) and Term Deposits with original maturity period beyond Twelve months have been included in Other financial assets (Refer Note 6).

(i) Refer note 56 for classification of financial instruments

(ii)There are no repatriation restrictions with regard to cash and cash equivalents

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Note No.	Particulars	As at March 31,2023	As at March 31,2022
12	**Bank balance other than cash and cash equivalents**		
	Balances with bank held as margin money deposits as against bank guarantees	5.26	50.00
	In deposit accounts	308.70	-
	Unpaid dividend account	0.04	-
	Total	**314.00**	**50.00**
	(i) Refer note 56 for classification of financial instruments		
	(ii) There are no repatriation restrictions with regard to cash and cash equivalents		
13	**Loans**		
	Unsecured, considered good		
	Loans to related parties	-	30.17
	Others		
	Loans to employees	0.49	0.47
	Total	**0.49**	**30.64**
	(i) Financial instruments		
	Refer note 56 for classification of financial instruments		
	(ii) Impairment of financial assets		
	Provision for impairment has been made in line with accounting policy no.22		
	(iii) Related party disclosure		
	For related party disclosure refer note 53		
14	**Other financial assets**		
	Unsecured, considered good		
	Interest accrued but not due on deposits	7.18	3.05
	Other deposits	1.54	1.20
	Rent deposit	3.31	11.65
	Security deposits	4.53	11.31
	Staff advance	-	0.06
	Tender deposit	2.24	1.53
	Total	**18.80**	**28.80**
	(i) Financial instruments		
	Refer Note 56 for classification of financial instruments		
	(ii) Impairment of financial assets		
	Provision for impairment has been made in line with accounting policy no. 22		
	(iii) Related party disclosure		
	For related party disclosure refer note 53		
15	**Other current assets**		
	Unsecured, considered good		
	Advance to suppliers	10.66	4.89
	Others		
	Prepaid expenses	15.44	17.78
	Balance with government authorities	6.66	1.75
	Unbilled revenue	534.27	228.64
	Contract Asset	20.71	-
	Other receivables	0.30	-
	Total	**588.04**	**253.06**

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eMudhra Limited

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the consolidated financial statements
(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
16	**Share capital**		
	Authorised share capital		
	12,30,00,000(2022: 12,30,00,000) equity shares of INR 5 each	615.00	615.00
	2,50,00,000 (2022: 2,50,00,000) Preference shares of INR 10 each	250.00	250.00
	Total	865.00	865.00
	Equity share capital		
	(i) Issued, Subscribed and fully paid up share capital		
	7,49,73,820(2022: 7,01,79,692) equity shares of INR 5 each	374.87	350.90

(ii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Add: Share issued during the year	78,92,679	39.46	-	-
Less: Shares held by eMudhra Employee Stock Option Trust	30,98,551	15.49	-	-
Share outstanding at the end of the year	7,49,73,820	374.87	7,01,79,692	350.90

(iii) Details of shareholders holding more than 5% shares in the group

Name of the Shareholder	As at March 31, 2023		As at March 31,2022	
	No. of Shares	% Holding	No. of Shares	% Holding
V Srinivasan	2,71,22,543	34.74%	3,04,11,800	43.33%
Taarav Pte Ltd	1,38,42,877	17.73%	1,83,59,123	26.16%
Lakshmi Kaushik	56,97,159	7.30%	62,01,466	8.84%
Arvind Srinivasan	31,54,646	4.04%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	30,98,551	3.97%	60,57,801	8.63%

(iv) Terms, Rights, preferences and restrictions attaching to each class of shares

Particulars	As at March 31,2023	As at March 31,2022
a. Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment	-	-
b. The aggregate value of calls unpaid (including Directors and Officers of group)	-	-
c. Shares forfeited	-	-

d. The parent company has only one class of equity shares having par value Rs. 5 per share each holder of equity share is entitled to one vote per share. Each share holder has a right to receive the dividend declared by the parent company. On winding up of the parent company the equity share holders will be entitled to get the realise value of the remaining assets of the parent company, if any, after distribution of preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the share holders.

(v) During previous five years the parent company has not bought back its shares

(vi) During the previous five years the parent company has not allotted any shares as fully paid up pursuant to contract without payment being received in cash

(vii) During the previous five years the parent company not allotted any shares as fully paid up by way of bonus shares

(viii) Details of share holding of Promoter and Promoter Group

Name of Shareholder	As at 31st March 2023			As at 31st March 2022		
	No. of Equity shares held	% of holding	% Change during the Year	No. of Equity shares held	% of holding	% Change during the Year
V Srinivasan	2,71,22,543	34.74%	-8.59%	3,04,11,800	43.33%	8.73%
Taarav Pte Ltd	1,38,42,877	17.73%	-8.43%	1,83,59,123	26.16%	0.00%
Arvind Srinivasan	31,54,646	4.04%	4.04%	66,36,515	0.09	0.00%
Kaushik Srinivasan	9,25,880	1.19%	1.19%	14,36,518	0.02	0.00%

(ix) Final Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	97.59	-

(x) Private placement of parent company

The Board of Directors of parent company vide its meeting dated April 30, 2022 accorded approval to issue 16,03,618 equity shares at price of Rs.243.20 per share (Par value of Rs 5 - per equity share and premium of Rs 238.20 per equity share) on preferential basis through private placement to various investors. Accordingly, the parent company has allotted those shares to those investors on 05th May 2022 and the proceeds from this private placement have been utilised for the purpose as approved and filed with the appropriate authorities.

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eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
17	**Other equity**		
	Capital redemption reserve [refer note 17.1 below]	283.43	197.43
	Preference share capital [refer note 17.7 below]	-	86.00
	Securities Premium [refer note 17.2 below]	1,857.43	-
	Retained earnings [refer note 17.3 below]	1,295.96	860.02
	Capital reserve on consolidation	9.91	-
	Foreign currency translation reserve[refer note 17.4 below]	63.79	19.83
	Total other comprehensive income [refer note 17.5 below]	3.38	8.64
	Share based payment reserve [refer note 17.6 below]	27.19	5.24
		3,541.09	**1,177.16**
17.1	**Capital redemption reserve**		
	Balance at the beginning of the year	197.43	200.26
	Add: Transactions during the year	-	-
	Add: Adjusted against securities premium	-	(2.83)
	Add: transferred from retained earnings	86.00	-
	Balance as at the end of the year	**283.43**	**197.43**
17.2	**Securities premium**		
	Balance at the beginning of the year	-	0.63
	Add: Issue of equity shares	1,960.54	-
	Add: Exercise of stock options by employees	9.81	-
	Less: Transaction costs on issue of equity shares	(112.92)	-
	Less: Adjusted against buy- back of preference shares	-	0.63
	Balance as at the end of the year	**1,857.43**	-
17.3	**Retained earnings**		
	Balance at the beginning of the year	860.02	447.30
	Profit/ (Loss) for the year	616.77	414.04
	Less: Transfer to capital redemption reserve	86.00	-
	Less: Adjusted from opening balance	-	1.40
	Less: Dividend paid (Including preference dividend of INR 4.41 million)	94.83	2.72
	Balance as at the end of the year	**1,295.96**	**860.02**
17.4	**Foreign currency translation reserve**		
	Balance at the beginning of the year	19.83	(12.16)
	Add: Exchange difference on translation of foreign operation	43.96	31.99
	Balance as at the end of the year	**63.79**	**19.83**
17.5	**Other comprehensive income for the year**		
	Balance at the beginning of the year	8.64	0.66
	Add: Other comprehensive income for the year	(4.64)	7.98
	Add: Exchange fluctuation	(0.62)	-
	Balance as at the end of the year	**3.38**	**8.64**
17.6	**Share based payment reserve**		
	Balance at the beginning of the year	5.24	-
	Add: Employee stock compensation expense during the year	31.64	5.24
	Add: Exchange fluctuation	0.12	-
	Less: Transferred to Securities premium for options exercised	(9.81)	-
	Balance as at the end of the year	**27.19**	**5.24**
17.7	**Preference Share capital**		
	(i) Issued, Subscribed and fully paid up share capital		
	Nil (2022: 8,60,000) equity shares of INR 10 each	-	86.00

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Name of the Shareholder	As at March 31,2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	8.60	86.00	8.6	86.00
Add: Share issued during the year	-	-	-	-
Less: Redeemed during the year	(8.60)	(86.00)	-	-
Share outstanding at the end of the year	**-**	**-**	**8.60**	**86.00**

(iii). Details of shareholders holding more than 5% in the holding company

Name of the Shareholder	As at March 31,2023		As at March 31,2022	
	No. of Shares	% Holding	No. of Shares	% Holding
V. Srinivasan	-	-	6.65	0.78
Lakshmi Kaushik	-	-	0.97	0.11
Aishwarya Arvind	-	-	0.97	0.11

(iv) Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	2.58	-
(b) Final dividend for FY 2022-23	1.83	-

(vi) These Preference shares amounting to INR 86 are issued to the promoter group at a face value of INR 10 each. The shares had a 3% coupon rate until its redemption and grouped under other equity. The preference shares are redeemed on December 15 2022.

Nature and purpose of the reserves

Securities premium

Securities premium is created out of the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013

Other Comprehensive income

Other Comprehensive income are those gains/ losses which are not yet realised and excluded from the statement of profit and loss. It consist of remeasurement of the net defined benefit liability and foreign currency translation reserve on consolidation of subsidiary companies.

Capital redemption reserve

Capital redemption reserve is created by transfer from retained earnings an amount equal to face value of shares bought back or redeemed. This reserve is utilised in accordance with the Provisions of Companies Act, 2013.

Share based payment reserve

The reserve related to employee share based payment plans granted by the parent company to the employees of the group. Further information about share based payment to employees is set out in note 55.

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
18	**Borrowings**		
	Secured		
	Term loan from bank	-	288.03
	Total borrowings	-	**288.03**
	Less: Current maturities of long term debts	-	90.34
	Total	-	**197.69**

(i) Current maturities of term loans are disclosed under current borrowings - Refer note 24
(ii) Terms of loan and Nature of security - Refer 18.1
(iii) Refer note 56 for classification of financial instruments
(iv) Period and amount of continuing default - Nil

18.1 A **Term loan from Bank:**

The parent company has obtained term loan of INR 150 (Term loan-1) for construction of digital signature campus at Devanahalli KIADB IT park, Bengaluru from M/s Canara bank and later this loan facility was taken over by M/s Kotak Mahindra bank Limited (referred as "lender")during May 2019 with an enhancement of INR 100 (Term loan-2) loan towards the same purpose. During FY 2021, lender has sanctioned additional working capital term loan of INR 55.8 (WCTL) under ECLGS scheme(Emergency Credit Line Guarantee Scheme).These loans are fully secured and the details of the same are as below:

1.)Primary Security: First and exclusive charge on all existing and future current assets, movable assets, movable fixed assets, tangible and intangible assets of the parent company.

2.) Collateral Security: Memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore.

Interest:
Term Loan: 6 months repo rate with spread of 2.8%
Working capital term loan : Fixed rate at 8% p.a
During the year, the parent company has preclosed the term loan as per the object clause of Initial Public offer.

19	**Lease Liabilities**		
	Lease Liability	61.97	103.27
	Total	**61.97**	**103.27**
	(i) Financial instruments		
	Refer Note 56 for classification of financial instruments		
20	**Other financial liabilities**		
	Security deposit from customers	-	-
	Total	-	-
21	**Provisions**		
	Non current		
	Employee benefits		
	Compensated absences [refer note 54]	1.88	1.43
	Gratuity [refer note 54]	25.73	26.06
	Total	**27.61**	**27.49**
23	**Other non-current liabilities**		
	Contract liability		
	Deferred Revenue	0.05	2.98
	Total	**0.05**	**2.98**
24	**Borrowings**		
	Secured		
	Loans repayable on demand - from banks		
	Working capital demand loan	-	125.24
	Current maturities of long term debts	-	90.34
	Unsecured		
	From Other related parties	156.50	11.13
	From director	-	119.51
	Total	**156.50**	**346.22**

(i) Terms of loan and Nature of Security - Refer 24.1
(ii) Period and amount of continuing default - Nil
(iii) Refer note 56 for classification of financial instruments
(iv) Related party disclosure : Refer Note 53 for Related Party Disclosures
(v) The loan from director and other related parties are interest free and are repayable on demand

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eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

24.1 **Working capital demand loan:**

A **From ICICI Bank:**
The parent company has taken two working capital limits against deposits from M/s ICICI Bank Limited with an overall limit of INR 47.50 during February 2021 and July 2021.These loans are repayable on demand.
Nature of Security: Fully secured against fixed deposit
This facility is 100% secured on fixed deposit made with this bank amounting to INR 50.00

B **From Kotak Mahindra Bank Limited**
The parent company had working capital facility from M/s Canara Bank and which was taken over by M/s Kotak Mahindra Bank Limited with a limit of INR 80.00. The parent Company has taken an adhoc unsecured loan of INR 20 from M/s Kotak Mahindra Bank in August 2021 which has been fully repaid during September 2021.

Nature of Security:
1. Primary Security: Secured against receivables and inventory.
2. Collateral Security: (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land measuring 3 acres located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bengaluru Urban Dist..

25	**Lease Liabilities**		
	Current Liability of Lease	34.75	24.13
	Total	**34.75**	**24.13**
26	**Trade payables**		
	Dues to micro enterprises and small enterprises (Refer note 49)	54.13	2.63
	Dues to creditors other than micro enterprises and small enterprises		
	Others	128.01	141.09
	Total	**182.14**	**143.72**
	(i) Financial instruments : Refer Note 56 for classification of financial instruments.		
	(ii) Related party disclosure : Refer Note 53 for Related Party Disclosures		
	(iii) Refer note 52 for trade payables ageing schedule		
27	**Other financial liabilities**		
	DSC Portal deposit	2.71	9.01
	Interest accrued but not due on term loan	-	1.20
	Unpaid dividend	0.04	-
	Other advances from customers	0.03	0.30
	Employee benefits payable	47.49	3.04
	Security deposit from customers	2.53	2.53
	Capital creditors	4.75	12.84
	Total	**57.55**	**28.92**
	(i) Refer note 56 on classification of financial instruments		
28	**Other current liabilities**		
	Deferred Revenue	38.79	27.29
	Statutory dues	23.51	19.27
		62.30	**46.56**
29	**Provisions**		
	Current		
	Employee benefits		
	Bonus	34.37	43.24
	Compensated absences [refer note 54]	3.13	2.37
	Gratuity [refer note 54]	2.09	(1.59)
	Total	**39.59**	**44.02**
30	**Current Tax Liabilities (Net)**		
	Provision for tax, net	27.20	67.47
	Total	**27.20**	**67.47**

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Note No	Particulars	As at March 31,2023	As at March 31,2022
22	**Deferred tax Liabilities (Net)**		
	Deferred tax (asset)/liability, net		
	Deferred tax liabilities	38.25	24.74
	Deferred tax assets	(12.60)	(6.82)
	Total	**25.65**	**17.92**

Deferred tax balance

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax in relation to:		
Property, plant and equipment	37.88	24.74
Provision for employee benefits	(6.43)	(5.65)
Right of use assets and lease liability	(3.91)	(1.16)
Financial assets	0.37	-
Others	(2.26)	(0.01)
Total	**25.65**	**17.92**

2022-23	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	24.74	13.14	-	37.88
Provision for employee benefits	(5.65)	(0.78)	-	(6.43)
Remeasurement of defined benefit obligation	-	1.47	(1.47)	-
Right of Use and Lease liability	(1.16)	(2.75)	-	(3.91)
Financial assets	-	0.37	-	0.37
Others	(0.01)	(2.25)	-	(2.26)
Total	**17.92**	**9.20**	**(1.47)**	**25.65**

2021-22	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	19.47	5.27	-	24.74
Provision for employee benefits	(4.66)	(0.99)	-	(5.65)
Right of Use and Lease liability	(1.16)	-	-	(1.16)
Others	(0.01)	-	-	(0.01)
Total	**13.64**	**4.28**	**-**	**17.92**

(i) Tax Expense

a) Recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of the current year	118.35	88.94
In respect of prior years	(5.74)	-
	112.61	**88.94**
Deferred tax		
In respect of the current year - DT	9.20	4.28
Total	**9.20**	**4.28**
Total tax expense	**121.81**	**93.22**

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b) Recognised in Other comprehensive Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax		
In respect of the current year - OCI	1.47	-
Total	**1.47**	**-**

c)The reconciliation between the provision for income tax of the company and amounts computed by applying the Indian Statutory income tax rates to profit before taxes is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before Tax	733.79	504.58
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	**184.68**	**126.99**
Effect of:		
Differential tax rates of branches/ Subsidiaries operating in other jurisdiction	(58.88)	(42.14)
Expenses that are not deductible in determining taxable profit	(5.04)	(3.08)
Others	(4.69)	11.45
Reversal of tax provisions of previous year	5.74	-
	(62.87)	**(33.77)**
Income tax expenses recognized in the statement of Profit and loss	**121.81**	**93.22**

The parent company and subsidiaries incorporated in India have utilised the option given u/s 115BAA and accordingly the tax rate applicable is 25.17%.

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(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2023	For the year ended March 31,2022
31	**Revenue from operations**		
	Sale of software/solutions services	2,165.85	1,536.08
	Sale of products	321.72	290.29
	Total	**2,487.57**	**1,826.37**

(i) Disaggregation of revenue

Revenue earned by the group is disaggregated by its sources based on its key operating segments as disclosed in Note 58

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price

Revenue as per the Statement of Profit and Loss		
Sale of software solutions/services	2,165.85	1,536.08
Sale of Products	321.72	290.29
Total (a)	**2,487.57**	**1,826.37**
Add/ (less) adjustment to contract price		
Foreign Exchange variation claim	-	-
Price revision	-	-
Discount and rebate offered	-	-
Others	-	-
Total adjustment (b)	-	-
Contract price (a+b)	**2,487.57**	**1,826.37**

(iii) Satisfaction of performance obligation

a. In majortiy of the contracts performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining the control of the asset. Revenue from licenses where the customer obtains a "right to use" the license are recognised at the time the license is made available to the customer.

b. In Contracts with multiple performance obligations, revenue is recognised using percentage of completion method on satisfaction of each performance obligation.

c. Contract with the customer normally do not contain significant financing component and any advance payment received and /or amount retained by customer is with intention of protecting either parties to the contract.

d. Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/ based on customary business practices.

e. Warranties provided are mainly in the nature of performance warranty

f. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.

g. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether the customer has obtained "Control on asset"

i. Transfer of significant risk and rewards
ii. Customer has legal right/title to the asset
iii. The entity has transferred the physical possession of the asset
iv. Customer has accepted the asset
v. Entity has the present right to payment for the asset

h. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.

i. The estimated amount of variable consideration is adjusted in the transaction price only to the extentthat it is highly probable that a significant reversal in the amount of cumulative revenue recognized willnot occur and is reassessed at the end of each reporting period.

j. The group classifies its right to consideration as either trade receivables or Contract asset. The Company's receivables are rights to consideration that are unconditional.

Unbilled revenue comprising revenue in excess of billing where the right to consideration is unconditional and is due only after passage of time.

k. No non-cash considerations are received/given during the current/previous year.

l. Remaining Performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the group has not disclosed remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity;s performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

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(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2023	For the year ended March 31,2022
32	**Other income**		
	Interest income of fixed deposit	33.05	3.11
	Foreign exchange gain	9.58	1.29
	Interest income on security deposit	0.64	-
	Profit on sale of mutual fund	0.49	
	Other miscellaneous income	7.76	2.30
	Interest income on income tax refund	-	0.21
	Net gain on assets measured at fairvalue through profit/ loss	1.47	-
	Provisions no longer required written back	-	4.07
	Total	**52.99**	**10.98**
33	**Operating expenses**		
	Commission expenses	32.18	65.09
	Licence fee expenses	-	-
	Other direct operating expenses	255.08	43.75
	Payment gateway charges	5.19	4.60
	Postage and courier charges	8.10	6.33
	Total	**300.55**	**119.77**
34	**Purchase of stock-in-trade**		
	Purchase of crypto token/hardware's	285.21	302.89
	SSL Certificates	2.41	8.43
	Total	**287.62**	**311.32**
35	**Changes in inventories of stock-in-trade**		
	Stock in trade		
	Opening stock:		
	Crypto token/HSM/SSL	21.38	7.13
		21.38	7.13
	Closing stock:		
	Crypto token/HSM/SSL	10.34	21.38
		10.34	21.38
	Total	**11.04**	**(14.25)**
36	**Employee benefits expenses**		
	Gratuity (refer Note No. 54)	6.56	6.73
	Salaries, allowances and bonus	530.08	427.88
	Contribution to provident and other funds (refer note 54)	17.93	15.58
	Share based payment (refer note 55)	31.64	5.24
	Compensated absence (refer Note No. 54)	1.80	(0.87)
	Employee insurance expenses	15.46	7.55
	Staff welfare expenses	40.14	15.86
	Total	**643.61**	**477.97**

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(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2023	For the year ended March 31,2022
37	**Finance costs**		
	Interest on term loans	3.97	21.79
	Interest on lease liabilities	20.00	16.41
	Interest on income tax	7.77	-
	Interest on overdraft/cash credit facilities	1.59	7.40
	Total interest on financial liabilities carried at amortised cost	**33.33**	**45.60**
	Interest on delayed payment of statutory dues	0.52	-
	Total	**33.85**	**45.60**
38	**Depreciation and amortisation expense**		
	Amortisation on other intangible assets	84.88	78.44
	Depreciation on Right-of-use assets	35.53	29.14
	Depreciation on plant, property and equipment	38.04	23.12
	Total	**158.45**	**130.70**
39	**Other expenses**		
	Auditors' remuneration [refer note 39.1 below]	1.70	1.29
	Business promotion and advertisements	99.68	67.12
	Communication expenses	18.79	15.02
	Contribution for corporate social responsibility expenses[refer note 50]	4.97	2.41
	Power and fuel expenses	13.82	9.39
	Fees rates and taxes	15.14	22.11
	Information technology expenses	14.01	15.43
	Insurance expenses	3.67	2.37
	Legal and professional expenses	83.31	50.42
	Miscellaneous expenses	1.89	0.50
	Office maintenance expense	19.71	12.04
	Printing and stationary	1.52	1.33
	Short term leases	26.50	43.46
	Repair and maintenance		
	- Plant and machinery	13.55	1.60
	- Others	4.57	1.30
	Provision for doubtful debts	8.54	4.74
	Net bad debts written off	0.70	
	Travelling and conveyance	39.58	11.13
	Total	**371.65**	**261.66**
39.1	**Payment to statutory auditors**		
	As Auditor towards:		
	Statutory audit	1.01	0.93
	Tax audit	0.15	0.15
	Other matters	0.54	0.21
	Total	**1.70**	**1.29**

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eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Sl No	Particulars		As at March 31,2023	As at March 31, 2022
40	**Earnings per share**			
	Basic:			
	Profit after tax	A	616.77	411.36
	Weighted average number of shares outstanding	B	7,38,59,545	7,01,79,692
	Basic EPS	A/B	8.35	5.86
	Diluted			
	Profit after tax	C	616.77	411.36
	Weighted average number of equity shares outstanding as at the end of the year		7,38,59,545	7,01,79,692
	Add: Weighted average number of equity Shares held by eMudhra employees Stock Option trust		30,98,551	-
	Weighted average number of equity shares outstanding during the year - Diluted	D	7,69,58,096	7,01,79,692
	Diluted EPS	C/D	8.01	5.86

41a Consolidation Procedure

The Consolidated Financial Statements comprise the financial statements of the parent company and its subsidiaries consolidated for all entities which are controlled by the parent company. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the effective date the control commences and ceases when the control is lost.

The Consolidated Financial Statements ("CFS") have been prepared on the basis of audited financial statements of the parent Company viz., emudhra Limited, its subsidiaries viz., eMudhra (MU) Limited (Wholly owned Subsidiary), eMudhra Technologies Limited (Wholly owned Subsidiary), eMudhra consumer Services Limited (Wholly owned Subsidiary), eMudhra INC (Share Holding 100%), eMudhra PTE Limited (Share Holding 100%), eMudhra DMCC (Share Holding 100%), eMudhra BV (Share Holding 100%), PT eMudhra Technologies Indonesia (Share Holding 59%) and eMudhra employees stock option trust.
For preparation of consolidated financial statements of the Group, the financial statements of the company and its subsidiaries have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group. Deferred tax assets and deferred tax liability have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liability and where the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority.

41b The excess / deficit of cost to the parent company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made are recognized in the financial statements as goodwill /capital reserve. The Group tests for impairment of goodwill at each balance sheet date. When the Group identifies that the goodwill has been impaired, the goodwill to the extent impaired is recognized in the Consolidated Statement of Profit and Loss.

41c Non Controlling interests in the net results of operations and the net assets of the subsidiaries represent that part of the profit / loss and the net assets not attributable to the parent company.

41d Additional information disclosed in individual financial statements of the parent and subsidiaries / Associate having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

42 Statement of Compliance

The Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 (the "Act") read with rule 3 of the companies (Indian Accounting Standard) Rules, 2015], and other relevant provision of the Act.

43 Impairment of Assets

Group has analysed indications of impairment of assets. On the basis of assessment of internal and external factors, none of the assets has found indications of impairment of its assets

44 Contractual commitments

Particulars	As at March 31,2023	As at March 31,2022
a) Estimated amount of contracts remaining to be executed on capital account and not provided as on 31st March (Net of advances)	3.13	-
b) Other commitments i.e. non cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31st March	-	-
Total	3.13	-

45 Contingent Liabilities

Particulars	As at March 31,2023	As at March 31,2022
(a) Claims not acknowledged as debts		
- Income tax Appeal (refer note (a))	32.29	32.29
(b) Outstanding letters of credit	-	-
(c) Others	-	-
	32.29	**32.29**

(a) The parent company have filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Decommissioner of Income Tax Circle2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy income tax under section 143 r.w.s. 147 of Income Tax Act,1961.

(b) The parent company have 2 legal cases (March 31,2022: 2 cases) in various courts in the country. In all these cases, we do not foresee any financial implications.

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eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

46 Contingent assets

Particulars	As at March 31,2023	As at March 31,2022
Nil	-	-
Total	-	-

47 Foreign Exchange Exposure

Pursuant to the announcement of the ICAI requiring the disclosure of "Foreign Exchange Exposure", the major currency wise exposure has on 31st March 2023 is give below. (Previous year figures are shown in brackets).

Currency	Payable		Receivable	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
USD	0.01	1.07	2.46	201.84
USD	-	-	(0.23)	(17.08)
EURO	-	-	-	-
EURO #	-	(0.14)	-	-

Foreign Exchange Exposure towards contingent liability is Nil (2022: Nil)

Amount is below the round off norm adopted by the group

48 The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

49 The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprises Development (MSMED)Act, 2006 as on 31st March 2023 is furnished below:

Particulars	2022-23	2021-22
a) The principal and the interest due thereon remaining unpaid as at 31st March:		
Principal*	54.13	2.63
Interest*	-	-
	54.13	**2.63**
b) The amount of interest paid by the group in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year ending 31st March	-	-
Principal *	-	-
Interest *	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of the reporting year ended 31st March	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* The information regarding disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006 are furnished by the management and are relied upon by the auditors.

50 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Amount required to be spent by the parent company during the year	4.97	2.41
ii) Amount of expenditure incurred		
- on Construction activities	-	
- on other activities	3.80	2.41
iii) Shortfall at the end of the year	1.17	-
iv) Total of previous years shortfall	-	-
v) Details of related party transactions, e.g., contribution to a trust controlled by the holding company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	See note below	
vii) Reason for shortfall: The parent company is in the process of identification of projects to meet its obligation		
viii) Nature of CSR activities: Promotion of social health of society in large , promotion of education, employment and art.		

The parent company has developed a CSR policy and also formed a CSR Committee in accordance with the requirements set out in section 135 of the Companies Act 2013. The areas of CSR activities are promoting education, promoting art and employment. The parent company has spent an amount of INR 3.80 (2022: INR 2.41) towards the above CSR activities.

Movement of CSR Provision

Particulars	As at 31st March 2023	As at 31st March 2022
i) As at 1st April	-	-
ii) Additional provision / appropriation recognised during the year	4.97	2.41
iii) Less: Amount used during the year	(3.80)	(2.41)
iv) Less: Amount reversed during the year	-	-
v) As at 31st March	**1.17**	-

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eMudhra Limited

51 Trade receivables ageing Schedule

Trade receivables ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	560.03	43.27	67.84	0.10	1.00	672.24
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	5.68	2.86	8.54
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	**560.03**	**43.27**	**67.84**	**5.78**	**3.86**	**680.78**

Note: The above amount does not include unbilled revenue of Rs. 534.27 and Contract asset of Rs. 20.71 disclosed under note 15.

Trade receivables ageing as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	310.43	120.47	11.33	-	-	442.23
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	1.88	2.86	4.74
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	**310.43**	**120.47**	**11.33**	**1.88**	**2.86**	**446.97**

Note: The above amount does not include unbilled revenue of Rs. 228.64 disclosed under note 15.

52 Trade payables Ageing Schedule

Trade payables ageing as at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	54.13	-	-	-	54.13
(ii) Others	78.82	48.11	0.75	0.33	-	128.01
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	**78.82**	**102.24**	**0.75**	**0.33**	**-**	**182.14**

Trade payables ageing as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	2.63	-	-	-	2.63
(ii) Others	28.52	110.91	1.37	0.29	-	141.09
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	**28.52**	**113.54**	**1.37**	**0.29**	**-**	**143.72**

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eMudhra Limited

53 Related Party Transactions

Disclosure related party transactions

1 **Particulars of group companies :**

Sl No	Name of the company	Relationship
1	Taarav PTE Limited	Enterprises in which key management personnel exercise significant influence
2	Smart Craft Private Limited	Enterprises in which key management personnel exercise significant influence
3	Cedar Grove Real Estates Private Limited	Enterprises in which key management personnel exercise significant influence
4	Bluesky Infotech [Partnership firm]	Enterprises in which key management personnel exercise significant influence

2 **Particulars of key managerial person**

Sl No	Entity Name	Name of the key management personnel		Relationship
		March 31, 2023	March 31, 2022	
1	eMudhra Limited			
		V. Srinivasan	V. Srinivasan	Chairman and Director
		Kaushik Srinivasan #	Kaushik Srinivasan #	Senior Vice President - Product Development
		Venu Madhava	Venu Madhava	Whole time director
		Saji K Louiz	Saji K Louiz	Chief financial officer
		Johnson Xavier	Johnson Xavier	Company secretary
		Biju Varghese **	Biju Varghese **	Senior Vice President and Head of Business Development
		AM Kiran **	AM Kiran **	Vice President - Operations
		Vijay Kumar **	Vijay Kumar **	Senior Vice President and Head - Technology
		Ashwin Jhansale ** ##	Ashwin Jhansale ** ##	Senior Vice President and Head of Channel Sales
		Janarthanan **	Janarthanan **	Senior Vice President and Head - Customer Success
		Lakshmi Kaushik **	Lakshmi Kaushik **	Relative of Key Managerial Personnel
		Aishwarya Aravind **	Aishwarya Aravind **	Relative of Key Managerial Personnel
		** As identified by the Nomination and Remuneration Committee of the Company. # Resigned from eMudhra Limited with effect from January 31,2023 and thereafter joined the subsidiary company, eMudhra DMCC, Dubai, with the same designation with effect from February 01,2023. ## Retired from the company with effect from April 15, 2023		
2	eMudhra (MU) Limited			
		Arvind Srinivasan	Arvind Srinivasan	Director
		Ashish Droowanand Bheekharry	Ashish Droowanand Bheekharry	Director
3	eMudhra Technologies Limited			
		V. Srinivasan	V. Srinivasan	Director
		Vijay Kumar	Vijay Kumar	Director
		Venu Madhava	Venu Madhava	Director
4	eMudhra Consumer Services Limited	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Venu Madhava	Venu Madhava	Director
5	eMudhra DMCC			
		Arvind Srinivasan	Arvind Srinivasan	Director
		Manoj Kunkalienkar	NA	Director
		V. Srinivasan	V. Srinivasan	Director
6	eMudhra INC			
		V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
7	eMudhra PTE Limited			
		V. Srinivasan	V. Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
		Barkes Bte Abdul Fazil	Barkes Bte Abdul Fazil	Director
8	eMudhra BV			
		Arvind Srinivasan	Arvind Srinivasan	Director
9	PT eMudhra Technologies Indonesia			
		V. Srinivasan	V. Srinivasan	Director
		Gita Kao	Gita Kao	Director
		Andrew Pangestu	Andrew Pangestu	Director

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eMudhra Limited

53 Related party disclosures

3 Transactions with Related Parties:

Sl No	Nature of transaction	Entity Name	Related party	Transactions 2022-23	Transactions 2021-22
1	**Sales of products/services**				
		eMudhra Limited			
			Bluesky Infotech [Partnership firm]	100.52	107.44
		eMudhra consumer Services Limited			
			Bluesky Infotech [Partnership firm]	-	1.41
2	**Purchase of products/services**				
		eMudhra Limited			
			Bluesky Infotech [Partnership firm]	11.83	38.68
3	**Loan Provided(received) Net**				
		eMudhra DMCC			
			Taarav PTE Limited	(90.32)	2.28
		eMudhra (MU) Limited			
			Taarav PTE Limited	(27.93)	-
		eMudhra INC			
			Taarav PTE Limited	(24.63)	-
		eMudhra PTE Limited			
			Taarav PTE Limited	(1.31)	-
4	**Commission paid**				
		eMudhra Limited			
			Bluesky Infotech	6.48	13.97

Note: Does not include fair value of employee stock options given to the employees of subsidiary companies.

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eMudhra Limited

53 Related party disclosures

4 Detailed transactions with key managerial persons

Sl No	Nature of transaction	Accounting entity	Related party	March 31,2023	2021-22
1	**Receipt(repayment) of loan, net**				
		eMudhra INC			
			V. Srinivasan	(19.50)	3.79
		eMudhra DMCC			
			V. Srinivasan	(65.40)	39.78
		eMudhra Limited			
			V. Srinivasan	(41.06)	41.06
		eMudhra PTE Limited			
			V. Srinivasan	-	(0.25)
		eMudhra Technologies Limited			
			V. Srinivasan	-	(3.60)
2	**Receipt of services**				
		eMudhra (MU) Limited	Ashish droowanand bheekharry	-	0.07
		eMudhra PTE Limited	Barkes bte abdul fazil	0.16	0.14
3	**Salary and allowances paid ***				
		eMudhra Limited			
			Venu Madhava	5.74	4.68
			Kaushik Srinivasan	5.17	5.17
			Saji K Louiz	5.91	4.07
			Johnson Xavier	3.15	1.89
			Biju Varghese	5.79	5.33
			AM Kiran	3.75	3.66
			Vijay Kumar	7.35	7.26
			Ashwin Jhansale	4.95	4.77
			Janarthanan	5.24	4.69
		eMudhra DMCC			
			Arvind Srinivasan	9.73	8.09
			V. Srinivasan	5.25	4.87
			Kaushik Srinivasan	1.31	-
4	**Dividend paid**	eMudhra Limited			
			V. Srinivasan	37.32	2.00
			Taarav PTE Limited	17.30	-
			Kaushik Srinivasan	1.16	-
			Lakshmi Kaushik	7.62	0.29
			Arvind Srinivasan	7.19	-
			Aishwarya Arvind	1.58	0.29
5	**Share issue expenses #**	eMudhra Limited			
			V. Srinivasan	20.96	-
			Taarav PTE Limited	27.53	-
			Kaushik Srinivasan	3.32	-
			Lakshmi Kaushik	3.28	-
			Arvind Srinivasan	5.38	-
			Aishwarya Arvind	0.87	-
6	**Redemption of Preference shares**	eMudhra Limited			
			V. Srinivasan	66.53	-
			Lakshmi Kaushik	9.73	-
			Aishwarya Arvind	9.73	-

Represents a portion of share issue expense incurred by the selling share holders.

* Does not include post employment benefits based on actuarial valuation as this is done for the group as a whole.

Directors sitting fees:

The sitting fees paid to non executive Directors is INR 7.41 as at 31st March 2023 and INR 4.14 as on 31st March 2022 respectively.

The Board of Directors has approved the payment of commission at 1% on the Net profit of the parent company to the Non Executive directors. The payment of commission are within the limit specified in section 198 of the Companies Act, 2013

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eMudhra Limited

53 Related party disclosures

5 Closing balances with Related Parties:

Sl No	Particulars	Accounting entity	Related party	March 31,2023	March 31,2022
1	**Due to**				
		eMudhra DMCC			
			V. Srinivasan	-	60.45
			Taarav PTE Limited	87.86	-
		eMudhra INC			
			V. Srinivasan	-	18.00
			Taarav PTE Limited	24.63	-
		eMudhra Limited			
			V. Srinivasan	-	41.06
		eMudhra PTE Limited			
			Taarav PTE Limited	16.08	13.41
		eMudhra (MU) Limited			
			Taarav PTE Limited	27.93	-
2	**Due From**				
		eMudhra DMCC			
			Taarav PTE Limited	-	2.28

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eMudhra Limited

54 Disclosures under Indian Accounting Standard 19

54(1) Parent Company - eMudhra Limited

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 16.56 (2022: Rs. 11.77) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows :

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	27.53	30.33
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Actuarial (gain)/loss	5.64	(7.02)
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	**37.72**	**27.53**
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	8.36	7.09
Expected return on plan assets	0.48	0.37
Contribution	9.03	1.81
Actuarial gain/(loss)	0.30	0.36
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	**16.83**	**8.36**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	37.72	27.53
Present value of plan assets	16.83	8.36
Amount recognised as assets/(liability)	**(20.89)**	**(19.17)**
Recognised under:		
Non Current provision (Refer Note 21)	(20.89)	(19.17)
Current provision (Refer Note 29)	-	-
Total	**(20.89)**	**(19.17)**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Expected return plan assets	(0.48)	(0.37)
Total expenses	**5.41**	**5.12**
Less: Transferred to Intangible assets under development	(0.79)	-
Net expenses	**4.62**	**5.12**
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	5.64	(7.02)
Return on Plan Assets	(0.30)	(0.36)
	5.34	**(7.38)**

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(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.31%	5.77%
Salary growth	10.00%	10.00%
Attrition rate	Grade 2 - 0.00% Grade 3 - 14.00% Grade 4 - 13.00% Grade 5 - 24.00%	30.00%

viii) Sensitivity Analysis

Defined benefit obligation	March 31, 2023	March 31, 2022
Discount Rate		
a. Discount rate - 100 basis points	40.08	28.42
a. Discount rate - 100 basis points impact (%)	6.25%	3.23%
b. Discount rate + 100 basis points	35.62	26.70
b. Discount rate + 100 basis points impact (%)	-5.58%	-3.02%
Salary increase rate		
a. Rate - 100 basis points	36.12	26.75
a. Rate - 100 basis points impact (%)	-4.25%	-2.85%
b. Rate + 100 basis points	39.37	28.34
b. Rate + 100 basis points impact (%)	4.36%	2.93%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 5.73 (March 31, 2023 is INR 6.96)

Notes:

1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	5.73	6.96
Year 2	4.35	5.77
Year 3	4.00	4.61
Year 4	5.09	3.70
Year 5	3.90	3.16
Year 6-10	16.26	7.13
Above 10 years	10.56	1.83

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eMudhra Limited

(c) Long Term Compensated Absences :

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary :

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss :		
Net Expenses Recognised in the Statement of Profit & Loss	2.02	(1.12)
Less: Transferred to Intangible assets under development	(0.18)	-
	1.84	(1.12)
ii) Amounts to be recognised in Balance Sheet :		
Liability recognised in Balance Sheet	4.69	3.37
iii) Actuarial Assumptions :		
Discount Rate	7.31%	5.77%
Rate of increase in compensation level	10.00%	10.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	2.93	2.09
Leave obligations expected to be settled beyond 12 months	1.76	1.28
Total	**4.69**	**3.37**

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eMudhra Limited

54 Disclosures under Indian Accounting Standard 19

54(2) Subsidiary Company - eMudhra consumer Services Limited

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 0.54 (2022: Rs. 0.99) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows :

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	1.15	1.11
Current service cost	0.21	0.27
Interest cost	0.05	0.05
Actuarial (gain)/loss	0.23	(0.13)
Benefits paid	-	(0.15)
Balance at the end of the year	**1.64**	**1.15**
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	0.80	0.47
Expected return on plan assets	0.03	0.02
Contribution	0.81	0.43
Actuarial gain/(loss)	0.03	0.03
Benefits paid	-	(0.15)
Balance at the end of the year	**1.67**	**0.80**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	1.64	1.15
Present value of plan assets	1.67	0.80
Amount recognised as assets/(liability)	**0.03**	**(0.35)**
Recognised under:		
Non Current provision (Refer Note 21)	0.03	(0.35)
Current provision (Refer Note 29)	-	-
Total	**0.03**	**(0.35)**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.21	0.27
Interest cost	0.05	0.05
Expected return plan assets	(0.03)	(0.02)
Total expenses	**0.23**	**0.30**
Less: Transferred to Intangible assets under development	-	-
Net expenses	**0.23**	**0.30**
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.23	(0.13)
Return on Plan Assets	(0.03)	(0.03)
	0.20	**(0.16)**

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eMudhra Limited

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.29%	5.41%
Salary growth	10.00%	10.00%
Attrition rate	32.00%	41.00%

viii) Sensitivity Analysis

Defined benefit obligation	March 31, 2023	March 31, 2022
Discount Rate		
a. Discount rate - 100 basis points	1.68	1.18
a. Discount rate - 100 basis points impact (%)	2.56%	2.52%
b. Discount rate + 100 basis points	1.60	1.13
b. Discount rate + 100 basis points impact (%)	-2.41%	-2.40%
Salary increase rate		
a. Rate - 100 basis points	1.60	1.12
a. Rate - 100 basis points impact (%)	-2.74%	-2.76%
b. Rate + 100 basis points	1.69	1.19
b. Rate + 100 basis points impact (%)	2.86%	2.86%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 0.60 (March 31, 2023 is INR 0.34)

Notes:

1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	0.60	0.34
Year 2	0.27	0.28
Year 3	0.29	0.20
Year 4	0.22	0.18
Year 5	0.16	0.12
Year 6-10	0.37	0.19
Above 10 years	0.09	0.02

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eMudhra Limited

(c) Long Term Compensated Absences :

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary :

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss :		
Net Expenses Recognised in the Statement of Profit & Loss	(0.06)	0.18
Less: Transferred to Intangible assets under development	-	-
	(0.06)	0.18
ii) Amounts to be recognised in Balance Sheet :		
Liability recognised in Balance Sheet	0.25	0.34
iii) Actuarial Assumptions :		
Discount Rate	7.29%	5.41%
Rate of increase in compensation level	10.00%	10.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	0.16	0.22
Leave obligations expected to be settled beyond 12 months	0.09	0.11
Total	**0.25**	**0.33**

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eMudhra Limited

54 Disclosures under Indian Accounting Standard 19

54(3) Subsidiary Company - eMudhra Technologies Limited

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 0.14 (2022: Rs. 0.20) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows :

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	0.31	0.22
Current service cost	0.06	0.08
Interest cost	0.02	0.01
Actuarial (gain)/loss	0.31	-
Benefits paid	(0.22)	-
Balance at the end of the year	**0.48**	**0.31**
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	0.33	0.20
Expected return on plan assets	0.01	0.01
Contribution	0.37	0.12
Actuarial gain/(loss)	0.01	-
Benefits paid	(0.22)	-
Balance at the end of the year	**0.50**	**0.33**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	0.48	0.31
Present value of plan assets	0.50	0.33
Amount recognised as assets/(liability)	**0.02**	**0.02**
Recognised under:		
Non Current provision (Refer Note 21)	0.02	0.02
Current provision (Refer Note 29)	-	-
Total	**0.02**	**0.02**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.06	0.08
Interest cost	0.02	0.01
Expected return plan assets	(0.01)	(0.01)
Total expenses	**0.07**	**0.08**
Less: Transferred to Intangible assets under development	-	-
Net expenses	**0.07**	**0.08**
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.31	-
Return on Plan Assets	(0.01)	-
	0.32	**-**

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eMudhra Limited

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.36%	5.54%
Salary growth	10.00%	5.00%
Attrition rate	14.00%	36.00%

viii) Sensitivity Analysis

Defined benefit obligation	March 31, 2023	March 31, 2022
Discount Rate		
a. Discount rate - 100 basis points	0.52	0.32
a. Discount rate - 100 basis points impact (%)	8.53%	2.77%
b. Discount rate + 100 basis points	0.44	0.30
b. Discount rate + 100 basis points impact (%)	-7.41%	-2.62%
Salary increase rate		
a. Rate - 100 basis points	0.44	0.30
a. Rate - 100 basis points impact (%)	-7.71%	-3.12%
b. Rate + 100 basis points	0.52	0.32
b. Rate + 100 basis points impact (%)	8.31%	3.24%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 0.02 (March 31, 2023 is INR 0.07)

Notes:

1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.

2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.

5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year

6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	0.02	0.07
Year 2	0.04	0.07
Year 3	0.06	0.06
Year 4	0.06	0.05
Year 5	0.05	0.03
Year 6-10	0.23	0.06
Above 10 years	0.17	0.01

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eMudhra Limited

(c) Long Term Compensated Absences :

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary :

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss :		
Net Expenses Recognised in the Statement of Profit & Loss	0.02	0.07
Less: Transferred to Intangible assets under development	-	-
	0.02	0.07
ii) Amounts to be recognised in Balance Sheet :		
Liability recognised in Balance Sheet	0.07	0.08
iii) Actuarial Assumptions :		
Discount Rate	7.36%	5.54%
Rate of increase in compensation level	10.00%	5.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	0.04	0.05
Leave obligations expected to be settled beyond 12 months	0.03	0.03
Total	**0.07**	**0.08**

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54 Disclosures under Indian Accounting Standard 19

54(4) Subsidiary Company - eMudhra DMCC

a) Post Retirement Benefit - Defined Benefit Plan

eMudhra DMCC provides gratuity (End of service benefit) to its employees, based on actuarial valuation done on projected unit credit method at each balance sheet date. As per the scheme, the end of service benefit is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than one year. eMudhra DMCC shall pay gratuity to an employee at the rate of twenty four days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows :

Amount in AED million

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	0.24	0.22
Current service cost	0.07	0.05
Interest cost	0.01	0.00
Actuarial (gain)/loss	0.01	(0.02)
Benefits paid	(0.02)	(0.01)
Balance at the end of the year	**0.31**	**0.24**
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	-	-
Expected return on plan assets	-	-
Contribution	-	-
Actuarial gain/(loss)	-	-
Benefits paid	-	-
Balance at the end of the year	**-**	**-**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	0.31	0.24
Present value of plan assets	-	-
Amount recognised as assets/(liability)	**(0.31)**	**(0.24)**
Recognised under:		
Non Current provision (Refer Note 21)	(0.31)	(0.24)
Current provision (Refer Note 29)	-	-
Total	**(0.31)**	**(0.24)**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.07	0.05
Interest cost	0.01	0.00
Expected return plan assets	-	-
Total expenses	**0.08**	**0.05**
Less: Transferred to Intangible assets under development	-	-
Net expenses	**0.08**	**0.05**
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.01	(0.02)
Return on Plan Assets	-	-
	0.01	**(0.02)**

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(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	0%	0%

(vii) Actuarial assumptions

Discount rate	4.08%	2.86%
Salary growth	5.00%	5.00%
Attrition rate	10.00%	10.00%

viii) Sensitivity Analysis

	Amount in AED million	
Defined benefit obligation	**March 31, 2023**	**March 31, 2022**
Discount Rate		
a. Discount rate - 100 basis points	0.33	0.26
a. Discount rate - 100 basis points impact (%)	6.20%	7.37%
b. Discount rate + 100 basis points	0.30	0.23
b. Discount rate + 100 basis points impact (%)	-5.46%	-6.36%
Salary increase rate		
a. Rate - 100 basis points	0.30	0.23
a. Rate - 100 basis points impact (%)	-5.47%	-6.30%
b. Rate + 100 basis points	0.33	0.26
b. Rate + 100 basis points impact (%)	6.08%	7.13%

Notes:

1) The discount rate is based on the prevailing market yields of dubai UAE government securities as at the balance sheet date for the estimated term of the obligation.

2) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

3) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.

4) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year

5) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows	Amount in AED million	
Particulars	**March 31, 2023**	**March 31, 2022**
Year 1	0.09	0.08
Year 2	0.03	0.02
Year 3	0.04	0.02
Year 4	0.05	0.02
Year 5	0.05	0.03
Year 6-10	0.37	0.22
Above 10 years	1.06	0.61

Summary of balances in reporting currency of the parent company	**2022-23**	**2021-22**
(i) Present Value of Defined Benefit Obligation	7.02	5.08
(ii) Fair value of Plan Assets	-	-
(iii) Amount recognised as assets/(liability)	(7.02)	(5.08)
(iv) Expenses recognised in the Statement of Profit and Loss	1.65	1.24
(v) Expenses/(Income) recognised in the other comprehensive income	0.27	(0.45)

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55 Share based payments

eMudhra ESOP Scheme 2016

The parent company adopted "eMudhra ESOP Scheme 2016" to reward the employees including the employees of subsidiary companies for their performance and to motivate them to contribute to the growth and profitability of the group. eMudhra ESOP Scheme 2016 is established with effect from the date on which it was approved by the Shareholder of the parent company i.e., March 23, 2016 and shall continue to be in force until (i) its termination by the Board; or (ii) the date on which all of the options available for grant under the eMudhra ESOP Scheme 2016 have been granted and exercised. The objective of eMudhra ESOP Scheme 2016 is to reward the employees including the employees of subsidiary companies for their contribution to the successful operation of the group and to provide an incentive for continued contribution to the success of the group.

(i) Summary of Employee stock options granted under the plan:

Particulars	2022-23		2021-22	
	Number of ESOPs	Weighted Average exercise price	Number of ESOPs	Weighted Average exercise price
Opening Balance as at 1st April	54,16,500	5.00	47,80,000	5.00
Granted during the year	1,38,500	5.00	7,84,000	5.00
Exercised during the year	(29,21,750)	5.00	(37,500)	5.00
Forfeited during the year	(48,125)	5.00	(1,10,000)	5.00
Closing balance as at 31st March	**25,85,125**	**5.00**	**54,16,500**	**5.00**
Vested and exercisable as at 31st March	**16,77,376**	**-**	**42,33,125**	**-**

(ii) ESOPs outstanding at the end of the year have the following expiry date and exercised prices:

Plan	Grant date	Expiry Date	Exercise Price	No of shares outstanding	
				March 31, 2023	March 31, 2022
ESOP	Various dates	4 years	5.00	25,85,125	54,16,500
Total				**25,85,125**	**54,16,500**

(iii) Expenses arising from share-based payments transaction

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employees benefit expense were as follows:

Particulars	2022-23	2021-22
Total employee share-based payment expense	31.64	5.24

(iv) The fair value of options granted is estimated on the date of grant using the following assumptions

Particulars	2022-23	2021-22
Dividend yield	Nil	Nil
Risk free interest rate (%)	7.29%	5%
Volatility %	40.65%	20%
Strike price	5	5
Fair value of the shares at the time of grant	329.5	23.32
Expected life of options	2.75	4

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behaviour of the employee who receives the ESOP.

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56 Financial Instruments

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		FVTPL	Amortised cost	FVTPL	Amortised cost
Assets:					
Non Current					
(i) Other financial assets	3	-	18.67	-	5.23
Current					
(i) Investments	1	209.46	-	-	-
(ii) Trade receivables	3	-	672.24	-	442.23
(iii) Cash & cash equivalents	3	-	669.80	-	82.55
(iv) Bank balances other than (iii) above	3	-	314.00	-	50.00
(v) Loans	3	-	0.49	-	30.64
(iv) Other financial assets	3	-	18.80	-	28.80
Total		**209.46**	**1,694.00**	**-**	**639.45**
Liabilities:					
Non Current					
(i) Borrowings	3	-	-	-	197.69
(ii) Lease liabilities	3	-	61.97	-	103.27
Current				-	
(i) Borrowings	3	-	156.50	-	346.22
(ii) Lease liabilities	3	-	34.75	-	24.13
(iii) Trade Payables	3	-	182.14	-	143.72
(iv) Other financial liabilities	3	-	57.55	-	28.92
Total		**-**	**492.91**	**-**	**843.95**

Fair value hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within 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 the assets or liabilities that are not based on observable market data (unobservable inputs).

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57 Financial risk management

Risk management framework

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's risk management policy is set by the Board. The group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk relating to foreign currency exchange rate. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

(i) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and other financial assets carried at amortised cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and Security deposits. The exposure is limited to its carrying value.

(a) Trade and other receivables

The credit exposure of trade receivables is primarily on account of receivable from customers. The group has a process in place to monitor outstanding receivables on a monthly basis.

The group's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying amount	
	As at March 31, 2023	As at March 31, 2022
Trade receivables (Gross)	680.78	446.97
Unbilled revenue	534.27	228.64
Contract assets	20.71	-
Less: Expected credit loss	8.54	4.74
	1,227.22	**670.87**

Following are the financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Investments	209.46	-
Trade receivables	672.24	442.23
Cash and cash equivalents	669.80	82.55
Other Bank balances	314.00	50.00
Loans	0.49	30.64
Other financial assets	37.47	34.03
	1,903.46	**639.45**

(ii) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The group's Management is responsible for liquidity and fund management.

The group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables and other financial liabilities.

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at March 31, 2023

Particulars	within 12 months	1-5 Years	Total carrying amount
Borrowings	156.50	-	156.50
Trade payables	181.06	1.08	182.14
Lease liability	34.75	61.97	96.72
Other financial liabilities (excluding trade payables)	57.55	-	57.55
	273.36	**63.05**	**336.41**

As at March 31, 2022

Particulars	within 12 months	1-5 Years	Total carrying amount
Borrowings	346.22	197.69	543.91
Trade payables	142.07	1.66	143.73
Lease liability	29.60	97.80	127.40
Other financial liabilities (excluding trade payables)	28.92	-	28.92
	546.81	**297.15**	**843.96**

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(iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the group's assets are located in India and Indian rupee being the functional currency of the group. The group's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

The group's foreign currency payables and receivables are as follows:

Exposure to currency risk

The summary quantitative data about the group's gross exposure to currency risk is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
	USD	USD
Payables	0.01	-
Receivables	2.46	0.23
Net Exposure	**(2.45)**	**(0.23)**

Note: The outstanding exposure in respect of Euro for the previous year is less than millions. Hence no exposure is disclosure

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the INR, against USD would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

Particulars	Impact on Profit	
	As at March 31, 2023	As at March 31, 2022
USD – Increase by 5%	(10.04)	(0.85)
USD – Decrease by 5%	10.04	0.85

(v) Capital Management

The group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The group's goal is to continue to be able to provide return to shareholders.

Particulars	As at March 31, 2023	As at March 31, 2022
Net debt	156.50	543.91
Total equity	3,924.14	1,541.02
Net debt to equity ratio	**0.04**	**0.35**

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58 Segment Information

Business Segment	March 31, 2023				March 31, 2022			
	Trust Services	Enterprise Solutions		Total	Trust Services	Enterprise Solutions		Total
	India	India	Outside		India	India	Outside	
Segment Revenue								
External Sales	850.04	795.42	842.11	2,487.57	845.60	631.86	348.91	1,826.37
Total Revenue	**850.04**	**795.42**	**842.11**	**2,487.57**	**845.60**	**631.86**	**348.91**	**1,826.37**
Result								
Segment Result	482.84	417.81	438.60	1,339.25	532.27	257.97	172.87	963.11
Unallocated Corporate expenses (less income)				571.61				405.80
Operating Profit	**482.84**	**417.81**	**438.60**	**767.64**	**532.27**	**257.97**	**172.87**	**557.31**
Less: Interest Expenses				33.85				52.72
Profit/(loss) before taxation and exceptional items				**733.79**				**504.59**
Exceptional items								
Profit/(loss) before taxation				**733.79**				**504.59**
Less: Income Taxes (Net)				121.81				93.22
Net Profit				**611.98**				**411.37**
Other Information								
Other Information								
Segment Assets	157.56	267.49	1,290.27	1,715.33	309.33	575.64	545.14	1,430.11
Add: Unallocated Corporate Assets				2,884.12				1,171.29
Total Assets	**157.56**	**267.49**	**1,290.27**	**4,599.45**	**309.33**	**575.64**	**545.14**	**2,601.40**
Segment Liabilities	(0.21)	21.39	249.50	270.67	17.34	30.56	102.14	150.05
Add: Unallocated Corporate Liabilities				404.64				915.57
Total Liabilities	**(0.21)**	**21.39**	**249.50**	**675.31**	**17.34**	**30.56**	**102.14**	**1,065.62**

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Note 59

Additional information required under Schedule III

Name of the Entity	Year	Net Assets, i.e., Total Assets		Share in Profit and Loss		Share in Other Comprehensive		Share in Total Comprehensive	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent :									
eMudhra Limited	2022-23	68.16%	2,674.57	34.55%	211.44	98.65%	(47.96)	29.01%	163.48
	2021-22	70.93%	1,093.11	68.48%	281.70	92.48%	7.38	68.94%	289.08
Subsidiaries :									
Indian									
eMudhra consumer Services Limited	2022-23	2.12%	83.26	-5.99%	(36.64)	0.30%	(0.15)	-6.53%	(36.79)
	2021-22	3.09%	47.55	-6.56%	(26.97)	1.84%	0.15	-6.40%	(26.82)
eMudhra Technologies Limited	2022-23	0.70%	27.29	-3.50%	(21.44)	0.47%	(0.23)	-3.85%	(21.67)
	2021-22	1.02%	15.65	-3.95%	(16.23)	0.08%	0.01	-3.87%	(16.22)
eMudhra employees stock option trust	2022-23	0.05%	2.02	-0.07%	(0.44)	0.00%	-	-0.08%	(0.44)
	2021-22	-	-	-	-	-	-	-	-
Foreign									
eMudhra (MU) Limited	2022-23	0.63%	24.58	-1.47%	(8.99)	-	-	-1.59%	(8.99)
	2021-22	2.11%	32.54	-0.98%	(4.04)	-	-	-0.96%	(4.04)
eMudhra INC	2022-23	8.76%	343.64	12.41%	75.95	-	-	13.48%	75.95
	2021-22	-0.88%	(13.58)	7.19%	29.58	-	-	7.05%	29.58
eMudhra PTE Limited	2022-23	2.68%	105.28	6.59%	40.33	-	-	7.16%	40.33
	2021-22	1.41%	21.76	1.14%	4.70	-	-	1.12%	4.70
eMudhra DMCC	2022-23	14.30%	561.32	55.96%	342.43	0.55%	(0.27)	60.74%	342.16
	2021-22	12.19%	187.79	36.06%	148.35	5.48%	0.44	35.48%	148.79
eMudhra BV	2022-23	1.63%	63.99	2.74%	16.75	-	-	2.97%	16.75
	2021-22	-	-	0.19%	0.78	-	-	0.19%	0.78
PT eMudhra Technologies Indonesia	2022-23	0.76%	30.01	-0.43%	(2.62)	-	-	-0.46%	(2.62)
	2021-22	9.30%	143.24	-0.93%	(3.83)	-	-	-0.91%	(3.83)
Non Controlling Interest in Subsidiary:									
Foreign									
PT eMudhra Technologies Indonesia	2022-23	0.21%	8.18	-0.78%	(4.79)	-	-	-0.85%	(4.79)
	2021-22	0.84%	12.96	-0.65%	(2.68)	-	-	-0.64%	(2.68)
Total	**2022-23**	**100%**	**3,924.14**	**100%**	**611.97**	**100%**	**(48.61)**	**100%**	**563.37**
	2021-22	**100%**	**1,541.02**	**100%**	**411.36**	**100%**	**7.98**	**100%**	**419.34**

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60 The parent company has completed its initial public offer (IPO) of 1,61,24,456 shares of face value of Rs. 5 each for cash at an issue price of INR 256 per equity share aggregating to INR 4127. 86 , consisting fresh issue of 62,89,062 equity shares aggregating to INR 1610.00 and an offer for sale of 98,35,394 equity share aggregating to INR 2517.86 by the selling shareholders. The equity share of the parent company were listed on BSE Limited and NSE Limited on June 01, 2022. Out of the fresh issue of INR 1610.00 , INR 88.05 was adjusted towards various estimated offer expenses and net amount received in the monitoring agency bank account is INR 1521.95.

The utilisation of IPO proceeds is summarised below:

Particulars	Objects of the issue as per prospectus	Utilisation upto 31.03.2023	Unutilised as on 31.03.2023
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by parent Company;	350.00	350.00	-
Funding working capital requirements of parent Company;	402.19	346.55	55.64
Purchase of equipments and funding of other related costs for data centers proposed to be set-up in India and overseas locations;	463.64	307.19	156.45
Funding of expenditure relating to product development;	150.30	49.58	100.72
Investment in eMudhra INC for augmenting its business development, sales, marketing and other related costs for future growth.	152.67	152.67	-
General Corporate Purposes	3.15	3.15	-
Total	**1,521.95**	**1,209.14**	**312.81**

IPO Proceeds which were unutilised as at 31st March 2023 were temporarily invested in deposit with banks and in current account maintained with Monitoring agency account.

61 **COVID - 19 Impact**

The group has considered the possible effects that may result from the pandemic relating to COVID 19 in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future ascertainities in the global economic conditions because of pandemic, the group has used its available internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the financial statements may differ from the estimate as at the date of approval of the financial statements.

62 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements -This amendment requires the entities to disclose the immaterial accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements

Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors-This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and there is no impact on its consolidated financial statement.

63 During the year, the group has reclassified certain balances to exihit better presentation and accordingly the previous year balances has been reclassified.

64 **Details of benami property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and

65 **Borrowing secured against current assets**

The group has no outstanding borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets have been filed by the group with banks and financial institutions are in agreement with the books of accounts.

66 **Wilful defaulter**

The group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

67 **Relationship with struck off companies**

The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

68 **Compliance with number of layers of companies**

The group has complied with the number of layers prescribed under the Companies Act, 2013.

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69 Compliance with approved scheme(s) of arrangements

The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

70 Utilisation of borrowed funds and share premium

The group 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:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

71 Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

72 Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

73 Valuation of Property, Plant and Equipment

The group has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

74 Title deeds of immovable properties not held in name of the group

The title deeds of immovable properties are held in the name of the group except for the disclosure made in Note 3a(v)

75 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

76 Utilisation of borrowings availed from banks and financial institutions

The group has not availed any borrowings during the year from banks and financial institutions.

77 Dividend not recognised at the end of the reporting period [Holding company]

The directors have recommended a final dividend of INR 1.25 per share. [Represents absolute figure].
The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would results in cash outflow of approximately of Rs.97.59

See accompanying notes to the financial statements
As per our report of even date attached

For Suri & Co
Chartered Accountants
Firm Registration Number: 004283S

Natarajan V
Partner
Membership No: 223118

SURI & CO. Bangalore 560 027 Chartered Accountants

Place:Bengaluru
Date: April 28,2023

For and on behalf of the Board of Directors
of eMudhra Limited

V Srinivasan
Chairman and Director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited

Independent Auditor's Report

To the Members of **eMudhra Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated financial statements of **eMudhra Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and its consolidated profit, and other comprehensive profit, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of Code of Ethics issued by the Institute of Chartered Accountants of India and relevant provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key Audit Matters ("KAM") are those matters that, in our professional judgement, were most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

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Key Audit Matter	How the matter was addressed in our audit
Revenue Recognition: The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders ("transaction price") are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed/implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable. Revenue from fixed-price maintenance contracts is recognized by estimating the percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in the financial statements. Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. AMC revenue is recognized ratably on a straight-line basis over the period in	Our audit procedures included the following: Identification of distinct performance obligations, whether the fixed price maintenance revenue is recognized on a straight-line basis or using the percentage completion method. We tested the effectiveness of controls relating to the identification of distinct performance obligations, determination of whether fixed price maintenance revenue for certain contracts is recognized on straight line basis or using the percentage of completion method. We selected a sample of contracts with customers and performed the following procedures: Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the contract. Identified significant terms and deliverables in the contract to assess management's conclusion regarding the identification of distinct performance obligations and whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage completion method. Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by assessing the actual efforts and costs incurred. Also, tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign offs to evaluate whether there is any delay in achieving the milestones.

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which the services are rendered except in those cases where contract/sales order value is less than INR 1 million. In trust services, the revenues are recognized as and when the performance obligations are transferred for negotiated price, transaction price and it is highly probable that the Group will be able to collect the transaction price due under the contract/sales orders or otherwise. As certain contracts with customers involved management's judgement in identifying the distinct performance obligations, whether fixed price maintenance revenue is recognized on straight line basis or using the percentage of completion method and these judgements were identified as a key audit matter.	
Related Party Transactions: Refer Note 37 to the financial statements We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter. The significance of transactions with the related parties during the year ended March 31, 2022. Compliance with applicable laws and regulatory directives. The fact that the related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our audit procedures included the following: Obtaining an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the Financial Statements. Obtaining an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. Designing and performing audit procedures in accordance with the guidelines laid down by ICAI in the Standard on Auditing (SA 550) to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for or disclose material related party transactions which includes obtaining necessary approvals at appropriate stages of such transactions as mandated by applicable laws and regulations.

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	Assessing the management evaluation of compliance with the provisions under section 177 and section 188 of the Act and SEBI LODR (2015) Evaluating the disclosures through the reading of statutory information, books, records and other documents obtained during the course of our audit.
Intangibles and Impairment: Intangible assets are stated at the acquisition price including directly attributable costs for bringing the asset into use. The group capitalizes the direct expenditure if any incurred for the internally developed intangibles from which the future economic benefits are expected to flow over the period of time is treated as intangible asset. The intangibles are stated at acquisition cost less accumulated depreciation and impairment in the financial statements.	Our audit procedures included the following: Obtaining an understanding of the intangible whether it is self-generated or acquired. For the acquired intangible assets, we have performed audit procedures by reading the purchase orders, invoices and the contracts entered for the acquisition of the intangible assets and capitalisation thereof. The internally developed intangibles involve personnel costs which comprises of salaries and allowances. During the year the internally developed intangibles are classified under capital work in progress as the feasibility tests have yet to be confirmed. Evaluation of management's internal product performance reports of the products and the factors indicate that there is no impairment of intangible assets during the year.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Responsibility of Management and Board of Directors for the Consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with relevant rules issued there under. The respective Management and Board of Directors of the Companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing financial reporting process of each Company.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

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expressing our opinion on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit we report that:

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors of Company and reports of statutory auditors of subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"** which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Consolidated Financial Statements disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 42 to the financial statements.
   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

2) With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") to the extent applicable issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Manohar Chowdhry & Associates
Chartered Accountants
FRN: 001997S

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

Ashok Kumar Doddi
Partner
M N: 217909

Place: Bengaluru
Date: June 11, 2022
UDIN: 22217909AKTEZB4556

ANNEXURE – A to the Independent Auditor's Report on the consolidated financial statements of eMudhra Limited for the year ended 31st March 2022

Report on the Internal Financial controls over financial statements under clause (i) of sub section (3) of section 143 of the Companies Act, 2013 ("the Act").

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **eMudhra Limited** (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the " Guidance Note").

Management 's Responsibility for Internal Financial Controls

The respective Company's Management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on criteria established by the respective Companies considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implemenation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section of 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan & perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement , including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with genarally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that:

i. Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of the internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Manohar Chowdhry & Associates
Chartered Accountants
FRN: 001997S

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

Ashok Kumar Doddi
Partner
M.N: 217909

Place: Bengaluru
Date: June 11, 2022
UDIN: 22217909AKTEZB4556

eMudhra Limited

Consolidated statement of profit and loss for the year

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	For the year ended March 31,2022	March 31, 2021
Income			
Revenue from operations	27	1,826.37	1,315.93
Other income, net	28	10.98	8.61
Total revenue		**1,837.35**	**1,324.54**
Expenses			
Operating expenses	29	119.93	129.12
Purchase of stock-in -trade	30	311.32	179.56
Changes in stock of finished goods	31	(14.26)	7.50
Employee benefit expenses	32	468.15	417.11
Finance costs	33	52.72	8.41
Depreciation and amortisation expense	34	130.70	87.67
Other expenses	35	264.20	183.37
Total expenses		**1,332.76**	**1,012.74**
Profit/(Loss) before exceptional items and tax		**504.59**	**311.80**
Exceptional items		-	-
Profit/(Loss) before tax		**504.59**	**311.80**
Tax expense			
Current tax		88.94	52.15
Deferred tax		4.28	6.06
Total tax expenses		**93.22**	**58.21**
Profit/(Loss) for the year		**411.37**	**253.59**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan		7.98	(3.31)
Other comprehensive income/(loss) for the year		**7.98**	**(3.31)**
Total comprehensive income for the year		**419.35**	**250.28**
Profit is attributable to			
Owners of eMudhra Limited		**414.05**	**174.60**
Non-controlling interests		**(2.68)**	**78.99**
other comprehensive income attributable to			
Owners of eMudhra Limited		**7.98**	**(3.35)**
Non-controlling interests		**-**	**0.04**
Total comprehensive income attributable to			
Owners of eMudhra Limited		**422.03**	**171.25**
Non-controlling interests		**(2.68)**	**79.03**
Earnings per share (Nominal value of share INR 5/- each)	36		
Basic		5.86	3.61
Diluted		5.86	3.61
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 001997S

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN:
22217909AKTEZB4556

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louis
Chief financial officer

Johnson Xavier
Company secretary

Place:Bengaluru
Date: June 11,2022

eMudhra Limited

Consolidated statement of assets and liabilities as at March 31, 2022

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at March 31,2022	March 31,2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	658.50	657.12
Right-of-Use Assets	4	104.65	133.79
Capital work-in-progress	3,4	429.16	44.98
Intangible assets	5	382.25	402.28
Goodwill		29.28	52.91
Financial assets			
Investments	6	-	137.87
Other non-current assets	7	63.02	37.47
Total Non-current assets		**1,666.86**	**1,466.42**
Current assets			
Inventories	8	21.38	7.14
Financial assets			
Investments	9	-	0.62
Trade receivables	10	442.23	149.10
Cash and cash equivalents	11	132.55	77.13
Loan	12	30.63	30.61
Other current assets	13	307.75	188.12
Total current assets		**934.54**	**452.72**
Total assets		**2,601.40**	**1,919.14**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	350.90	350.90
Other equity	15	1,171.92	722.68
Non-controlling interests		12.96	92.59
Total equity		**1,535.78**	**1,166.17**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	197.69	220.91
Lease Liabilities	17	103.27	127.87
Deferred tax liabilities (Net)	18	17.92	13.64
Provision	19	27.49	32.65
Other non-current liabilities	20	15.51	14.68
Total Non-current liabilities		**361.88**	**409.75**
Current liabilities			
Financial liabilities			
Borrowings	21	255.88	87.15
Lease Liabilities	22	24.13	26.33
Trade payables	23		
Dues to Micro Enterprises and Small Enterprises		0.55	0.73
Dues to Creditors other than Micro Enterprises and Small Enterprises		88.04	34.25
Other financial liabilities	24	113.69	66.18
Provision	25	174.89	92.60
Other current liabilities	26	46.56	35.98
Total current liabilities		**703.74**	**343.22**
Total liabilities		**1,065.62**	**752.97**
Total equity and liabilities		**2,601.40**	**1,919.14**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 001997S

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN: 22217909AKTEZB4556

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louis
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited

Place:Bengaluru
Date: June 11,2022

eMudhra Limited
Consolidated cash flow statement for the year
(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended March 31,2022	March 31, 2021
A. Operating activities		
Profit before tax	504.59	311.80
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	130.70	87.67
Gain/premium on redemption of shares	-	(0.12)
Interest paid on lease liabilities	16.41	2.30
Interest income from bank deposits and others	(3.11)	(6.77)
Working capital adjustments:		
Decrease/(Increase) in inventories	(14.24)	7.50
Decrease/(Increase) in other non-current and current assets	(91.74)	(41.75)
Decrease/(Increase) in trade receivable	(293.13)	84.89
Decrease/(Increase) in loans	(0.03)	0.40
Increase/(Decrease) in current other financial liabilities	47.51	21.61
Increase/(Decrease) in non-current and current provision	33.47	18.76
Increase/(Decrease) in other current and non-current liabilities	11.41	(5.63)
Increase/(Decrease) in trade payables	53.62	(42.89)
Total cash from operations	**395.46**	**437.77**
Income taxes refund/(paid)	(45.27)	(28.33)
Net Cash flow from operating Activities (A)	**350.19**	**409.44**
B. Investing activities		
Purchase of property, plant and equipment	(236.59)	(181.08)
Purchase of intangible assets*	(230.51)	(27.98)
Proceeds from sale of intangible assets	-	3.02
Goodwill on consolidation	23.63	(1.05)
Movement in right to use assets	-	(138.62)
Gain/premium on redemption of shares	-	0.12
Investments in mutual funds/subsidiaries**	138.49	(136.99)
Movement in minority interest	(76.95)	4.23
Interest received	1.61	7.55
Net cash used in investing activities (B)	**(380.32)**	**(470.80)**
C. Financing Activities		
Proceeds from short term borrowing, net	168.68	(37.86)
Proceeds from long term borrowings, net	(23.21)	(41.44)
Proceeds(payment) of public issue expenditures	(51.93)	-
Movement in Other comprehensive income	7.98	(3.35)
Proceeds of securities premium	(0.63)	-
Foreign exchange movement on consolidation	30.59	(16.07)
Payment of preference dividend	(2.72)	(6.56)
Payment towards principal portion of lease liability	(26.79)	154.21
Interest paid on lease liabilities	(16.41)	(2.30)
Net cash (used)/raised in financing activities(C)	**85.56**	**46.63**
Net increase in cash and cash equivalents(D=A+B+C)	**55.43**	**(14.73)**
Cash and cash equivalents at the beginning of the financial year E)	**77.13**	**91.86**
Cash and cash equivalents at the end of the year (D+E)	**132.55**	**77.13**

Components of cash and cash equivalents as at end of the year	**March 31,2022**	**March 31, 2021**
Balance with banks:		
- On current account	82.29	36.97
-Deposit accounts [pledged with bank]	50.00	40.00
- Cash on hand	0.26	0.16
Total cash and cash equivalents as per Balance Sheet	**132.55**	**77.13**
Cash and cash equivalents as per Statement of Cash Flow	**132.55**	**77.13**

* This includes consolidation adjustment of INR 122.77 million
** This includes settting off subsidiary invesment of INR 137.87 million

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements.
As per our report of even date

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 001997S

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN: 22217909AKTEZB4556

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

Place:Bengaluru
Date: June 11,2022

eMudhra Limited

1. General Information

eMudhra Limited ("the company" or eMudhra) and its subsidiaries (collectively referred to as "Group") provides various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra is a licensed certifying authority under the Information Technology Act,2000.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Sai Arcade, No 56, 3rd Floor, Devarabeesanahalli, Bengaluru 560103, Karnataka India.

Founded in 2008 from the seed of digital signatures, eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers' financial and statutory needs. eMudhra' s products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions, solutions for securing data at rest and data in transit, solutions for Internet of Things (IoT), etc.

The consolidated financial statement of eMudhra Limited represent the financials of eMudhra Ltd with its foreign subsidiaries, eMudhra (MU) Ltd, eMudhra PTE. Ltd, eMudhra INC, eMudhra DMCC, eMudhra B.V, PT eMudhra Technologies Indonesia and Indian subsidiaries, eMudhra Technologies Limited and eMudhra Consumer Services Limited.

All the foreign subsidiaries have been established to provide eMudhra's products and services in respective territories apart from providing their own products/ services or any other third-party products. eMudhra Consumer services Limited owns and develops IP related to paperless office solution (emSigner) and eMudhra Technologies Limited has set up emSign PKI for issuance of various types of digital certificates including SSL globally.

The financial statements are approved for issue by the Company's Board of Directors on June 11, 2022.

2. Summary of significant accounting policies

I Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules,2015 (as amended) and other accounting principles generally accepted in India.

Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards (IND AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act,2013 ("the Act") as notified under the Companies (Indian Accounting Standards) Rules, 2015. The IND AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial information have been disclosed. Accounting estimates could change from period to period and also actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods, if material, their effects are disclosed in the notes to the financial statements.

The company has considered the possible effects that may from the pandemic relating to COVID-19 in the preparation of these consolidated financial information including recoverability of the carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's consolidated financial information may differ from that estimates as at the date of these financial statements.

I Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. All the assets and liabilities have been classified as current/non-current as per the Company's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and noncurrent classification of assets and liabilities.

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

3. Significant Accounting Policies

A. Revenue recognition and expenses

The Company's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders ("transaction price") are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our financial statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMC revenue is recognized ratably on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million. For cases, where it is less than INR 1 million, the same is recoganised in the period in which it is billed.

In trust services and in SaaS based offering, the revenues are recoganised as and when the performance obligations are transferred for negotiated price, called as transaction price, and it is highly probable that the company will be able to collect the transaction price due under the contract/sales orders or otherwise.

Interest Income:
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend Income:
Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Other Income:
Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Expenses:
Expenses are accounted for on accrual basis and provisions are made for all known liabilities and losses. Those expenses spread across multiple financial years have been amortised on straight line basis over the period in which the services are received except in those cases where the contract/purchase order value is less than INR 1 million. For cases, where it is less than INR 1 million, the same is expensed off in the period in which it is billed.

B. Income taxes
Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax
Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- as a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax
Deferred tax is recognised on temporary timing differences between the expenses/income in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount 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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on 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 amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum alternate tax

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date

C. Property, Plant and equipment

Property, plant and equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Subsequent expenditures on the qualifying assets are capitalized only if it is probable that the future economic benefits will flow to the company.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2017, measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, Plant and equipment.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets derecognized.

The useful life of the assets and residual value are reviewed at every balance sheet date.

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013. However, the leasehold improvements are depreciated at lower of useful life mentioned in schedule II of the above said act or over the lease period.

D. Intangible Assets

Intangibles are stated at the acquisition price including directly attributable costs for bringing the asset into use, less accumulated amortization and impairment. Direct expenditure, if any, incurred for internally developed intangibles from which future economic benefits are expected to flow over a period of time is treated as intangible asset.

Intangible assets are amortised on straight-line basis over a period of 10 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year. Depreciation / Amortization is charged on a pro- rata basis on assets purchased/ sold during the year, with reference to date of installation/ disposal.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

E. Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing 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, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use.
Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

F. Financial Instruments

Initial measurement

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement [non-derivative financial instruments]

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income [FVTOCI]

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss [FVTPL]

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method except financial liabilities carried at fair value through profit and loss or an entity had opted to measure a liability at fair value through profit or loss.

Financial liability at fair value through profit or loss [FVTPL]

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

Investment in Subsidiaries and associates

Investment in subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all its liabilities. Equity instruments recognized by the company at the proceeds received net of direct issue cost.

De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial

liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value measurement of financial instruments

Fair value is the price that would be received on sale of 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 which can be accessed by the Company for the asset or liability

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. 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 reassessing 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.

G. Impairment of assets

Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance

for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised

recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

H. Leases

The company assess whether a contract contains lease at the inception of the contract. A contract is or contains lease if the contract conveys the right to control the use of the identifiable assets for a period of time in exchange of consideration. To assess, whether a contract contains the right of control of the identifiable assets, the company identifies the following matters

i. the contract involves the use of identifiable assets
ii. the company has substantially all the economic benefits from the use of assets through the period of lease.
iii. the company has the right to direct the use of assets.

At the date of commencement of lease the company recognises right-of-use [ROU] asset and corresponding lease liability for all the such arrangements. However, in case of leases for a period of duration which is below of 12 months or less [short-term leases]and low value leases, the company recognises the lease payments as an expense on straight line basis over the lease period.

ROU assets are initially recognised at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of lease plus any additional direct costs less any lease incentives. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

I. Foreign Currency Transactions

All transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date when the relevant transactions take place.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in the form of Loans, Current Assets and Current Liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

The premium or discount arising at the inception of the forward exchange contracts related to underlying receivables and payables, if any, are amortized as an expense or income recognized over the period of the contracts. Gains or losses on renewal or cancellation of foreign exchange forward contracts are recognized as income or expense for the period.

Investments in overseas entity are recognized at the relevant exchange rates prevailing on the date of investments.

All transactions of the foreign branch during the year are included in the accounts at the rate of exchange prevailing at the end of the month in which the transactions took place.Net Gain / Loss in foreign currency transactions are

recognized in the Statement of Profit and Loss. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date.

J. Employee Benefits

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

Post-employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability / (asset) are recognized in Other Comprehensive Income.

Post-employment benefits (defined contribution plans) – Contributions to the provident fund is defined contribution plan and is recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due. Both the employee and the Company make monthly contributions to the provident fund scheme equal to the specified percentage of the covered employees' basic salary.

Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

K. Earnings per Share (EPS)

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

L. Cash and Cash Equivalents

Cash and Cash equivalents comprises in hand, cash at bank & demand deposit with banks and corporations. The Company considers all short term highly liquid investment, which are readily convertible into cash and have original maturities of three months or less from the date of purchase which are subject to insignificant risk in change of value to be cash equivalent.

M. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

N. Dividends

Final dividends on shares are 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.

O. Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end.

Contingent liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, require outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

P. Inventories

Inventories are valued at the lower of first in first out [FIFO] cost basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Q. Segment reporting

The Group is engaged in the business of providing trust services and enterprises solutions to end users in India and abroad. The Group distinguishes revenues and direct costs associated with those revenues between segments in its internal reporting and reports all other overhead costs which cannot be bifurcated as a whole. The chief operating decision makers (CODM) reviews the results on this basis when making decisions about allocating resources and assessing performance of the segments and hence, the group has two reportable segments.

Recent Accounting Pronouncement

The Ministry of Corporate Affairs (MCA) has notified new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

IND AS 16, Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from directly attributable costs considered as part of cost of an item of Property, Plant and Equipment. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

IND AS 37, Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Company has evaluated the amendment and there is no significant impact in the financial statements.

Events occurring after Balance Sheet date

The company have completed its public issue of shares during May 2022 and has been listed in BSE and NSE on June 01,2022. The company has raised INR 1610.00 million through IPO and has also made a preferential allotment of INR 390.00 million through pre-IPO in the same month. The promoter and the promoter group including their family members of the company has also made offer for sale in the IPO worth INR2517.86 million and has diluted the stake from 91.37% to 69.44%. This transaction has increased the paid up equity share capital of the company from INR 350.90 million to INR 390.36 million and will increase the securities premium by INR 1861.98 million We have also made application to our, monitoring agency, Kotak Mahindra Bank Limited, to close our term loans and overdraft facilities amounting to INR 350 million. This will considerably strengthen the company's financial position and make it into zero debt company. Other than this there are no significant event after the balance sheet date which is likely to affect financial position/result of the company.

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eMudhra Limited ★

eMudhra Limited

Notes forming part of the consolidated financial statements

(All amounts are in INR million, unless otherwise stated)

3 Property, Plant and Equipment and capital work-in-progress

Particulars	Leasehold land*	Building	Building on leasehold land	Computer and hardware	Motor vehicles	Office equipment's	Total	Capital work-in-progress
Period ended March 31, 2022								
Gross Carrying Amount								
As at April 01, 2020	89.25	31.97	7.24	63.83	6.21	33.86	**232.36**	**384.83**
Additions	-	-	510.74	9.81	-	0.21	**520.76**	712.74
Disposals/capitalisation	-	-	-	-	-	-	-	(1,052.59)
Exchange fluctuation	-	-	-	(0.14)	-	-	**(0.14)**	
As at March 31, 2021	**89.25**	**31.97**	**517.98**	**73.50**	**6.21**	**34.07**	**752.98**	**44.98**
Additions	-	**2.58**	-	**12.79**	-	**9.26**	**24.63**	238.97
Disposals/capitalisation	-	-	-	-	-	-	-	(27.02)
Exchange fluctuation	-	-	-	0.28	-	-	**0.28**	
As at March 31, 2022	**89.25**	**34.55**	**517.98**	**86.57**	**6.21**	**43.33**	**777.89**	**256.93**
Depreciation								
As at April 01, 2020	3.38	4.29	1.54	50.11	3.74	19.21	**82.27**	-
Charge for the year	0.85	1.07	0.18	6.93	0.55	4.14	**13.72**	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	(0.14)	-	-	**(0.14)**	-
As at March 31, 2021	**4.23**	**5.36**	**1.72**	**56.90**	**4.29**	**23.35**	**95.85**	-
Charge for the year	0.85	1.14	8.24	7.86	0.40	4.75	**23.25**	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	0.29	-	-	**0.29**	-
As at March 31, 2022	**5.08**	**6.50**	**9.96**	**65.05**	**4.69**	**28.10**	**119.39**	-
Net Block								
As at March 31, 2021	**85.02**	**26.61**	**516.26**	**16.60**	**1.92**	**10.72**	**657.13**	**44.98**
As at March 31, 2022	**84.17**	**28.05**	**508.02**	**21.52**	**1.52**	**15.23**	**658.50**	**256.93**

Notes:

*Note: Out of this land worth Rs.8,30,01,213 is the the lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 &24- Part) of B K Palya Village , Jala Hobli, Bengaluru North Taluk, has been allotted to our company by Karnataka Industrial Areas Development Board as per the allotment letter no. KIADB/HO/Allot/AS/30017/8927/15-16 dated 23.09.2015. The company has later obtained possession certificate vide letter no. IADB/AE/30017/1158/2015-16 dated 29.03.2016. This has been allotted for a leasehold period of 99 years beginning from possession date.This land is mortgaged against term loan of Rs. 25,00,00,000 by **Kotak Mahindra Bank**.

Another land worth Rs.62,51,000 is the lease hold land measuring 2.5 acres in the ELCOSEZ- jagirammapalayam,Salem is also under 99 year lease.

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3A Details of Property plant and equipment

1 For the year ended March 31,2022

Relevant line item in the Balance sheet	Description of item of property	Gross Value as at March 31,2022	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Lease hold land	Lease hold land from KIADB,Devenahalli	83.00	eMudhra Limited	NA	March 29,2016	NA
Lease hold land	Lease hold land from ELCOT,Salem	6.25	eMudhra Limited	NA	August 13,2018	NA
Office building	Hubtown Solaris,Mumbai	31.97	eMudhra Limited	NA	August 01,2014	NA
Office building	Chennai data centre,Thoraipakkam	2.58	eMudhra Limited	NA	July 21,2021	NA
Building on leasehold land	NA	7.34	eMudhra Limited	NA	Various dates	NA
Building on leasehold land	Building on Lease hold land from KIADB,Devenahalli	510.74	eMudhra Limited	NA	March 31,2021	NA
Computer and hardware	NA	86.14	eMudhra Limited	NA	Various dates	NA
Motor vehicles	NA	6.21	eMudhra Limited	NA	Various dates	NA
Office equipment's	NA	43.67	eMudhra Limited	NA	Various dates	NA
	Total	777.90				

2 For the year ended March 31,2021

Relevant line item in the Balance sheet	Description of item of property	Gross value as at March 31,2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Lease hold land	Lease hold land from KIADB,Devenahalli	83.00	eMudhra Limited	NA	March 29,2016	NA
Lease hold land	Lease hold land from ELCOT,Salem	6.25	eMudhra Limited	NA	August 13,2018	NA
Office building	Hubtown Solaris,Mumbai	31.97	eMudhra Limited	NA	August 01,2014	NA
Building on leasehold land	NA	7.24	eMudhra Limited	NA	Various dates	NA
Building on leasehold land	Building on Lease hold land from KIADB,Devenahalli	510.74	eMudhra Limited	NA	March 31,2021	NA
Computer and hardware	NA	73.50	eMudhra Limited	NA	Various dates	NA
Motor vehicles	NA	6.21	eMudhra Limited	NA	Various dates	NA
Office equipment's	NA	34.07	eMudhra Limited	NA	Various dates	NA
	Total	752.98				

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

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4 Right-of-Use Assets

Particulars	Leasehold assets
Year ended March 31, 2022	
Gross Carrying Amount	
As at April 01, 2020	-
Additions	**138.62**
Disposals/capitalisation	-
As at March 31, 2021	**138.62**
Additions	-
Disposals/capitalisation	-
As at March 31, 2022	**138.62**
Depreciation	
As at April 01, 2020	-
Charge for the year	**4.83**
Disposals	-
As at March 31, 2021	**4.83**
Charge for the year	29.14
Disposals	-
As at March 31, 2022	**33.97**
Net Block	
As at March 31, 2021	**133.79**
As at March 31, 2022	**104.65**

Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss.

Particulars	March 31,2022	March 31,2021
Opening Lease Liability	136.56	-
Add: Additions on lease during the year	-	138.62
Add: Accretion of Interest	16.41	2.30
Less: Lease Payments	(20.71)	(4.36)
Lease Liability*	**132.26**	**136.56**
Current	23.28	20.85
Non-Current	108.98	115.71
Total	**132.26**	**136.56**

*Refer note 17 to the financial information

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis:

Particulars	March 31,2022	March 31,2021
Less than one year	29.60	40.94
One to two years	65.88	58.38
More than two years	31.92	101.00
Total	**127.40**	**200.32**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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eMudhra Limited ★

5 Intangible assets and capital work in progress

Particulars	Computer Software	Capital work-in-progress
Period ended March 31, 2022		
Gross carrying amount		
As at April 01, 2020	**839.61**	**19.85**
Additions	57.24	33.94
Disposals/capitalisation	(20.48)	(53.91)
Effect of exchange fluctation	(9.28)	0.12
As at March 31, 2021	**867.09**	-
Additions*	40.13	172.23
Disposals/capitalisation	-	-
Effect of exchange fluctation	(0.21)	-
As at March 31, 2022	**907.01**	**172.23**
Accumulated Amortisation		
As at April 01, 2020	**416.71**	-
Charges for the year	69.12	-
Disposals	(17.46)	-
Effect of exchange fluctation	(3.56)	-
As at March 31, 2021	**464.81**	-
Charges for the year	78.32	-
Disposals	-	-
Effect of exchange fluctation	(18.36)	-
As at March 31, 2022	**524.76**	-
Net block		
As at March 31, 2021	**402.28**	-
As at March 31, 2022	**382.25**	**172.23**

Note:

* out of intangible addition of INR 172.23 million, INR 122.77 million relates to work in progress in PT eMudhra Technologies, Indonesia as on March 31,2021. Upon PT eMudhra Technologies, Indonesia,becoming a subsidiary during FY 2021-22, this amount is also shown under additions.

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Notes forming part of the consolidated financial statements
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Note no 3.1 and 5.1 to Annexure 3 and 5

1 **For the period ended March 31,2022**

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	297.30	122.77	9.09	-	429.16
Projects temporarily suspended	-	-	-	-	-

Tangible/Intangible assets under development:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Remote Signing	10.53	-	-	-	10.53
emSigner	19.92	-	-	-	19.92
emAS IAM	8.55	-	-	-	8.55
emCA	10.46	-	-	-	10.46
Salem ELCOT , office budling	-	-	9.09		9.09
EMCA-APAC	-	122.77	-	-	122.77
Digital Signature campus,Devenahalli campus	247.84	-	-	-	247.84
Total	**297.30**	**122.77**	**9.09**	**-**	**429.16**

2 **For the year ended March 31,2021**

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	36.41	6.60	1.97	-	44.98
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
empower	7.58	-	-	-	7.58
Other assets	9.35	-	-	-	9.35
Salem ELCOT , office budling	-	6.60	1.97		8.57
Digital Signature campus,Devenahalli campus	19.48	-	-	-	19.48
Total	**36.41**	**6.60**	**1.97**	**-**	**44.98**

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

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Notes forming part of the consolidated financial statements

(All amounts are in INR million, unless otherwise stated)

Note	Particulars	March 31,2022	March 31,2021
6	**Financial assets**		
	Investment carried at cost:		
	a) Non-current investment		
	Investment in units of mutual funds	-	-
	[Units of canara robeco mutual fund units @ Rs.10 per unit]		
	(NIL (2021:51,000) equity shares of face value of EURO 1 each)		
	Investment in PT eMudhra Technologies Indonesia	-	22.01
	(NIL (2021:147,500) equity shares of face value of USD 1 each)		
	Investment in PT eMudhra Technologies Indonesia	-	115.86
	NIL(2021:16,00,000) preference shares of face value of USD 1 each)		
	Total	-	**137.87**
	Aggregate amount invested in quoted mutual funds at cost	-	-
	Aggregate amount invested in unquoted shares at cost	-	**137.87**
7	**Other non-current assets**		
	Balance with government authorities	2.30	1.10
	Balances with bank held as margin money deposits as against bank guarantees	5.23	21.67
	Other receivables	52.19	0.16
	Prepaid expenses	3.30	14.54
	Total	**63.02**	**37.47**
8	**Inventories**		
	Crypto token/hardware security module/SSL	21.38	7.14
	Total	**21.38**	**7.14**
9	**Investments**		
	Investment in units of mutual funds	-	0.62
	Total	-	**0.62**
10	**Trade receivables**		
	Unsecured trade receivables	446.97	149.10
	Less: Allowance for doubtful debts	4.74	-
	Total	**442.23**	**149.10**
	Undisputed Trade Receivables - Considered good		
	Less than 6 months	310.42	128.77
	6 months - 1 year	120.47	12.96
	1-2 years	11.33	4.12
	2-3 years	1.88	1.84
	More than 3 years	2.86	1.41
	Total	**446.96**	**149.10**
11	**Cash and cash equivalents**		
	Balance with banks:		
	- On current account	82.29	36.97
	-Deposit accounts [pledged with bank]	50.00	40.00
	Cash on hand	0.26	0.16
	Total	**132.55**	**77.13**
12	**Loan**		
	Loans considered good - Unsecured		
	Loans to employees	0.46	0.25
	Loan to eMudhra employees stock options trust	30.17	30.36
	Total	**30.63**	**30.61**
13	**Other financial assets**		
	Other financial assets at amortised cost		
	Advance to capital creditors	17.64	11.55
	Advance to suppliers	4.89	3.45
	Balance with government authorities	-	1.02
	Interest accrued on fixed deposits	3.05	1.54
	Other short term deposits	1.20	1.03
	Prepaid expenses (short term)	17.78	9.72
	Rent deposit	11.65	8.44
	Security deposits	21.31	13.14
	Staff advance	0.06	0.01
	Tender deposit	1.53	0.97
	Unbilled revenue	228.64	137.25
	Total	**307.75**	**188.12**

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

	As at	
	March 31,2022	March 31,2021
(i)Authorised		
123 Million (2021: 123 Million, 2020: 123 Million, 2019: 123 Million) equity shares of INR 5 each	615.00	615.00
(ii)Issued, Subscribed and Paid - Up		
70.18 Million (2021: 70.18 Million, 2020: 70.18 Million, 2019: 70.18 Million) equity shares of INR 5 each	350.90	350.90

The company has only one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:

	As at			
	March 31, 2022		March 31, 2021	
Particulars	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Share issued during the year	-	-	-	-
Share outstanding at the end of the year	7,01,79,692	350.90	7,01,79,692	350.90

(iv) Details of shareholders holding more than 5% shares in the Company

	As at			
	March 31, 2022		March 31, 2021	
Name of the Shareholder	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**
V Srinivasan	3,04,11,800	43.33%	2,79,71,264	39.86%
Taarav Pte Ltd	1,83,59,123	26.16%	1,83,59,123	26.16%
Lakshmi Kaushik	62,01,466	8.84%	62,01,466	8.84%
Arvind Srinivasan	66,36,515	9.46%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	60,57,801	8.63%	60,57,801	8.63%

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

Note	Particulars	March 31,2022	March 31,2021
15	**Other equity**		
	Capital redemption reserve [refer note 15.1 below]	197.43	200.26
	Preference share capital	86.00	86.00
	Securities premium [refer note 15.2 below]	-	0.63
	Retained earnings [refer note 15.3 below]	860.02	447.29
	Foreign currency transalation reserve[refer note 15.4 below]	19.83	(12.16)
	Other comprehensive income [refer note 15.5 below]	8.64	0.66
		1,171.92	**722.68**
15.1	**Capital redemption reserve**		
	Balance at the beginning of the year	200.26	89.00
	Add: Adjusted against securities premium	(2.83)	111.26
	Balance as at the end of the year	**197.43**	**200.26**
15.2	**Securities premium**		
	Balance at the beginning of the year	0.63	0.63
	Add: Transactions	-	-
	Less: Adjusted against buy-back of preference shares	0.63	-
	Balance as at the end of the year	-	**0.63**
15.3	**Retained earnings**		
	Balance at the beginning of the year	447.29	390.51
	Profit/ (Loss) for the year	414.05	174.60
	Less: Transfer to capital redemption reserve	-	111.26
	Less: Adjusted from opening balance	1.40	-
	Less: Dividend paid [including dividend distribution tax]	2.72	6.56
	Balance as at the end of the year	**860.02**	**447.29**
15.4	**Foreign currency transalation reserve**		
	Balance at the beginning of the year	(12.16)	0.35
	Add: Exchange difference on transalation of foreign operation	31.99	(12.51)
	Balance as at the end of the year	**19.83**	**(12.16)**
15.5	**Other comprehensive income for the year**		
	Balance at the beginning of the year	0.66	4.01
	Add: Other comprehensive income for the year	7.98	(3.35)
	Balance as at the end of the year	**8.64**	**0.66**

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

eMudhra Limited
Notes forming part of the consolidated financial statements
(All amounts are in INR million, unless otherwise stated)

Note	Particulars	March 31,2022	March 31,2021
16	**Borrowings**		
	Secured		
	Term loan from bank (See note A below)	288.03	271.85
	Total borrowings	288.03	271.85
	Less: Current maturities of long term loans (clubbed under other financial liabilities)	90.34	50.94
	Total	**197.69**	**220.91**
17	**Lease Liabilities**		
	Lease Liability [refer note below]	127.40	154.20
	Less: Current Liability of Lease	24.13	26.33
	Total	**103.27**	**127.87**
	Out of the total lease liability, the rights of use of assets amounting to INR 11.85 million and INR 17.32 million for the year ended March 31,2022 and March 31,2021 respectively, is not fully handed over and hence the same is not disclosed in Note 4 to the financials.		
18	**Deferred tax liabilities (Net)**		
	Deferred tax asset/liability, net		
	On account of timing difference of depreciation and other expenses	17.92	13.64
	Total	**17.92**	**13.64**
19	**Provisions**		
	Provision for Leave Benefits [refer note 38 of annexure]	1.43	6.07
	Provision for gratuity [refer note 38 of annexure]	26.06	26.58
	Total	**27.49**	**32.65**
20	**Other non-current liabilities**		
	Prepaid Income	2.98	12.15
	Security deposit from customers	12.53	2.53
		15.51	**14.68**
21	**Borrowings**		
	Secured		
	Working capital demand loan [See note B below]	125.24	43.35
	Unsecured		
	Short-term loan from associates/subsidiaries	11.13	6.36
	Short-term loan from director	119.51	37.44
	Total	**255.88**	**87.15**
22	**Lease Liabilities**		
	Current Liability of Lease	24.13	26.33
	Total	**24.13**	**26.33**
23	**Trade payables**		
	Dues to Micro Enterprises and Small Enterprises	0.55	0.73
	Dues to Creditors other than Micro Enterprises and Small Enterprises	88.04	34.25
	Total	**88.59**	**34.98**
	Less than 1 year		
	(i)MSME	0.55	19.29
	(ii)Others*	86.70	11.36
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		87.25	**30.65**
	1-2 years		
	(i)MSME	-	-
	(ii)Others	1.04	4.33
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		1.04	**4.33**
	2-3 years		
	(i)MSME	-	-
	(ii)Others	0.29	-
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		0.29	-

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eMudhra Limited ★

	More than 3 years		
	(i)MSME	-	-
	(ii)Others	-	-
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		-	-
	Grand total	88.58	34.97

*We have considered few MSME creditors amounting to INR 2.07 as at March 31, 2022 and INR 18.56 million as at March 31,2021 million under this heading where we have mutually agreed payment cycle.

24	**Other financial liabilities**		
	DSC Portal deposit	9.01	9.11
	Current maturities of long term debts	90.34	50.94
	Interest accrued but not due	1.20	-
	Other advances from customers	0.30	-
	Capital creditors	12.84	6.13
	Total	**113.69**	**66.18**
25	**Provision**		
	Provision for tax,net	67.47	23.80
	Other payables towards contractual obligations	56.63	33.34
	Employee benefits payable	50.01	30.36
	Provision for leave benefits [refer note 38 of annexure]	2.37	3.40
	Provision for gratuity [refer note 38 of annexure]	(1.59)	1.70
	Total	**174.89**	**92.60**
26	**Other current liabilities**		
	Prepaid Income	27.29	10.38
	Statutory dues	19.27	25.60
	Total	**46.56**	**35.98**

A The company has obtained term loan of INR 150 million(Term loan-1) for construction of digital signature campus at Devanahalli KIADB IT park, Bengaluru from M/s Canara bank and later this loan facility was taken over by M/s Kotak Mahindra bank Limited (referred as "lender") during May 2019 with an enhancement of INR 100 million (Term loan-2) loan towards the same purpose. During FY 2021, lender has sanctioned additional working capital term loan of INR 55.8 million (WCTL) under ECLGS scheme(Emergency Credit Line Guarantee Scheme).These loans are fully secured and the details of the same are as below:

1.)Primary Security: First and exclusive charge on all existing and future current assets, movable assets, movable fixed assets, tangible and intangible assets of the company.

2.) Collateral Security: Memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bengaluru Urban Dist. measuring land 3 acres standing in the name of the company.

Term loan 1(INR 150.00 million): The repayment of this loan began from June 2019 with a monthly instalment of INR 2.61 million for a period of 81 months. Company has made a repayment of INR 43.41 million till March 31, 2022 towards the principal.

Term loan 2(INR 100.00 million): The repayment began from June 2020 with a monthly instalment of INR 2.46 million for a period of 48 months. Company has made a repayment of INR 31.29 million till March 31, 2022 towards the principal.

Term loan 3(INR 55.80 million): The repayment began from January 2022 with a monthly instalment of INR 1.75 million for a period of 48 months[including moratorium period]. Company has made a repayment of INR 4.17 million till March 31, 2022 towards the principal.

Term loan 4(INR 70.00 million): The repayment began from November 2021 with a monthly instalment of INR 2.16 million for a period of 36 months. Company has made a repayment of INR 8.90 million till March 31, 2022 towards the principal.

Interest Rate: The applicable interest rates on these facilities are linked to 6 months repo rate along with a spread of 2.80%, which undergo change in every 6 months except for WCTL loan facility(Term loan 3), which is fixed at 8.00% per annum. The present applicable interest rate on the rest of the 2 term loans are 6.80% per annum.

B The company had working capital facility from M/s Canara Bank and which was taken over by M/s Kotak Mahindra Bank Limited with a limit of INR 80.00 million. Company has taken an adhoc unsecured loan of INR 20 million from M/s Kotak Mahindra Bank in August 2021 and has been fully repaid during September 2021. In additions to this, company has taken two working capital limits against deposits from M/s ICICI Bank Limited with an overall limit of INR 47.50 million during February 2021 and July 2021.These loans are repayable on demand.

Nature of Security[Kotak Mahindra Bank Limited]:

1. Primary Security: Secured against receivables and inventory of the company.

2. Collateral Security: (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore North taluk, Bengaluru Urban Dist. measuring land 3 acres standing in the name of the company.

Nature of Security[ICICI Bank Limited]:

This facility is 100% secured on fixed deposit made with this bank amounting to INR 50.00 million.

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eMudhra Limited ★

Note	Particulars	March 31,2022	March 31,2021
27	**Revenue from operations**		
	Sale of software solutions/services	1,536.08	1,153.33
	Sale of accessories	290.29	162.60
	Total	**1,826.37**	**1,315.93**
28	**Other income, net**		
	Foreign exchange gain/loss on consolidation	2.27	0.52
	Foreign exchange gain/loss on transactions	1.29	6.77
	Gain/premium on redemption of shares	-	0.12
	Interest income of fixed deposit	3.11	0.71
	Interest income on income tax refund	0.21	0.31
	Other miscellaneous income	0.03	0.18
	Provisions no longer required written back(see note 28.1 below)	4.07	-
	Total	**10.98**	**8.61**

28.1 This consist of erstwhile provisions created by the company to meet provident fund liabilities, which was later turned into non-payable since exemption forms had been collected from the beneficiaries. Since, the amount was fully, both employer and employee portions, contributed by the company, this is not payable and hence written back to other income.

29	**Operating expenses**		
	Commission expenses	65.09	71.68
	Other direct operating expenses	43.91	46.91
	Payment gateway charges	4.60	4.33
	Postage and courier charges	6.33	6.20
	Total	**119.93**	**129.12**
30	**Purchase of stock-in-trade**		
	Purchase of crypto token/hardware's	302.89	169.83
	Purchase of SSL Certificates	8.43	9.73
	Total	**311.32**	**179.56**
31	**Changes in stock of finished goods**		
	Finished Goods:		
	Opening stock:		
	Crypto token/HSM/SSL	7.13	14.63
		7.13	14.63
	Closing stock:		
	Crypto token/HSM/SSL	21.38	7.13
	Closing stock	21.38	7.13
	Total	**(14.25)**	**7.50**
32	**Employee benefit expenses**		
	Contribution to provident and other funds	14.34	12.08
	Employee insurance expenses	7.55	5.13
	Gratuity	6.73	7.84
	Leave compensation	(0.87)	5.31
	Salaries, allowances and bonus	433.12	382.33
	Staff welfare expenses	7.28	4.42
	Total	**468.15**	**417.11**

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

Note	Particulars	March 31,2022	March 31,2021
33	**Finance costs**		
	Interest and finance charges on financial liabilities carried at amortised cost		
	Interest on term loans	21.79	17.24
	Interest on lease liabilities	16.41	2.30
	Interest on overdraft/cash credit facilities	7.40	6.03
	Less: interest amount capitalised	-	17.24
	Total interest on financial liabilities carried at amortised cost	45.60	8.33
	Interest on delayed payment of statutory dues	7.12	0.08
	Total	**52.72**	**8.41**
34	**Depreciation and amortisation expense**		
	Amortisation on intangible assets	78.44	69.12
	Depreciation on right to use assets	29.14	4.83
	Depreciation on plant, property and equipment	23.12	13.72
	Total	**130.70**	**87.67**
35	**Other expenses**		
	Auditors' remuneration [refer note 35.1 below]	3.79	2.59
	Business promotion and advertisements	67.12	25.97
	Communication expenses	15.02	9.89
	Contribution for corporate social responsibility expenses [refer note 35.2 below]	2.41	2.18
	Power and fuel expenses	9.39	7.13
	Fees rates and taxes	14.99	9.99
	Information technology expenses	15.43	6.21
	Insurance expenses	2.37	3.41
	Legal and professional expenses	47.92	58.81
	Local conveyance	0.87	0.82
	Meeting and conference expenses	0.13	-
	Membership charges	0.01	3.85
	Miscellaneous expense	0.36	0.35
	Office maintenance expense	12.04	10.05
	Printing and stationary	1.33	1.28
	Recruitment and training expenses	9.66	2.56
	Rent	43.46	33.48
	Repair and maintenance		
	- Plant and machinery	1.60	1.46
	- Buildings	-	0.17
	- Others	1.30	0.10
	Provision for doubtfull debts	4.74	-
	Travelling, boarding and lodging expenses	10.26	3.07
	Total	**264.20**	**183.37**
35.1	Payment to statutory auditors included above		
	As Auditor towards:		
	Statutory audit	0.81	0.81
	Other matters	0.16	0.41
		0.97	**1.22**
35.2	Corporate social responsibility expense[CSR expense]		
	Amount required to be spent	2.41	1.97
	Amount spent during the year on		
	a.Promoting of education	2.41	2.18
	Total CSR expenses	**2.41**	**2.18**

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eMudhra Limited ★

36 Notes forming part of the consolidated financial statements

(All amounts are in INR million, unless otherwise stated)

Sl No	Particulars		For the year ended March 31,2022	March 31, 2021
1	**Earnings per share***			
	Basic:			
	Profit after tax	A	411.37	253.59
	Weighted average number of shares outstanding	B	7,01,79,692	7,01,79,692
	Basic EPS	A/B	5.86	3.61
2	**Diluted**			
	Profit after tax	C	411.37	253.59
	Weighted average number of shares outstanding	D	7,01,79,692	7,01,79,692
	Diluted EPS	C/D	5.86	3.61
3	**Ratios**			
	(a) Current ratio [times]		1.33	1.32
	(b) Total Debt-Equity Ratio		18.75%	23.31%
	(c) Debt Service Coverage Ratio [times]		8.55	10.91
	(d) Return on Equity Ratio		30.45%	24.19%
	(e) Inventory turnover ratio[times]		20.83	17.18
	(f) Trade receivables turnover ratio		24.21%	11.33%
	(g) Trade payables turnover ratio		4.85%	2.66%
	(h) Net capital turnover ratio[times]		1.35	1.26
	(i) Net profit ratio		22.52%	19.27%
	(j) Return on Capital employed		34.10%	24.10%

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eMudhra Limited

A. Disclosure related to subsidiary, associate and group companies

1 **Particulars of subsidiary,associate and group companies :**

Sl No	Name of the company	Address	Relationship	March 31,2022	March 31,2021
1	eMudhra (MU) Limited	10, Frere Felix de Valois Steet, Port Louis, Mauritius.	Subsidiary company	100%	100%
2	eMudhra Technologies Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary company	100%	51%
3	eMudhra consumer Services Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary company	100%	76%
4	eMudhra DMCC	3006,One Lake Plaza, Cluster T Jumeriah Lake Towers PO Box no.32620, Dubai UAE	Subsidiary company [September 30,2021: directly 5.1% and through eMudhra (MU) Limited 94.9%[NIL for previous financial years])	100%	51%
5	eMudhra PTE Limited	#03-01,1 Phillip Street Royal one Phillip Singapore 486592	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	100%	51%
6	eMudhra INC	97 Cedar Grove Lane Suite 202 Somerset, NJ 08873	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	100%	51%
7	eMudhra BV	Wilhelimina Van Pruisenwg 0014, 2595AN- 'Sgravenhage The Netherlands	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	100%	51%
8	PT eMudhra Technologies Indonesia	Ruko Pondasi, Jl. Pondasi Raya No. 21 Unit. H,Kayu Putih Pulogadung,Kota Adm. Jakarta Timur DKI Jakarta Indonesia	Subsidiary company [September 30,2021:Directly 29.5%[March 31,2021:29.5%] and through eMudhra DMCC 29.5%(March 31,2021: 15.05%)	59%	44.55%
9	Taarav PTE Limited	#03-01,1 Phillip Street Royal one Phillip Singapore 486592	Group Company	NA	NA
10	Smart Craft Private Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA	NA
11	Cedar Grove Real Estates Private Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA	NA
12	Bluesky Infotech [Partnership firm]	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group entity	NA	NA
13	eMudhra employees stock option trust (Seperately managed by the outside trustees)	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group entity	NA	NA

Note: Subsidiary company means, the company in which eMudhra Limited holds, directly/indirectly,51% or more shares in their respective issued share capital.
Group company means, the companies which are managed by the same promoter/promoter group.
Group entity means, partnership firms or trusts which are managed by the same promoter/promoter group.

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eMudhra Limited ★

37 **Notes forming part of the consolidated financial information**
(All amounts are in INR million, unless otherwise stated)

2 **Particulars of key managerial person**

		Name of the key managerial person		
Sl No	**Entity Name**	**March 31,2022**	**March 31,2021**	**Relationship**
1	eMudhra Limited			
		V. Srinivasan	V. Srinivasan	Promoter and director
		Kaushik Srinivasan	Kaushik Srinivasan	Promoter group
		Venu Madhava	Venu Madhava	Whole time director
		Saji K Louiz	Saji K Louiz	Chief financial officer
		Johnson Xavier	Johnson Xavier	Company secretary
		Biju Varghese	Biju Varghese	Sr. VP Enterprise Security
		AM Kiran	AM Kiran	Vice President -operations
		Vijay Kumar	Vijay Kumar	Sr. Vice President Product & Technology
		Ashwin Jhansale	Ashwin Jhansale	SVP - Sales & Business Strategy
		Janarthanan	Janarthanan	Sr. Vice President - Customer support
		Arvind Srinivasan	Arvind Srinivasan	Sr. Vice President & Head International Business
2	eMudhra (MU) Limited			
		Arvind Srinivasan	Arvind Srinivasan	Director
		Ashish Droowanand Bheekharry	Ashish Droowanand Bheekharry	Director
3	eMudhra Technologies Limited			
		V. Srinivasan	V. Srinivasan	Director
		Vijay Kumar	Vijay Kumar	Director
		Venu Madhava	Venu Madhava	Director
4	eMudhra Consumer Services Limited	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Venu Madhava	Venu Madhava	Director
		NA	NA	Director
5	eMudhra DMCC			
		Arvind Srinivasan	Arvind Srinivasan	Director
		Manoj Kunkalienkar	NA	Director
6	eMudhra INC			
		V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
7	eMudhra PTE Limited			
		V. Srinivasan	V. Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
		Barkes Bte Abdul Fazil	Barkes Bte Abdul Fazil	Director
8	eMudhra BV			
		Arvind Srinivasan	Arvind Srinivasan	Director
10	PT eMudhra Technologies Indonesia			
		V. Srinivasan	NA	Director
		Gita Kao	NA	Director
		Andrew Pangestu	NA	Director

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

eMudhra Limited

37 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Related party disclosures

II Disclosure related to subsidiary, associate and group company transactions

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	Purchase of Fixed Assets					
		eMudhra (MU) Limited				
			eMudhra PTE Limited	Group/Associate Company		38.97
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company		78.44
2	Sales of Fixed Asset					
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	-	83.23
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	-	37.42
3	Sales of products/services					
		eMudhra Limited				
			Bluesky Infotech [Partnership firm]	Group entity	107.44	109.53
			eMudhra DMCC	Subsidiary company	-	7.43
			eMudhra consumer Services Limited	Subsidiary company	-	25.00
		eMudhra consumer Services Limited				
			Bluesky Infotech [Partnership firm]	Group entity	1.41	-
		eMudhra Technologies Limited				
			eMudhra Limited	Holding Company	10.00	11.41
		eMudhra DMCC				
			PT eMudhra Technologies Indonesia	Group/Associate Company	-	118.23
		eMudhra BV				
			eMudhra DMCC	Group/Associate Company	1.73	-
4	Sales of software Licencing fees					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	9.00	0.59
			eMudhra INC	Subsidiary company	1.40	2.95
			eMudhra BV	Subsidiary company	1.65	-
			eMudhra PTE Limited	Subsidiary company	2.14	-
			eMudhra DMCC	Subsidiary company	54.73	4.84
		eMudhra consumer Services Limited				
			eMudhra PTE Limited	Group Company	0.57	0.10
			eMudhra DMCC	Group Company	(2.13)	33.25
			eMudhra Limited	Holding Company	37.91	36.60
			eMudhra INC	Group Company	9.63	-
		eMudhra Technologies Limited				
			eMudhra INC	Group Company	0.92	0.78
			eMudhra DMCC	Group Company	7.26	2.71
			eMudhra PTE Limited	Group Company	0.02	-
			eMudhra Limited	Holding Company	0.06	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.24	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	-	55.05
5	Purchase of products/services					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	10.00	11.41
			Smart Craft Private Limited	Group Company	-	0.01
			Bluesky Infotech [Partnership firm]	Group entity	38.68	78.27
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	25.00
		eMudhra DMCC				
			eMudhra Limited	Holding Company	-	7.43
			eMudhra (MU) Limited	Group/Associate Company	4.92	-
			eMudhra BV	Group/Associate Company	1.65	-
6	Purchase of software Licencing fees					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	37.91	36.60
			eMudhra Technologies Limited	Group Company	0.06	-
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	9.00	0.59
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	-	53.65
		eMudhra DMCC				
			eMudhra consumer Services Limited	Group Company	(2.47)	33.74
			eMudhra Limited	Holding Company	54.16	4.91
			eMudhra Technologies Limited	Group Company	7.26	2.76
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.58	0.10
			eMudhra Limited	Holding Company	2.17	-
			eMudhra Technologies Limited	Group Company	0.02	-
		eMudhra INC				
			eMudhra consumer Services Limited	Group Company	9.68	-
			eMudhra Limited	Holding Company	1.40	2.97
			eMudhra Technologies Limited	Group Company	0.92	0.78
		eMudhra BV				
			eMudhra Limited	Holding Company	1.86	-

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

eMudhra Limited

37 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Related party disclosures

II Disclosure related to subsidiary, associate and group company transactions

7	Receipt (repsyment) of loan, net					
		eMudhra Limited				
			Bluesky Infotech [Partnership firm]	Group entity		(21.60)
			eMudhra employees stock option trust(net)	Group entity	(0.19)	0.33
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(24.21)	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	(74.40)	80.75
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			eMudhra BV	Group Company	6.45	-
			eMudhra INC	Group Company	17.19	-
		eMudhra PTE Limited				
			Taarav PTE Limited	Group Company	6.83	(1.74)
		eMudhra BV				
			eMudhra DMCC	Group Company	-	(0.15)
		eMudhra Technologies Limited				
			eMudhra Limited	Holding Company	4.40	-
8	Loan Provided(received) Net					
		eMudhra DMCC				
			eMudhra PTE Limited	Group Company	2.25	-
			eMudhra INC	Group Company	-	(3.64)
			eMudhra BV	Group Company	-	(0.15)
			eMudhra (MU) Limited	Group/Associate Company	26.66	-
			Taarav PTE Limited	Group Company	2.28	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(64.73)	(74.57)
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra Limited				
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra BV				
			eMudhra DMCC	Group Company	6.50	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	(3.67)
9	Commission paid					
		eMudhra Limited				
			Bluesky Infotech	Group entity	13.97	16.99

2 Detailed transactions with key managerial persons

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship		March 31,2021
1	Receipt(repayment) of loan, net					
		eMudhra INC				
			V. Srinivasan	Director	3.79	2.21
		eMudhra DMCC				
			V. Srinivasan	Director	39.78	19.82
		eMudhra Limited				
			V. Srinivasan	Chairman and director	41.06	-
		eMudhra PTE Limited				
			V. Srinivasan	Director	-0.25	-
		eMudhra Technologies Limited				
			V. Srinivasan	Director	-3.60	(4.00)
2	Receipt of services					
		eMudhra (MU) Limited	Ashish droowanand bheekharry	Director	0.07	0.05
		eMudhra PTE Limited	Barkes bte abdul fazil	Director	0.14	0.10
3	Salary and allowances paid					
		eMudhra Limited				
			Venu Madhava	Whole time director	4.68	4.37
			Kaushik Srinivasan	Promoter group	5.17	6.01
			Saji K Louiz	Chief financial officer	4.07	3.95
			Johnson Xavier	Company secretary	1.89	1.49
			Biju Varghese	Sr. VP Enterprise Security	5.33	5.26
			AM Kiran	Vice President -operations	3.66	3.36
			Vijay Kumar	Sr. Vice President Product & Technology	7.26	6.46
			Ashwin Jhansale	SVP - Sales & Business Strategy	4.77	4.42
			Janarthanan	Sr. Vice President - Customer support	4.69	4.36
		eMudhra DMCC				
			Arvind Srinivasan	Director	8.09	8.70
			V. Srinivasan	Promoter group	4.87	5.26
4	Preference dividend paid	eMudhra Limited				
			V. Srinivasan	Chairman and director	2.00	1.61
			Mythili Srinivasan	Promoter group	-	0.39
			Kaushik Srinivasan	Promoter group	-	0.29
			Lakshmi Kaushik	Promoter group	0.29	-
			Arvind Srinivasan	Promoter group	-	0.29
			Aishwarya Arvind	Promoter group	0.29	-

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

Related party disclosures

III Disclosure related to subsidiary, associate, group company and KMP balances

Sl No	Particulars	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	**Due to**					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	17.01	5.54
			eMudhra consumer Services Limited	Group Company	0.04	33.06
			eMudhra Technologies Limited	Group Company	0.02	2.70
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			V. Srinivasan	Promoter Group	60.45	19.82
			eMudhra (MU) Limited	Group/Associate Company	5.01	72.26
			eMudhra BV	Group/Associate Company	8.13	-
			eMudhra Inc	Group/Associate Company	17.19	-
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	-	0.78
			V. Srinivasan	Director	18.00	13.78
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	40.23	-
			eMudhra Technologies Limited	Subsidiary company	11.63	
			V. Srinivasan	Director	41.06	-
		eMudhra PTE Limited				
			eMudhra Limited	Holding Company		-
			eMudhra consumer Services Limited	Group Company		0.10
			V. Srinivasan	Director		0.24
			Taarav PTE Limited	Group Company	13.41	-
		eMudhra Technologies Limited				
			V. Srinivasan	Director	-	3.60
			eMudhra Limited	Holding Company	4.40	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	27.34	-
			eMudhra PTE Limited	Group Company	0.17	-
		eMudhra employees stock option trust				
			eMudhra Limited	Group entity	30.17	30.36
2	**Due From**					
		eMudhra Consumer services Limited				
			eMudhra Limited	Holding Company	40.23	-
			eMudhra DMCC	Group Company	-	33.25
			eMudhra PTE Limited	Group Company	-	0.10
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	17.04	5.55
			eMudhra employees stock option trust	Group entity	30.17	30.36
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	-	2.71
			eMudhra INC	Group Company	-	0.78
			eMudhra Limited	Holding Company	11.63	
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	25.72	-
			Taarav PTE Limited	Group Company	2.28	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	0.19	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.01	61.91
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra BV				
			eMudhra DMCC	Group Company	8.19	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	-

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

IV The following are the details of eliminated Transactions:

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	**Purchase of Fixed Assets**	**eMudhra (MU) Limited**				
			eMudhra PTE Limited	Group/Associate Company	-	38.97
			eMudhra DMCC	Group/Associate Company	-	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	-	78.44
2	**Sales of Fixed Asset**					
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	-	83.23
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	-	37.42
3	**Sales of products/services**					
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	-	7.43
			eMudhra consumer Services Limited	Subsidiary company	-	25.00
		eMudhra Technologies Limited				
			Smart Craft Private Limited	Group Company		-
			eMudhra Limited	Holding Company	10.00	11.41
		eMudhra DMCC				
			PT eMudhra Technologies Indonesia	Group/Associate Company		118.23
		eMudhra BV				
			eMudhra DMCC	Group/Associate Company	1.73	-
4	**Sales of software Licencing fees**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	9.00	0.59
			eMudhra INC	Subsidiary company	1.40	2.95
			eMudhra BV	Subsidiary company	1.65	-
			eMudhra PTE Limited	Subsidiary company	2.14	-
			eMudhra DMCC	Subsidiary company	54.73	4.84
		eMudhra consumer Services Limited				
			eMudhra PTE Limited	Group Company	0.57	0.10
			eMudhra DMCC	Group Company	(2.13)	33.25
			eMudhra Limited	Holding Company	37.91	36.60
			eMudhra INC	Group Company	9.63	-
		eMudhra Technologies Limited				
			eMudhra INC	Group Company	0.92	0.78
			eMudhra DMCC	Group Company	7.26	2.71
			eMudhra PTE Limited	Group Company	0.02	-
			eMudhra Limited	Holding Company	0.06	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.24	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	-	55.05
5	**Purchase of products/services**					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	10.00	11.41
			eMudhra consumer Services Limited	Subsidiary company	-	-
			eMudhra (MU) Limited	Subsidiary company		
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	25.00
		eMudhra DMCC				
			eMudhra Limited	Holding Company	-	7.43
			eMudhra (MU) Limited	Group/Associate Company	4.92	-
			eMudhra BV	Group/Associate Company	1.65	-
6	**Purchase of software Licencing fees**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	37.91	36.60
			eMudhra Technologies Limited	Group Company	0.06	-
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	9.00	0.59
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	-	53.65
		eMudhra DMCC				
			eMudhra consumer Services Limited	Group Company	(2.47)	33.74
			eMudhra Limited	Holding Company	54.16	4.91
			eMudhra Technologies Limited	Group Company	7.26	2.76
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.58	0.10
			eMudhra Limited	Holding Company	2.17	-
			eMudhra Technologies Limited	Group Company	0.02	-

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

IV The following are the details of eliminated Transactions:

		eMudhra INC				
			eMudhra consumer Services Limited	Group Company	9.68	-
			eMudhra Limited	Holding Company	1.40	2.97
			eMudhra Technologies Limited	Group Company	0.92	0.78
		eMudhra BV				
			eMudhra Limited	Holding Company	1.86	-
7	Receipt (repayment) of loan, net					
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(24.21)	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	(74.40)	(80.75)
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			eMudhra BV	Group Company	6.45	-
			eMudhra INC	Group Company	17.19	-
		eMudhra BV				
			eMudhra DMCC	Group Company	-	(0.15)
		eMudhra Technologies Limited				
			eMudhra Limited	Holding Company	4.40	-
8	Loan Provided(received) Net					
		eMudhra DMCC				
			eMudhra PTE Limited	Group Company	2.25	-
			eMudhra INC	Group Company	-	(3.64)
			eMudhra BV	Group Company	-	(0.15)
			eMudhra (MU) Limited	Group/Associate Company	26.66	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(64.73)	(74.57)
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra Limited				
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra BV				
			eMudhra DMCC	Group Company	6.50	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	(3.67)

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

V The following are the details of balances eliminated

Sl No	Particulars	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	**Due to**					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	17.01	5.54
			eMudhra consumer Services Limited	Group Company	0.04	33.25
			eMudhra Technologies Limited	Group Company	0.02	2.70
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			eMudhra (MU) Limited	Group/Associate Company	5.01	72.26
			eMudhra BV	Group/Associate Company	8.13	-
			eMudhra Inc	Group/Associate Company	17.19	-
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	-	0.78
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	40.23	-
			eMudhra Technologies Limited	Subsidiary company	11.63	-
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	-	0.10
		eMudhra Technologies Limited				
			eMudhra Limited	Holding Company	4.40	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	27.34	-
			eMudhra PTE Limited	Group Company	0.17	-
2	**Due From**					
		eMudhra Consumer services Limited				
			eMudhra Limited	Holding Company	40.23	-
			eMudhra DMCC	Group Company	-	33.25
			eMudhra PTE Limited	Group Company	-	0.10
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	17.04	5.55
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	-	2.71
			eMudhra INC	Group Company	-	0.78
			eMudhra Limited	Holding Company	11.63	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	25.72	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	0.19	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.01	61.91
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra BV				
			eMudhra DMCC	Group Company	8.19	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	-

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

38 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

A)Employee benefits

a) Post Retirement Benefit- Defined Contribution Plans

The company has recognised an amount of INR 12.96 million (March 31,2021:INR 11.71 million) as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund for the year ended

b) Post Retirement Benefit- Defined Benefit Plan

The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each balance sheet date.

The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the balance sheet date.

	March 31, 2022	March 31, 2021
(i) Present Value of Defined Benefit Obligation - Gratuity		
Balance at the beginning of the period/year	36.04	26.25
On account of consolidation	-	-
Current service cost	5.61	6.00
Interest cost	1.63	1.12
Actuarial (gain)/loss	(7.60)	4.84
Benefits paid	(1.73)	(2.17)
Balance at the end of the period/ year	**33.95**	**36.04**
(ii) Fair value of Plan Assets		
Balance at the beginning of the period/year	7.76	7.00
Expected return on plan assets	0.41	0.42
Contribution	2.36	1.53
Actuarial gain/(loss)	0.38	0.02
Benefits paid	(1.42)	(1.21)
Balance at the end of the period/ year	**9.49**	**7.76**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	33.95	36.04
Present value of plan assets	9.49	7.76
Amount recognised as assets/(liability)	**(24.46)**	**(28.28)**
Recognised under:		
Long term provision (Refer Note 19)	(26.06)	(26.58)
Short term provision (Refer Note 25)	1.59	(1.70)
Total	**(24.47)**	**(28.28)**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	5.61	5.99
Interest cost	1.63	1.28
Expected return plan assets	(0.41)	(0.42)
Total expenses	**6.83**	**6.85**
(V) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	(7.60)	4.84
Return on Plan Assets	(0.38)	(0.02)
	(7.98)	**4.82**

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

38 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
(vi) Major Category of Plan Assets as % of total Plan Assets		
Insurer managed funds		
eMudhra Limited	100%	100%
eMudhra Technologies Limited	100%	100%
eMudhra Consumer Services Limited	100%	100%
eMudhra DMCC	0%	0%
(vii) Actuarial assumptions		
Discount rate		
eMudhra Limited	5.77%	5.26%
eMudhra Technologies Limited	5.54%	6.88%
eMudhra Consumer Services Limited	5.41%	5.04%
eMudhra DMCC	2.86%	2.36%
Salary growth		
eMudhra Limited	10.00%	10.00%
eMudhra Technologies Limited	5.00%	5.00%
eMudhra Consumer Services Limited	10.00%	10.00%
eMudhra DMCC	5.00%	5.00%
Attrition rate		
eMudhra Limited	30.00%	30.00%
eMudhra Technologies Limited	36.00%	1.00%
eMudhra Consumer Services Limited	41.00%	33.00%
eMudhra DMCC	10.00%	10.00%

(viii) Amounts recognised in current period and previous five years

	As at	
	March 31, 2022	March 31, 2021
Present value of obligation	33.95	36.04
Present value of plan assets	9.49	7.76
Amount recognised in balance sheet (Liability)/asset	(24.46)	(28.28)

(ix) Expected contribution to the fund for the year March 31, 2023 is INR 7.03(March 31, 2022 is INR 7.97)

Notes:

1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the

2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant

Other employee benefit plan: The liability for leave encashment and compensated balances as at the year end is INR 3.80 million (March 31,2021:INR 9.47 million))

B) Employee stock option plan

Pursuant to the resolution passed by the Shareholders at the Extraordinary General Meeting held on March 23, 2016, the Company had introduced ESOP scheme for eligible employees of the Company. Under the scheme, 6,132,801 equity shares were irrevocably allotted to eMudhra employees stock options trust. The vesting period of the options granted by the company is not earlier than one year and not later than 4th (fourth) year from the date of grants.

The fair value of the shares as of each grant date has been taken at the average of net asset value and discounted cash flow method and fair value of options are estimated by the management at the grant date using Black and Scholes model, taking into account the terms and conditions upon which the share options were granted.

The company has provided for the stock options expenses of INR 5.21 million for the year ended March 31,2022,INR 5.45 million for the year ended March 31,2021 which has been included under salaries allowances and bonus of annexure 32 to the notes of restated consolidated financial information and this amount is made part of the provisions mentioned in annexure 25 to the restated consolidated financial information.

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

38 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

	For the year ended	
	March 31,2022	**March 31, 2021**
Options granted 2016-17		
Total options outstanding as at the beginning of the period	34,25,000	34,25,000
Total options granted		-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	-
Variation of terms of options	No	No
Money realized by exercise of options((INR in absolute figures)	-	3,75,000
Total number of options outstanding in force	34,25,000	34,25,000
Options vested (excluding the options that have been exercised)	-	-
Options exercised (since implementation of the ESOP Scheme)	-	75,000
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	75,000
Options granted - 2017-18		
Total options outstanding as at the beginning of the period	6,25,000	6,75,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	12,500	50,000
Variation of terms of options	No	No
Money realized by exercise of options((INR in absolute figures)	1,87,500	-
Total number of options outstanding in force	5,75,000	6,25,000
Options vested (excluding the options that have been exercised)	-	2,06,250
Options exercised (since implementation of the ESOP Scheme)	37,500	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	37,500	-
Options granted- 2018-19		
Total options outstanding as at the beginning of the period	56,250	75,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	75,000
Variation of terms of options	No	No
Money realized by exercise of options((INR in absolute figures)	-	-
Total number of options outstanding in force	-	-
Options vested (excluding the options that have been exercised)	56,250	56,250
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-
Options granted- 2019-20		
Total options outstanding as at the beginning of the period	5,00,000	7,25,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	2,25,000
Variation of terms of options	NIL	NIL
Money realized by exercise of options((INR in absolute figures)	-	-
Total number of options outstanding in force	5,00,000	5,00,000
Options vested (excluding the options that have been exercised)	1,87,500	1,87,500
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

38 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Options granted- 2020-21	3,05,000	-
Total options outstanding as at the beginning of the period	-	-
Total options granted	-	3,05,000
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	50,000	-
Variation of terms of options	No	No
Money realized by exercise of options((INR in absolute figures)	-	-
Total number of options outstanding in force	2,55,000	3,05,000
Total options vested (excluding the options that have been exercised)	76,250	-
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-
Options granted-2021-22		
Total options outstanding as at the beginning of the period	-	NA
Total options granted	7,84,000	NA
Exercise price of options in INR per share (as on the date of grant options)	5	NA
Options forfeited/lapsed/cancelled	47,500	NA
Variation of terms of options	No	NA
Money realized by exercise of options((INR in absolute figures)	-	NA
Total number of options outstanding in force	7,36,500	NA
Options vested (excluding the options that have been exercised)	-	NA
Options exercised (since implementation of the ESOP Scheme)	-	NA
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	NA

The fair value of options granted have the following assumptions	**Grants issued during**	
Particulars	**2021-22**	**2020-21**
Dividend yield (%)	Nil	Nil
Risk free interest rate (%)	5%	5%
Voltality (%)	20%	20%
Strike price (INR)	5.00	5.00
Fair value of the shares at the time of grant (INR)	23.32	23.32
Fair value of the options at the time of grant	INR 8.29 to INR 19.23 (From 2017-18* to 2021-22)	
Expected life of options	4 years	

* from the date on which company adopted IndAS

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

39 Previous period figures

Previous period/ year figures have been re-grouped / re-classified/restated, wherever necessary

40 Contribution for corporate social responsibility expenses

Financial Year	Net Profit Amount
2018-19*	100.89
2019-20*	111.76
2020-21*	149.22
Average Net profits	120.62
2% of Avg.Net profit	2.41
Total amount spent during financial year 2021-22	2.41
Unspent amount	-

* the above computation is bases on standalone financials of eMudhra Limited

MANOHAR CHOWDHRY & ASSOCIATES * BANGALORE * CHARTERED ACCOUNTANTS

eMudhra Limited

41 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Contingent Liabilities

Particulars	March 31,2022	March 31,2021
Bank guarantees (secured against fixed deposits of March 2022:INR 5.23 million, March 31,2021: 21.67 million	12.06	25.76
Income tax Appeal(refer note (a))	32.29	32.29
	44.35	**58.05**

(a)The company have filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Dy.Commissioner of Income Tax Circle2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy income tax under section 143 r.w.s. 147 of Income Tax Act,1961.

(b) The company have 2 legal cases (March 31,2022: 2 cases, March 31,2021: 3 cases) against the company in various courts in the country. In all these cases, we do not foresee any financial implications.

MANOHAR CHOWDHRY & ASSOCIATES ★ BANGALORE ★ CHARTERED ACCOUNTANTS

eMudhra Limited ★

eMudhra Limited

42 Notes forming part of the consolidated financial information

(All amounts are in INR million, unless otherwise stated)

Segment Information

	March 31, 2022				March 31, 2021			
Business Segment *	**Trust Services**	**Enterprise Solutions**		**Total**	**Trust Services**	**Enterprise Solutions**		**Total**
	India	**India**	**Outside India**		**India**	**India**	**Outside India**	
Segment Revenue								
External Sales	845.60	631.86	348.91	1,826.37	672.50	388.62	254.81	1,315.93
Unidentified segments	-	-	-	-	-	-	-	-
Total Revenue	**845.60**	**631.86**	**348.91**	**1,826.37**	**672.50**	**388.62**	**254.81**	**1,315.93**
Result								
Segment Result	532.27	257.97	172.87	963.11	509.44	210.97	147.90	868.30
Unallocated Corporate expenses (less income)	-	-	-	405.82	-	-	-	548.10
Operating Profit	**532.27**	**257.97**	**172.87**	**557.29**	**509.44**	**210.97**	**147.90**	**320.20**
Add: Interest Income	-	-	-	-	-	-	-	-
Less: unallocated interest expenses	-	-	-	52.71	-	-	-	8.40
Profit/(loss) before taxation and exceptional items	**532.27**	**257.97**	**172.87**	**504.58**				**311.80**
Exceptional items	-	-	-	-	-	-	-	-
Profit/(loss) before taxation	**532.27**	**257.97**	**172.87**	**504.58**				**311.80**
Less: Income Taxes (Net)	-	-	-	93.21				58.21
Net Profit				**411.37**				**253.59**
Other Information								
Segment Assets	309.33	575.64	545.14	1,430.11	178.52	147.05	340.94	666.51
Add: Unallocated Corporate Assets	-	-	-	1,171.29	-	-	-	1,252.63
Total Assets	**309.33**	**575.64**	**545.14**	**2,601.40**	**178.52**	**147.05**	**340.94**	**1,919.14**
Segment Liabilities	17.34	30.56	102.14	150.05	-	14.07	6.80	20.87
Add: Unallocated Corporate Liabilities	-	-	-	915.57	-	-	-	732.10
Total Liabilities	**17.34**	**30.56**	**102.14**	**1,065.62**	**-**	**14.07**	**6.80**	**752.97**

*The CODM(Chief Operating Decision Maker) analyses the primary reportable business segments into two, trust services and enterprise solutions and the secondary segments are India and outside India. In line with this revenue from sale of digital signature certificates in India are classified as trust services and rest of the revenue from operations of all the subsidiary companies are classified as enterprise solutions and further classified into from India and outside India based on the location of the billing entity.

MANOHAR CHOWDHRY & ASSOCIATES * BANGALORE * CHARTERED ACCOUNTANTS

eMudhra Limited

REPORT OF THE INDEPENDENT AUDITOR ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

The Board of Directors
eMudhra Limited
No.56, 3rd Floor, Sai Arcade,
Outer Ring Road, Devarabeesanahalli,
Banglore-560103

We have audited the accompanying consolidated financial statements of eMudhra Limited ("Company") as per ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("LODR Regulations"). The financial statement comprises the balance sheet as at March 31,2021, and the statement of profit and loss, and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by the management of eMudhra Limited in connection with its proposed Initial Public Offer of equity shares ("IPO") of the Company, in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India; the responsibility of Board of Directors includes the design, implementation and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of eMudhra Limited for the year ended March 31, 2019 are prepared, in all material respects, in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared by the management of eMudhra Limited in connection with its proposed Initial Public Offer of equity shares ("IPO") of Company, in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the purpose of proposed Initial Public Offer (IPO) and should not be distributed to or used by any other parties and purpose.

Place of Signature – Bengaluru
Date – October 14, 2021

For Manohar Chowdhry & Associates
Chartered Accountants
FRN:001997S

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

Ashok Kumar Doddi
Partner
M.No:217909
UDIN - 21217909AAAAFC4979

eMudhra Limited

Consolidated cash flow statement for the year

(All amounts are in INR million, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020
A. Operating activities		
Profit before tax	311.80	230.18
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	87.67	86.02
Gain/premium on redemption of shares	(0.12)	(2.98)
Interest paid on lease liabilities	2.30	-
Interest income from bank deposits and others	(6.77)	-
Working capital adjustments:		
Decrease/(Increase) in inventories	7.50	(11.83)
Decrease/(Increase) in other non-current and current assets	(30.20)	(98.96)
Decrease/(Increase) in trade receivable	84.89	(20.63)
Decrease/(Increase) in loans	0.40	0.22
Increase/(Decrease) in current other financial liabilities	21.61	20.44
Increase/(Decrease) in non-current and current provision	18.76	31.41
Increase/(Decrease) in other current and non-current liabilities	(5.63)	7.66
Increase/(Decrease) in trade payables	(42.89)	31.61
Total cash from operations	**449.32**	**273.14**
Income taxes refund/(paid)	(39.88)	(40.78)
Net Cash flow from operating Activities (A)	**409.44**	**232.36**
B. Investing activities		
Purchase of property, plant and equipment	(181.08)	(197.11)
Purchase of intangible assets	(27.98)	(31.42)
Proceeds from sale of intangible assets	3.02	-
Goodwill on consolidation	(1.05)	(51.86)
Capital reserve on consolidation	-	(4.01)
Movement in right to use assets	(138.62)	-
Gain/premium on redemption of shares	0.12	2.98
Investments in mutual funds/subsidiaries	(136.99)	-
Movement in minority interest	4.23	(8.33)
Interest received	7.55	2.80
Net cash used in investing activities (B)	**(470.80)**	**(286.94)**
C. Financing Activities		
Proceeds from short term borrowing, net	(37.86)	48.06
Proceeds from long term borrowings, net	(41.44)	73.99
Movement in OCI	(3.35)	4.01
Proceeds of securities premium	-	0.63
Foreign exchange movement on consolidation	(16.07)	2.45
Payment of preference dividend	(6.56)	(6.01)
Payment towards principal portion of lease liability	154.20	-
Interest paid on lease liabilities	(2.30)	-
Net cash used in financing activities(C)	**46.62**	**123.13**
Net increase in cash and cash equivalents(D=A+B+C)	**(14.74)**	**68.55**
Cash and cash equivalents at the beginning of the financial year E)	**91.86**	**23.31**
Cash and cash equivalents at the end of the year (D+E)	**77.13**	**91.86**

Components of cash and cash equivalents as at end of the year	**March 31, 2021**	**March 31, 2020**
Balance with banks:		
- On current account	36.97	91.59
-Deposit accounts [pledged with bank]	40.00	-
- Cash on hand	0.16	0.27
Total cash and cash equivalents as per Balance Sheet	**77.13**	**91.86**
Cash and cash equivalents as per Statement of Cash Flow	**77.13**	**91.86**

The accompanying notes are an integral part of the financial statements

As per our report of even date

Manohar Chowdhry and Associates
Chartered Accountants
Firm Registration Number: 001997S

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN: 21217909AAAAFC4979

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited

Place: Bengaluru
Date: October 14,2021

eMudhra Limited
Consolidated balance sheet as at
(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	March 31,2021	March 31,2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	657.12	150.03
Right-of-Use Assets	4	133.79	-
Capital work-in-progress	3,4	44.98	404.69
Intangible assets	5	402.28	422.90
Goodwill		52.91	51.86
Financial assets			
Investments	6	137.87	0.50
Other non-current assets	7	37.47	22.63
Total Non-current assets		**1,466.42**	**1,052.61**
Current assets			
Inventories	8	7.14	14.64
Financial assets			
Investments	9	0.62	1.00
Trade receivables	10	149.10	233.99
Cash and cash equivalents	11	77.13	91.86
Loan	12	30.61	31.01
Other current assets	13	188.12	162.00
Total current assets		**452.72**	**534.50**
Total assets		**1,919.14**	**1,587.11**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	350.90	350.90
Other equity	15	722.69	570.50
Non-controlling intersts		92.59	9.37
Total equity		**1,166.18**	**930.77**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	220.91	262.34
Lease Liabilities	17	127.87	-
Deferred tax liabilities (Net)	18	13.64	7.58
Provision	19	32.65	21.68
Other non-current liabilities	20	14.68	16.17
Total Non-current liabilities		**409.75**	**307.77**
Current liabilities			
Financial liabilities			
Borrowings	21	87.15	125.02
Lease Liabilities	22	26.33	-
Trade payables	23	34.98	77.86
Other financial liabilities	24	66.18	44.57
Provision	25	92.60	61.01
Other current liabilities	26	35.97	40.11
Total current liabilities		**343.21**	**348.57**
Total liabilities		**752.96**	**656.34**
Total equity and liabilities		**1,919.14**	**1,587.11**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 001997S

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN: 21217909AAAAFC4979

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Director
DIN:06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited

Place:Bengaluru
Date: October 14,2021

eMudhra Limited

Cosnolidated statement of profit and loss for the year

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	March 31, 2021	March 31, 2020
Income			
Revenue from operations	27	1,315.93	1,164.50
Other income,net	28	8.61	3.49
Total revenue		**1,324.54**	**1,167.99**
Expenses			
Operating expenses	29	129.12	130.95
Purchase of stock-in -trade	30	179.56	258.60
Changes in stock of finished goods	31	7.50	(11.83)
Employee benefit expenses	32	417.11	292.16
Finance costs	33	8.41	6.68
Depreciation and amortisation expense	34	87.67	86.02
Other expenses	35	183.37	175.23
Total expenses		**1,012.74**	**937.81**
Profit/(Loss) before exceptional items and tax		**311.80**	**230.18**
Profit/(Loss) before tax		**311.80**	**230.18**
Tax expense			
Current tax		52.15	41.54
Deferred tax		6.06	4.48
Total tax expenses		**58.21**	**46.02**
Profit/(Loss) for the year		**253.59**	**184.16**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan		(3.31)	4.01
Other comprehensive income/(loss) for the year		**(3.31)**	**4.01**
Total comprehensive income for the year		**250.28**	**188.17**
Profit is attributable to			
Owners of eMudhra Limited		**174.60**	**166.46**
Non-controlling interests		**78.99**	**17.70**
other comprehensive income attributable to			
Owners of eMudhra Limited		**(3.35)**	**4.01**
Non-controlling interests		**0.04**	**-**
Total comprehensive income attributable to			
Owners of eMudhra Limited		**171.25**	**170.47**
Non-controlling interests		**79.03**	**17.70**
Earnings per share (Nominal value of share INR 5/- each)	36		
Basic		2.49	2.37
Diluted		2.49	2.37
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 001997S

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

Ashok Kumar Doddi
Partner
Membership No: 217909
UDIN: 21217909AAAAFC4979

For and on behalf of the Board of Directors of eMudhra Limited

V Srinivasan
Chairman and director
DIN: 00640646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louiz
Chief financial officer

Johnson Xavier
Company secretary

eMudhra Limited

Place:Bengaluru
Date: October 14,2021

3 Property, Plant and Equipment and capital work-in-progress

Particulars	Leasehold land*	Building	Building on leasehold land	Computer and hardware	Motor vehicles	Office equipment's	Total	Capital work-in-progress (Refer Note v)
Year ended March 31, 2021								
Gross Carrying Amount								
As at April 01, 2019	**89.25**	**31.97**	**1.45**	**54.45**	**6.21**	**30.72**	**214.05**	**200.28**
Additions	-	-	5.79	9.38	-	3.14	**18.31**	223.99
Disposals/capitalisation	-	-	-	-	-	-	-	(39.44)
Exchange fluctuation	-	-	-	-	-	-	-	-
As at March 31, 2020	**89.25**	**31.97**	**7.24**	**63.83**	**6.21**	**33.86**	**232.36**	**384.83**
Additions	-	-	510.74	9.81	-	0.21	**520.76**	712.74
Disposals/capitalisation	-	-	-	-	-	-	-	(1,052.59)
Exchange fluctuation	-	-	-	(0.14)	-	-	**(0.14)**	-
As at March 31, 2021	**89.25**	**31.97**	**517.98**	**73.50**	**6.21**	**34.07**	**752.98**	**44.98**
Depreciation								
As at April 01, 2019	**2.53**	**3.22**	**1.44**	**38.13**	**3.11**	**15.17**	**63.60**	-
On account of consolidation	-	-	-	5.67	-	-	**5.67**	-
Charge for the year	0.85	1.07	0.10	6.31	0.63	4.04	**13.00**	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	-	-	-	-	-
As at March 31, 2020	**3.38**	**4.29**	**1.54**	**50.11**	**3.74**	**19.21**	**82.27**	-
Charge for the year	0.85	1.07	0.18	6.93	0.55	4.14	**13.72**	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	(0.14)	-	-	**(0.14)**	-
As at March 31, 2021	**4.23**	**5.36**	**1.72**	**56.90**	**4.29**	**23.35**	**95.85**	-
Net Block								
As at March 31, 2020	**85.87**	**27.68**	**5.70**	**13.72**	**2.47**	**14.65**	**150.09**	**384.83**
As at March 31, 2021	**85.02**	**26.61**	**516.26**	**16.60**	**1.92**	**10.72**	**657.13**	**44.98**

*Note: Out of this land worth Rs.8,30,01,213 is the the lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 &24- Part) of B K Palya Village , Jala Hobli, Bengaluru North Taluk, has been allotted to our company by Karnataka Industrial Areas Development Board as per the allotment letter no. KIADB/HO/Allot/AS/30017/8927/15-16 dated 23.09.2015. The company has later obtained possession certificate vide letter no. IADB/AE/30017/1158/2015-16 dated 29.03.2016. This has been allotted for a leasehold period of 99 years beginning from possession date.This land is mortgaged against term loan of Rs. 25,00,00,000 by **Kotak Mahindra Bank**.

Another land worth Rs.62,51,000 is the lease hold land measuring 2.5 acres in the ELCOSEZ- jagirammapalayam,Salem is also under 99 year lease.

4 Right-of-Use Assets

Particulars	Leasehold assets
Year ended March 31, 2021	
Gross Carrying Amount	
As at April 01, 2019	-
Additions	-
Disposals/capitalisation	-
As at March 31, 2020	-
Additions	138.62
Disposals/capitalisation	-
As at March 31, 2021	**138.62**
Depreciation	
As at April 01, 2019	-
Charge for the year	-
Disposals	-
As at March 31, 2020	-
Charge for the year	4.83
Disposals	-
As at March 31, 2021	**4.83**
Net Block	
As at March31, 2020	-
As at March 31, 2021	**133.79**

Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss.

Particulars	March 31,2021	March 31,2020
Opening Lease Liability	-	-
Add: Additions on lease during the year	138.62	-
Add: Accretion of Interest	2.30	-
Less: Lease Payments	(4.36)	-
Lease Liability*	**136.56**	-
Current	20.85	
Non-Current	115.71	
Total	136.56	

*Refer note 16 to the financial information

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 and March 31, 2020 on an undiscounted basis:

Particulars	March 31,2021	March 31,2020
Less than one year	40.94	-
One to two years	58.38	-
More than two years	101.00	-
Total	**200.32**	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

5 Intangible assets and capital work in progress

Particulars	Computer Software	Capital work-in-progress
Year ended March 31, 2021		
Gross carrying amount		
As at April 01, 2019	**810.67**	**17.37**
Additions	33.99	14.10
Disposals/capitalisation	-	(11.61)
Effect of exchange fluctation	(5.05)	-
As at March 31, 2020	**839.61**	**19.85**
Additions	57.24	33.94
Disposals/capitalisation	(20.48)	(53.91)
Effect of exchange fluctation	(9.28)	0.12
As at March 31, 2021	**867.09**	**0.00**
Accumulated Amortisation		
As at April 01, 2019	**345.12**	-
Charges for the year	73.02	-
Disposals	-	-
Effect of exchange fluctation	(1.43)	-
As at March 31, 2020	**416.71**	-
Charges for the year	69.12	-
Disposals	(17.46)	-
Effect of exchange fluctation	(3.56)	-
As at March 31, 2021	**464.80**	-
Net block		
As at 31 March 2020	**422.91**	**19.85**
As at 31 March 2021	**402.29**	**0.00**

Note:
Computer software consists of cost of ERP licenses and development cost. The useful life of computer software is estimated to be 3 years, based on technical assessment of such assets.

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

Note	Particualrs	March 31,2021	March 31,2020
6	**Financial assets**		
	Investment carried at cost:		
	a) Non-current invsetment		
	Investment in units of mutual funds	-	0.50
	[Units of canara robeco mutual fund units @ Rs.10 per unit]		
	b)Investment in unquoted equity share capital of associate companies		
	Investment in PT eMudhra Technologies Indonesia	22.01	-
	(NIL (2021:147,500) equity shares of face value of USD 1 each)		
	Investment in PT eMudhra Technologies Indonesia	115.86	-
	NIL(2020:16,00,000) preference shares of face value of USD 1 each)		
	Total	**137.87**	**0.50**
	Aggregate amount invested in quoted mutual funds at cost	-	**0.50**
	Aggregate amount invested in unquoted shares at cost	**137.87**	-
7	**Other non-current assets**		
	Balance with government authorities	1.10	2.42
	Balances with bank held as margin money deposits as against bank guruantees	21.67	6.64
	Other receivables	0.16	0.00
	Prepaid expenses	14.54	13.57
	Total	**37.47**	**22.63**
8	**Inventories**		
	Crypto token/hardware security module	3.01	6.41
	SSL Certificates	4.13	8.23
	Total	**7.14**	**14.64**
9	**Investments**		
	Investment in units of mutual funds	0.62	1.00
	[Units of canara robeco mutual fund units @ Rs.10 per unit]		
	Total	**0.62**	**1.00**
10	**Trade receivables**		
	Unsecured trade receivables	149.10	233.99
	Less: Allowance for doubtfull debts	-	-
	Total	**149.10**	**233.99**
	Current portion	149.10	233.99
	Non-current portion	-	-
	Breakup of security details:		
	Unsecured, considered good	149.10	233.99
	Gross Trade Receivables	**149.10**	**233.99**
11	**Cash and cash equivalents**		
	Balance with banks:		
	- On current account	36.97	91.59
	-Deposit accounts [pledged with bank]	40.00	-
	Cash on hand	0.16	0.27
	Total	**77.13**	**91.86**
12	**Loan**		
	Loans considered good - Unsecured		
	Loans to employees	0.25	0.33
	Loan to eMudhra employees stock options trust	30.36	30.68
	Total	**30.61**	**31.01**
13	**Other financial assets**		
	Other financial assets at amortised cost		
	Advance to capital creditors	11.55	0.02
	Advance to suppliers	3.45	4.23
	Balance with government authorities	1.02	0.18
	Income tax receivable,net	-	15.88
	Interest accrued on fixed deposits	1.54	0.90
	Other shorterm loan and advances	-	0.19
	Other short term deposits	1.03	1.14
	Prepaid expenses (short term)	9.72	14.75
	Security deposits	21.58	17.77
	Staff advance	0.01	0.53
	Tender deposit	0.97	1.35
	Unbilled revenue	137.25	105.06
	Total	**188.12**	**162.00**

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

14 Equity share capital

Authorised equity share capitals

Particulars	No. of Shares	Amount
As at April 01, 2020	12,30,00,000	615.00
Increase during the year	-	-
As at March 31, 2020	**12,30,00,000**	**615.00**
Increase during the year	-	-
As at March 31, 2021	**12,30,00,000**	**615.00**

(i) Issued, subscribed and paid-up equity share capital

Particulars	No. of Shares	Amount
As at April 01, 2020	7,01,79,692	350.90
Increase during the year	-	-
As at March 31, 2020	**7,01,79,692**	**350.90**
Increase during the year	-	-
As at March 31, 2021	**7,01,79,692**	**350.90**

The company has only one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

(ii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:

Particulars	31 March 2021		31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Share issued during the year	-	-	-	-
Share outstanding at the end of the year	7,01,79,692	350.90	7,01,79,692	350.90

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
V Srinivasan	2,79,71,264	39.86%	2,79,71,264	39.86%
Taarav Pte Ltd	1,83,59,123	26.16%	1,83,59,123	26.16%
Lakshmi Kaushik	62,01,466	8.84%	62,01,466	8.84%
Arvind Srinivasan	66,36,515	9.46%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	60,57,801	8.63%	61,32,801	8.74%

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Note	Particualrs	March 31,2021	March 31,2020
15	**Other equity**		
	Capital redemption reserve [refer note 15.1 below]	200.26	89.00
	Preference share capital	86.00	86.00
	Securities premium [refer note 15.2 below]	0.63	0.63
	Retained earnings [refer note 15.3 below]	447.29	390.51
	Capital reserve on consolidation	-	-
	Foreign currency transalation reserve[refer note 15.4 below]	(12.16)	0.35
	Other comprehensive income [refer note 15.5 below]	0.66	4.01
		722.68	**570.50**
15.1	**Capital redemption reserve**		
	Balance at the beginning of the year	89.00	89.00
	Add: Transactions during the period/year	-	-
	Add: Adjusted agasint securities premium	111.26	-
	Add: transferred from retained earnigs	-	-
	Balance as at the end of the year	**200.26**	**89.00**
15.2	**Securities premium**		
	Balance at the beginning of the year	0.63	-
	Add: Transactions	-	0.63
	Less: Adjusted against buy-back of preference shares	-	-
	Balance as at the end of the year	**0.63**	**0.63**
15.3	**Retained earnings**		
	Balance at the beginning of the year	390.51	230.06
	Profit/ (Loss) for the year	174.60	166.46
	Add: profit(loss) from business combination	-	-
	Less:deficit brought forward on account of amalgamation	-	-
	Less:Transfer to capital redemption reserve	111.26	-
	Less:Dividend paid [including dividend distribution tax]	6.56	6.01
	Balance as at the end of the year	**447.29**	**390.51**
15.4	**Foreign currency transalation reserve**		
	Balance at the beginning of the year	0.35	(3.54)
	Add:Exchange differnce on transalation of foreign operation	(12.51)	3.89
	Balance as at the end of the year	**(12.16)**	**0.35**
15.5	**Total comprehensive income for the year**		
	Balance at the beginning of the year	4.01	-
	Add:Other comprehensive income for the year	(3.35)	4.01
	Balance as at the end of the year	**0.66**	**4.01**

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

Note	Particualrs	March 31,2021	March 31,2020
16	**Borrowings**		
	Secured		
	Preference share capital	-	75.00
	Term loan from bank	271.85	214.57
	Total borrowings	271.85	289.57
	Less: Current maturities of long term loans (clubbed under other financial liabilities)	50.94	27.23
	Total	**220.91**	**262.34**
17	**Lease Liabilities**		
	Lease Liability [refer note below]	154.20	-
	Less: Current Liability of Lease	26.33	-
	Total	**127.87**	-
	Out of the total lease liability, the rights of use of assets amounting to INR 17.32 million for the year ended March 31,2021, is not fully handed over and hence the same is not disclosed in Note 4 to the financials.		
18	**Deferred tax liabilities (Net)**		
	Deferred tax asset/liability,net		
	Taxation rate considered for computing deferred tax asset/liability [%]	22.9%	22.9%
	On account of timing difference of depreciation and other expenses	13.64	7.58
	Total	**13.64**	**7.58**
19	**Provisions**		
	Provision for Leave Benefits	6.07	3.55
	Provision for gratuity	26.58	18.13
	Total	**32.65**	**21.68**
20	**Other non-current liabilities**		
	Advance from customers	12.15	13.64
	Security deposit from customers	2.53	2.53
		14.68	**16.17**
21	**Borrowings**		
	Secured		
	Working capital demand loan	43.35	79.23
	Unsecured		
	Short-term loan from associates/subsidiaries	6.36	26.09
	Short-term loan from director	37.44	19.70
	Total	**87.15**	**125.02**
22	**Lease Liabilities**		
	Current Liability of Lease	26.33	-
	Total	**26.33**	-
23	**Trade payables**		
	Dues to Micro Enterprises and Small Enterprises	19.29	2.32
	Dues to Creditors other than Micro Enterprises and Small Enterprises	15.69	75.54
	Due to related parties	-	-
	Total	**34.98**	**77.86**
24	**Other financial liabilities**		
	DSC Portal deposit	9.11	10.31
	Current maturities of long term debts	50.94	27.23
	Capital creditors	6.13	7.03
	Total	**66.18**	**44.57**
25	**Provision**		
	Provision for tax,net	23.80	-
	Other payables towards contractual obligations	33.34	26.01
	Employee benefits payable	30.36	32.30
	Provision for leave benefits	3.40	1.58
	Provision for gratuity	1.70	1.12
	Total	**92.60**	**61.01**
26	**Other current liabilities**		
	Advance from customers	10.38	10.13
	Statutory dues	25.59	29.98
	Total	**35.97**	**40.11**

GANDHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Note	Particulars	March 31,2021	March 31,2020
27	**Revenue from operations**		
	Sale of software solutions/services	1,153.33	980.52
	Sale of accessories	162.60	183.98
	Total	**1,315.93**	**1,164.50**
	Segment wise revenue		
	Trust services	672.50	564.30
	Cyber security and digital transformation solutions	643.43	600.20
	Total	**1,315.93**	**1,164.50**
28	**Other income, net**		
	Foreign exchange gain/loss on consolidation	0.52	0.03
	Foreign exchange gain/loss on transactions	6.77	-
	Gain/premium on redemption of shares	0.12	2.98
	Interest income of fixed deposit	0.71	0.48
	Interest income on income tax refund	0.31	-
	Other miscellaneous income	0.18	-
	Total	**8.61**	**3.49**
29	**Operating expenses**		
	Commission expenses	71.68	53.64
	DSC collection and verification charges	0.00	2.17
	Other direct operating expenses	46.91	67.59
	Payment gateway charges	4.33	3.52
	Postage and courier charges	6.20	4.03
	Total	**129.12**	**130.95**
30	**Purchase of stock-in-trade**		
	Purchase of crypto token/hardware's	169.83	220.75
	Purchase of SSL Certificates	9.73	37.85
	Total	**179.56**	**258.60**
31	**Changes in stock of finished goods**		
	Finished Goods:		
	Opening stock:		
	Crypto token/HSM	6.37	2.80
	SSL Certificates	8.26	-
		14.63	2.80
	Closing stock:		
	Crypto token/HSM	3.00	6.37
	SSL Certificates	4.13	8.26
	Closing stock	7.13	14.63
	Total	**7.50**	**(11.83)**
32	**Employee benefit expenses**		
	Contribution to provident and other funds	12.08	9.25
	Employee insurance expenses	5.13	4.12
	Gratuity	7.84	8.14
	Leave compensation	5.31	0.80
	Salaries, allowances and bonus	382.33	262.07
	Staff welfare expenses	4.42	7.79
	Total	**417.11**	**292.16**

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

Note	Particulars	March 31,2021	March 31,2020
33	**Finance costs**		
	Interest and finance charges on financial liabilities carried at amortised cost		
	Interest on term loans	17.24	26.21
	Interest on lease liabilities	2.30	-
	Interest on overdraft/cash credit facilities	6.03	6.48
	Less: interest amount capitalised	17.24	26.21
	Total interest on financial liabilities carried at amortised cost	8.33	6.48
	Interest on delayed payment of statutory dues	0.08	0.20
	Total	**8.41**	**6.68**
34	**Depreciation and amortisation expense**		
	Amortisation on intangible assets	69.12	73.02
	Depreciation on right to use assets	4.83	-
	Depreciation on plant, property and equipment	13.72	13.00
	Total	**87.67**	**86.02**
35	**Other expenses**		
	Auditors' remuneration [refer note 35.1 below]	2.59	1.90
	Business promotion and advertisements	25.97	27.49
	Communication expenses	9.89	9.41
	Contribution for corporate social responsibility expenses (refer note 35.2 below)	2.18	1.89
	Power and fuel expenses	7.13	8.90
	Fees rates and taxes	9.99	3.89
	Information technology expenses	6.21	3.41
	Insurance expenses	3.41	1.70
	Legal and professional expenses	58.81	32.69
	Local conveyance	0.82	2.45
	Meeting and conference expenses	-	0.50
	Membership charges	3.85	0.87
	Miscellaneous expense	0.35	0.23
	Office maintenance expense	10.05	9.65
	Printing and stationary	1.28	4.30
	Recruitment and training expenses	2.56	1.06
	Rent	33.48	29.02
	Repair and maintenance		
	-Plant and machinery	1.46	2.34
	-Buildings	0.17	0.40
	-others	0.10	0.14
	Travelling, boarding and lodging expenses	3.07	25.72
	Foreign exchange loss/gain on transactions	-	7.27
	Total	**183.37**	**175.23**
35.1	Payment to statutory auditors included above		
	As Auditor towards:		
	Statutory audit	0.81	0.81
	In other capacities towards:		
	Other matters	0.41	0.55
		1.22	**1.36**
35.2	Corporate social responsibility expense[CSR expense]		
	Amount required to be spent	1.97	1.85
	Amount spent during the year on		
	a.Promoting of education	2.18	1.89
	Total CSR expenses	**2.18**	**1.89**

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Note	Particualrs		March 31, 2021	March 31, 2020
36	**Earnings per share**			
	Basic:			
	Profit after tax	A	174.60	166.46
	Weighted average number of shares outstanding	B	7,01,79,692	7,01,79,692
	Basic EPS	A/B	2.49	2.37
	Diluted			
	Profit after tax	A	175	166
	Weighted average number of shares outstanding	B	7,01,79,692	7,01,79,692
	Diluted EPS	A/B	2.49	2.37

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

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37 Notes forming part of the financial statements

(All amounts are in INR million, unless otherwise stated)

Related party disclosures

A. Disclosure related to subsidiary, associate and group companies

1 **Particulars of subsidiary, associate and group companies :**

Sl No	Name of the company	Address	Relationship	March 31,2021	March 31,2020
1	eMudhra (MU) Limited	10, Frere Felix de Valois Steet, Port Louis, Mauritius.	Subsidiary company	100%	100%
2	eMudhra Technologies Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary company	51%	51%
3	eMudhra consumer Services Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary company	76%	76%
4	eMudhra INC	97 Cedar Grove Lane Suite 202 Somerset, NJ 08873	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	51%	51%
5	eMudhra PTE Limited	#03-01,1 Phillip Street Royal one Phillip Singapore 486592	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	51%	51%
6	Taarav PTE Limited	#03-01,1 Phillip Street Royal one Phillip Singapore 486592	Group Company	NA	NA
7	eMudhra DMCC	3006,One Lake Plaza, Cluster T Jumeriah Lake Towers PO Box no.32620, Dubai UAE	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	51%	51%
8	eMudhra BV	Wilhelimina Van Pruisenwg 0014, 2595AN- 'Sgravenhage The Netherlands	Subsidiary company [September 30,2021: directly 51% and through eMudhra (MU) Limited 49%[NIL for previous financial years])	51%	NA
9	PT eMudhra Technologies Indonesia	Ruko Pondasi, Jl. Pondasi Raya No. 21 Unit. H,Kayu Putih Pulogadung,Kota Adm. Jakarta Timur DKI Jakarta Indonesia	Subsidiary company [September 30,2021:Directly 29.5%[March 31,2021:29.5%] and through eMudhra DMCC 29.5%(March 31,2021: 15.05%)	44.55%	NA
10	Smart Craft Private Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA	NA
11	Cedar Grove Real Estates Private Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA	NA
12	Bluesky Infotech [Partnership firm]	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group entity	NA	NA
13	Bluesky Infotech [Partnership firm]	2nd Floor, Tek Tower 11 Rajiv Gandhi Salai (OMR),Thoraipakkam Chennai – 600 097.	Group entity	NA	NA
14	eMudhra employees stock option trust(net)	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group entity	NA	NA

2 **Particulars of key managerial person**

Sl No	Entity Name	Name of the key managerial person	Relationship
1	eMudhra Limited		
		V. Srinivasan	Chairman & Director
		Kaushik Srinivasan	Promoter group
		Venu Madhava	Whole time director
		Saji K Louiz	Chief financial officer
		Johnson Xavier	Company secretary
2	eMudhra (MU) Limited		
		Arvind Srinivasan	Director
		Ashish droowanand bheekharry	Director
3	eMudhra Technologies Limited		
		V. Srinivasan	Director
		Venu Madhava	Director
		Vijay Kumar	Director
4	eMudhra Consumer Services Limited		
		V. Srinivasan	Chairman & Director
		Kaushik Srinivasan	Director
		Venu Madhava	Director
5	eMudhra DMCC		
		Arvind Srinivasan	Director
6	eMudhra INC		
		V. Srinivasan	Chairman & Director
		Kaushik Srinivasan	Director
		Arvind Srinivasan	Director
7	eMudhra PTE Limited		
		V. Srinivasan	Chairman & Director
		Arvind Srinivasan	Director
		Barkes bte abdul fazil	Director
8	eMudhra BV		
		Arvind Srinivasan	Director

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

37.1 Notes forming part of the Consolidated Financial Information of eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Related party disclosures

1 Disclosure related to subsidiary, associate and group company transactions

					Transactions	
Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31,2021	March 31,2020
1	Purchase of Fixed Assets					
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	41.49
		eMudhra (MU) Limited				
			eMudhra PTE Limited	Group/Associate Company	38.97	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	78.44	-
2	Expenses incurred on behalf and reimbursed					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	-	0.40
			eMudhra consumer Services Limited	Subsidiary company	-	0.61
3	Sales of Fixed Asset					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	-	41.49
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	83.23	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	37.42	-
4	Sales of products/services					
		eMudhra Limited				
			Bluesky Infotech [Partnership firm]	Group entity	109.53	157.40
			eMudhra DMCC	Subsidiary company	7.43	6.08
			eMudhra consumer Services Limited	Subsidiary company	25.00	4.24
			Smart Craft Private Limited	Group Company	-	0.57
		eMudhra consumer Services Limited				
			eMudhra Technologies Limited	Group Company	-	10.00
			eMudhra Limited	Holding Company	-	47.54
		eMudhra Technologies Limited				
			eMudhra consumer Services Limited	Group Company	-	3.00
			eMudhra Limited	Holding Company	11.41	69.50
		eMudhra DMCC				
			PT eMudhra Technologies Indonesia	Group/Associate Company	118.23	-
5	Sales of software Licencing fees					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	0.59	-
			eMudhra INC	Subsidiary company	2.95	-
			eMudhra DMCC	Subsidiary company	4.84	-
		eMudhra consumer Services Limited				
			eMudhra PTE Limited	Group Company	0.10	-
			eMudhra DMCC	Group Company	33.25	-
			eMudhra Limited	Holding Company	36.60	17.68
		eMudhra Technologies Limited				
			eMudhra INC	Group Company	0.78	-
			eMudhra DMCC	Group Company	2.71	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	55.05	-
6	Purchase of products/services					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	11.41	69.50
			Smart Craft Private Limited	Group Company	0.01	0.18
			Bluesky Infotech [Partnership firm]	Group entity	78.27	1.99
			eMudhra consumer Services Limited	Subsidiary company	-	47.54
		eMudhra consumer Services Limited				
			eMudhra Technologies Limited	Group Company	-	3.00
			eMudhra Limited	Holding Company	25.00	4.24
		eMudhra Technologies Limited				
			Bluesky Infotech [Partnership firm]	Group entity	-	61.50
			eMudhra consumer Services Limited	Group Company	-	10.00
		eMudhra DMCC				
			eMudhra Limited	Holding Company	7.43	6.03

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

37.1 Notes forming part of the Consolidated Financial Information of eMudhra Limited
(All amounts are in INR million, unless otherwise stated)

Related party disclosures

1 Disclosure related to subsidiary, associate and group company transactions

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	Transactions March 31,2021	Transactions March 31,2020
7	Purchase of software Licencing fees					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	36.60	17.68
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	0.59	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	53.65	-
		eMudhra DMCC				
			eMudhra consumer Services Limited	Group Company	33.74	-
			eMudhra Limited	Holding Company	4.91	-
			eMudhra Technologies Limited	Group Company	2.76	-
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.10	-
		eMudhra INC				
			eMudhra Limited	Holding Company	2.97	-
			eMudhra Technologies Limited	Group Company	0.78	-
8	Receipt (repayment) of loan, net					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	-	(47.90)
			Bluesky Infotech [Partnership firm]	Group entity	(21.60)	21.60
			eMudhra employees stock option trust(net)	Group entity	0.33	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	(80.75)	74.54
		eMudhra PTE Limited				
			Taarav PTE Limited	Group Company	(1.74)	(4.29)
		eMudhra BV				
			eMudhra DMCC	Group Company	(0.15)	0.15
		eMudhra INC				
			eMudhra DMCC	Group Company	(3.67)	3.77
9	Loan Provided(received) Net					
		eMudhra DMCC				
			eMudhra INC	Group Company	(3.64)	3.73
			eMudhra BV	Group Company	(0.15)	0.15
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	(47.90)
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(74.57)	70.31
10	Commission paid					
		eMudhra Limited				
			Bluesky Infotech	Group entity	16.99	11.21

2 Detailed transactions with key managerial persons

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31,2021	March 31,2020
1	Receipt(repayment) of loan, net					
		eMudhra INC				
			V. Srinivasan	Director	2.21	-
		eMudhra DMCC				
			V. Srinivasan	Director	19.82	-
		eMudhra Technologies Limited				
			V. Srinivasan	Director	(4.00)	7.60
2	Receipt of services					
		eMudhra (MU) Limited	Ashish droowanand bheekharry	Director	0.05	-
		eMudhra PTE Limited	Barkes bte abdul fazil	Director	0.10	0.13
3	Salary and allowances paid					
		eMudhra Limited				
			Venu Madhava	Whole time director	4.37	3.95
			Kaushik Srinivasan	Promoter group	6.01	4.75
			Saji K Louiz	Chief financial officer	3.95	3.55
			Johnson Xavier	Company secretary	1.49	1.30
		eMudhra DMCC				
			Arvind Srinivasan	Director	8.70	6.64
			V. Srinivasan	Promoter group	5.26	4.25
4	Preference dividend paid	eMudhra Limited				
			V. Srinivasan	Chairman and director	1.61	1.61
			Mythili Srinivasan	Promoter group	0.39	0.39
			Kaushik Srinivasan	Promoter group	0.29	0.29
			Arvind Srinivasan	Promoter group	0.29	0.29

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

37.1 Notes forming part of the Consolidated Financial Information of eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

Related party disclosures

3 Disclosure related to subsidiary, associate, group company and KMP balances

					Balances As at	
Sl No	**Particulars**	**Accounting entity**	**Related party**	**Nature of relationship**	**March 31,2021**	**March 31,2020**
1	**Due to**					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	5.54	2.98
			eMudhra consumer Services Limited	Group Company	33.06	-
			eMudhra Technologies Limited	Group Company	2.70	-
			V. Srinivasan	Promoter Group	19.82	-
			eMudhra (MU) Limited	Group/Associate Company	72.26	74.54
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	0.78	-
			V. Srinivasan	Director	13.78	11.87
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.10	-
			V. Srinivasan	Director	0.24	0.24
		eMudhra Technologies Limited				
			V. Srinivasan	Director	3.60	7.60
		eMudhra employees stock option trust				
			eMudhra Limited	Group entity	30.36	30.68
2	**Due From**					
		eMudhra Consumer services Limited				
			eMudhra DMCC	Group Company	33.25	-
			eMudhra PTE Limited	Group Company	0.10	-
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	5.55	3.00
			eMudhra employees stock option trust	Group entity	30.36	30.68
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	2.71	-
			eMudhra INC	Group Company	0.78	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	61.91	65.88

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

37.1 Notes forming part of the Consolidated Financial Information of eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

4 The following are the details of eliminated Transactions:

					Transactions	
Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31,2021	March 31,2020
1	**Purchase of Fixed Assets**					
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	41.49
		eMudhra (MU) Limited				
			eMudhra PTE Limited	Group/Associate Company	38.97	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	78.44	-
2	**Expenses incurred on behalf and reimbursed**					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	-	0.40
			eMudhra consumer Services Limited	Subsidiary company	-	0.61
3	**Sales of Fixed Asset**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	-	41.49
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	83.23	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	37.42	-
4	**Sales of products/services**					
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	7.43	6.08
			eMudhra consumer Services Limited	Subsidiary company	25.00	4.24
		eMudhra consumer Services Limited				
			eMudhra Technologies Limited	Group Company	-	10.00
			eMudhra Limited	Holding Company	-	47.54
		eMudhra Technologies Limited				
			eMudhra consumer Services Limited	Group Company	-	3.00
			eMudhra Limited	Holding Company	11.41	69.50
5	**Sales of software Licencing fees**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	0.59	-
			eMudhra INC	Subsidiary company	2.95	-
			eMudhra DMCC	Subsidiary company	4.84	-
		eMudhra consumer Services Limited				
			eMudhra PTE Limited	Group Company	0.10	-
			eMudhra DMCC	Group Company	33.25	-
			eMudhra Limited	Holding Company	36.60	17.68
		eMudhra Technologies Limited				
			eMudhra INC	Group Company	0.78	-
			eMudhra DMCC	Group Company	2.71	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	55.05	-
6	**Purchase of products/services**					
		eMudhra Limited				
			eMudhra Technologies Limited	Subsidiary company	11.41	69.50
			eMudhra consumer Services Limited	Subsidiary company	-	47.54
		eMudhra consumer Services Limited				
			eMudhra Technologies Limited	Group Company	-	3.00
			eMudhra Limited	Holding Company	25.00	4.24
		eMudhra Technologies Limited				
			eMudhra consumer Services Limited	Group Company	-	10.00
		eMudhra DMCC				
			eMudhra Limited	Holding Company	7.43	2.89
7	**Purchase of software Licencing fees**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	36.60	17.68
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	0.59	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	53.65	-
		eMudhra DMCC				
			eMudhra consumer Services Limited	Group Company	33.74	-
			eMudhra Limited	Holding Company	4.91	-
			eMudhra Technologies Limited	Group Company	2.76	-
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.10	-
		eMudhra INC				
			eMudhra Limited	Holding Company	2.97	-
			eMudhra Technologies Limited	Group Company	0.78	-
8	**Receipt (repayment) of loan,net**					
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	-	(47.90)
		eMudhra DMCC				
			eMudhra (MU) Limited	Group Company	(80.75)	74.54
		eMudhra PTE Limited				
			Taarav PTE Limited	Group Company	(1.74)	(4.29)
		eMudhra BV				
			eMudhra DMCC	Group Company	(0.15)	0.15
		eMudhra INC				
			eMudhra DMCC	Group Company	(3.67)	3.77
9	**Loan Provided(received) Net**					
		eMudhra DMCC				
			eMudhra INC	Group Company	(3.64)	3.73
			eMudhra BV	Group Company	(0.15)	0.15
		eMudhra consumer Services Limited				
			eMudhra Limited	Holding Company	-	(47.90)
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	(74.57)	70.31

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

eMudhra Limited

37.1 Notes forming part of the Consolidated Financial Information of eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

5 The following are the details of balances eliminated

					Balances As at	
Sl No	**Particulars**	**Accounting entity**	**Related party**	**Nature of relationship**	**March 31,2021**	**March 31,2020**
1	**Due to**					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	5.55	2.98
			eMudhra consumer Services Limited	Group Company	33.25	-
			eMudhra Technologies Limited	Group Company	2.71	-
			eMudhra (MU) Limited	Group/Associate Company	72.26	74.54
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	0.78	-
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	0.10	-
2	**Due From**					
		eMudhra Consumer services Limited				
			eMudhra DMCC	Group Company	33.25	-
			eMudhra PTE Limited	Group Company	0.10	-
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	5.55	3.00
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	2.71	-
			eMudhra INC	Group Company	0.78	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	61.91	65.88

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

(All amounts are in INR million, unless otherwise stated)

38 Disclosures under IndAS19, employee benefits

a) Post Retirement Benefit- Defined Contribution Plans
The company has recognised an amount of INR 11.71 million (March 31,2020:INR 8.54 million) as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund for the year ended March 31,2021

b) Post Retirement Benefit- Defined Benefit Plan
The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each balance sheet date.

The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the balance sheet date.

	March 31, 2021	March 31, 2020
(i) Present Value of Defined Benefit Obligation - Gratuity		
Balance at the beginning of the year	26.25	19.42
On account of consolidation	-	4.06
Current service cost	6.00	6.12
Interest cost	1.12	1.36
Actuarial (gain)/loss	4.84	(4.23)
Benefits paid	(2.17)	(0.48)
Balance at the end of the year	**36.04**	**26.25**
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	7.00	4.90
Expected return on plan assets	0.42	0.35
Contribution	1.53	2.25
Actuarial gain/(loss)	0.02	(0.20)
Benefits paid	(1.21)	(0.30)
Balance at the end of the year	**7.76**	**7.00**
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	36.04	26.25
Present value of plan assets	7.76	7.00
Amount recognised as assets/(liability)	**(28.28)**	**(19.25)**
Recognised under:		
Long term provision (Refer Note 19)	(26.58)	(18.13)
Short term provision (Refer Note 25)	(1.70)	(1.12)
Total	**(28.28)**	**(19.25)**
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	5.99	7.51
Interest cost	1.28	1.37
Expected return plan assets	(0.42)	(0.35)
Total expenses	**6.85**	**8.53**
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	4.84	(4.23)
Return on Plan Assets	(0.02)	0.20
	4.82	**(4.03)**

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

(vi) Major Category of Plan Assets as % of total Plan Assets

	March 31, 2021	March 31, 2020
Insurer managed funds		
eMudhra Limited	100%	100%
eMudhra Technologies Limited	100%	NA
eMudhra Consumer Services Limited	100%	NA
eMudhra DMCC	100%	NA

(vii) Actuarial assumptions

Discount rate		
eMudhra Limited	5.26%	5.81%
eMudhra Technologies Limited	6.88%	NA
eMudhra Consumer Services Limited	5.04%	6.64%
eMudhra DMCC	2.36%	2.21%
Salary growth		
eMudhra Limited	10.00%	8.00%
eMudhra Technologies Limited	5.00%	NA
eMudhra Consumer Services Limited	10.00%	10.00%
eMudhra DMCC	5.00%	5.00%
Attrition rate		
eMudhra Limited	30.00%	25.00%
eMudhra Technologies Limited	1.00%	0.00%
eMudhra Consumer Services Limited	33.00%	5.00%
eMudhra DMCC	10.00%	10.00%

(viii) Amounts recognised in current period and previous five years

	March 31, 2021	March 31, 2020
Present value of obligation	36.04	26.25
Present value of plan assets	7.76	7.00
Amount recognised in balance sheet (Liability)/asset	(28.28)	(19.25)

(ix) Expected contribution to the fund for the year ended March 31, 2021 INR 4.38 million & year ended March 31, 2022 is 7.97 million

Notes:

1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.

2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

Other employee benefit plan: The liability for leave encashment and compensated balances as at year end is INR 9.47 million (March 31,2020:INR 5.13 million)

MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS BANGALORE

eMudhra Limited

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

_____

Venkatraman Srinivasan
Executive Chairman
DIN: 00640646

Date: [●]
Place: Bengaluru

DECLARATION

We, the Board of Directors of the Company certify that:

(i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board, signed by:

_____

Venkatraman Srinivasan
Executive Chairman
DIN: 00640646

Date: [●]
Place: Bengaluru

I am severally authorised by the Fund Raising Committee of our Company, *vide* resolution dated January 12, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct, and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly, and legibly attached to this form.

Signed by:

_____

Venkatraman Srinivasan
Executive Chairman
DIN: 00640646

Date: [●]
Place: Bengaluru

eMUDHRA LIMITED

Registered and Corporate Office
Plot No 12-P1-A & 12-P1-B,Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149
Website: www.emudhra.com
Telephone: +91-080-4227 5300**; E-mail:** companysecretary@emudhra.com
CIN: L72900KA2008PLC060368

Company Secretary and Compliance Officer: Mr. Johnson Xavier
Plot No 12-P1-A & 12-P1-B,Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149
Telephone: +91-080-4227 5300
E-mail: companysecretary@emudhra.com

BOOK RUNNING LEAD MANAGER

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (W)
Mumbai 400013
Maharashtra, India.

STATUTORY AUDITOR OF OUR COMPANY

Suri and Co., Chartered Accountants
Address: K M K Towers, 2nd Floor, K M K Towers,
No.142 K H Road (Double Road), Bangalore 560027
Telephone: 080-41240545/004283S
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Peer review certificate number: 013321
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INDIAN LEGAL COUNSEL TO THE ISSUE

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida 201 301
India

AZB & Partners
AZB House, Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
India

INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER WITH RESPECT TO SELLING AND TRANSFER RESTRICTIONS

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore – 049321
Republic of Singapore

SAMPLE APPLICATION FORM

An indicative format of the Application Form is set forth below:

(Note: The format of the Application Form included herein below is for reference, indicative and for the purposes of compliance with applicable law only, and no Bids in this Issue should have been made through the sample Application Form. The Company, in consultation with the Book Running Lead Manager, shall identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should have been made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)

emudhra Trust Delivered	**APPLICATION FORM** Name of Bidder: _____ Form No: _____ Date: _____
(*Incorporated in the Republic of India under the provisions of the Companies Act, 1956*) **Registered and Corporate Office**: Plot No 12-P1-A & 12-P1-B,Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka – 562149. **Telephone:** +91-080 - 4227 5300| **E-mail:** companysecretary@emudhra.com | **Website:** www.emudhra.com **CIN:** L72900KA2008PLC060368	

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 5 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO APPROXIMATELY ₹ [•]MILLION UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY eMUDHRA LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] AND OUR COMPANY MAY OFFER A DISCOUNT ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" in the accompanying preliminary placement document dated [●] (the "PPD").

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
eMUDHRA LIMITED
Plot No 12-P1-A & 12-P1-B,Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore, Karnataka - 562149

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we are an eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Foreign Portfolio Investors**	**NIF**	National Investment Fund
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	**OTH**	Others _____ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "*Application Form*" under Issue Procedure section of the PPD.
** Sponsor and Manager should be Indian owned and controlled.*
***Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any

reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with IIFL Securities Limited (the "**BRLM**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.
We agree and consent that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Karnataka at Bangalore (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the confirmation of allocation note ("**CAN**"), when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLM, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.
We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. **By signing this Application Form and checking the applicable box above, we hereby represent, warrant, acknowledge and agree that we are located outside the United States and purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.**

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
TELEPHONE NO.		**FAX.**	
EMAIL			
FOR ELIGIBLE FPIs**	**Registration Number:**	**For AIFs***/ MFs/ VCFs***/ SI-NBFCs/ ICs**	**Registration Number:**

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.*
***In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*
****Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLM will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER BY 3.00 P.M. (IST), [●], 2024, [●]	
Name of the Account	EMudhra Ltd-QIP
Name of the Bank	Kotak Mahindra Bank Limited
Legal Entity Identifier Code	335800O2BB2DYL86WR53
Address of the Branch of the Bank	Lavella Road, Bangalore, Karnataka
Account Type	Escrow Account
Account Number	8947708393
IFSC	KKBK0000422
Tel No.	022-66056588
E-mail	cmsipo@kotak.com

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "*EMudhra Ltd-QIP*". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS																											
Depository Name (Please ✓)	National Security Depository Limited									Central Depository Services (India) Limited																	
Depository Participant Name																											
DP – ID	I	N																									
Beneficiary Account Number										(16 digit beneficiary account. No. to be mentioned above)																	
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**																											

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICEPER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)	(In words)		

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following: ☐ Copy of PAN Card or PAN allotment letter ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank ☐ Copy of notification as a public financial institution ☐ FIRC ☐ Copy of IRDAI registration certificate ☐ Intimation of being part of the same group ☐ Certified true copy of Power of Attorney ☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) The application form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM.

(3) The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Manager either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.