

**DELTA TECH GAMING LIMITED**

(FORMERLY, GAUSSIAN NETWORKS PRIVATE LIMITED)

DRAFT RED HERRING PROSPECTUS

Dated June 16, 2022

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

(Please read Section 32 of the Companies Act, 2013)

100% Book Building Offer

(Please scan the QR Code to view the DRHP)

**CORPORATE IDENTITY NUMBER:** U72300WB2011PLC163605

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE & EMAIL	WEBSITE
4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata – 700 074, West Bengal, India	349, Udyog Vihar, Phase II, Gurgaon – 122 015, Haryana, India	Anannya Godbole, Company Secretary and Compliance Officer	<b>Telephone:</b> +91 33 4804 3823 <b>Email:</b> secretarial@deltatech.gg	www.deltatech.gg

**OUR PROMOTER: DELTA CORP LIMITED****DETAILS OF OFFER TO PUBLIC**

Type	Fresh Issue size	Offer for Sale size	Total Offer size	Eligibility and Share Reservation among QIB, NII & RII
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹ 3,000 million	Up to [●] Equity Shares aggregating up to ₹ 2,500 million	Up to [●] Equity Shares aggregating up to ₹ 5,500 million	The Offer is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations as our Company does not fulfil the requirements under Regulation 6(1) of the SEBI ICDR Regulations. For details, see “Offer Structure” on page 314.

**DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION**

Name	Type	Amount of the Offer for Sale	WACoA (in ₹)*
Delta Corp Limited	Promoter	Up to ₹ 2,500 million	23.74

\*As certified by the Independent Chartered Accountant pursuant to its certificate dated June 16, 2022

**RISKS IN RELATION TO THE FIRST OFFER**

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 1 each. The Floor Price, Cap Price and Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 97 of this Draft Red Herring Prospectus, and should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 30.

**ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for statements and undertakings expressly made by the Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and the Equity Shares being offered by it in the Offer for Sale and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholder does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares, when offered through the Red Herring Prospectus, are proposed to be listed on the NSE and BSE. For the purposes of this Offer, [●] is the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGERS**

Name of Book Running Lead Manager and logo	Contact Person	Email and Telephone
<b>AXIS CAPITAL</b> Axis Capital Limited	Pavan Naik	<b>Telephone:</b> +91 22 4325 2183 <b>E-mail:</b> deltatech.ipo@axiscap.in
<b>JM FINANCIAL</b> JM Financial Limited	Prachee Dhuri	<b>Telephone:</b> +91 22 6630 3030/ +91 22 6630 3262 <b>E-mail:</b> deltatech.ipo@jmfl.com

**REGISTRAR TO THE OFFER**

Name of Registrar	Contact Person	Email and Telephone
<b>KFINTECH</b> EXPERIENCE TRANSFORMATION KFin Technologies Limited	M Murali Krishna	<b>Telephone:</b> +91 40 6716 2222 <b>E-mail:</b> dgl.ipo@kfintech.com

**BID/OFFER PROGRAMME**

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON	[●]**
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\* Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\* Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

# DELTA TECH

## GAMING DELTATECH GAMING LIMITED (FORMERLY, GAUSSIAN NETWORKS PRIVATE LIMITED)

Deltatech Gaming Limited (the "Company") was incorporated as 'Gaussian Networks Private Limited' at Kolkata, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 10, 2011, issued by the Registrar of Companies, West Bengal at Kolkata ("RoC"). Pursuant to a scheme of amalgamation dated June 8, 2017, between Gauss Networks Private Limited, and our Promoter, the business undertaking of our Company was transferred to our Promoter. Subsequently, the name of our Company was changed from 'Gaussian Networks Private Limited' to 'Deltatech Gaming Private Limited' pursuant to a resolution passed by the Board of Directors on March 11, 2022 and by the Shareholders of our Company in an extraordinary general meeting held on March 15, 2022, and a fresh certificate of incorporation dated March 24, 2022 was issued by the RoC. Thereafter, pursuant to resolutions passed by our Board of Directors and by our Shareholders, each dated April 29, 2022, our Company was converted into a public limited company, consequent to which its name was changed to "Deltatech Gaming Limited", and a fresh certificate of incorporation consequent to such conversion was issued by the RoC on May 10, 2022.

**Corporate Identity Number:** U72300WB2011PLC163605; **Website:** www.deltatech.gg;  
**Registered Office:** 4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata, – 700 074, West Bengal, India; **Telephone:** +91 33 4804 3823  
**Corporate Office:** 349, Udyog Vihar, Phase II, Gurgaon- 122 015, Haryana, India; **Telephone:** +91 124 610 2402  
**Contact Person:** Anannya Godbole, Company Secretary and Compliance Officer; **Telephone:** +91 33 4804 3823; **E-mail:** secretarial@deltatech.gg

### OUR PROMOTER: DELTA CORP LIMITED

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 5,500 MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY, AGGREGATING UP TO ₹ 3,000 MILLION ("FRESH ISSUE"), AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES ("OFFERED SHARES"), AGGREGATING UP TO ₹ 2,500 MILLION, BY DELTA CORP LIMITED (THE "SELLING SHAREHOLDER" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDER, THE "OFFER FOR SALE"). IN ACCORDANCE WITH AND SUBJECT TO REGULATION 33 OF THE SEBI ICDR REGULATIONS, THE OFFER MAY INCLUDE A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●] PERCENT OF THE OFFER), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEE(S) (THE "EMPLOYEE RESERVATION PORTION") AND A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●] PERCENT OF THE OFFER), FOR SUBSCRIPTION BY DELTA SHAREHOLDERS (AS DEFINED HEREINAFTER) ("DELTA SHAREHOLDER RESERVATION PORTION"). OUR COMPANY AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), MAY OFFER A DISCOUNT OF UP TO [●] PERCENT (EQUIVALENT TO ₹ [●] PER EQUITY SHARE) OF THE OFFER PRICE TO ELIGIBLE EMPLOYEE(S) BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT") AND OF UP TO [●] PERCENT (EQUIVALENT TO ₹ [●] PER EQUITY SHARE) OF THE OFFER PRICE TO DELTA SHAREHOLDER(S) BIDDING IN THE DELTA SHAREHOLDER RESERVATION PORTION ("SHAREHOLDER DISCOUNT"), SUBJECT TO NECESSARY APPROVALS, AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION AND THE DELTA SHAREHOLDER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND NET OFFER SHALL CONSTITUTE [●] PERCENT AND [●] PERCENT, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

OUR COMPANY AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER UNDERTAKING A FURTHER ISSUE OF EQUITY SHARES OR ANY OTHER INSTRUMENT AS MAY BE PERMISSIBLE THROUGH A PREFERENTIAL ISSUE OR ANY OTHER METHOD AS MAY BE PERMITTED IN ACCORDANCE WITH APPLICABLE LAW TO ANY PERSON(S), FOR A CASH CONSIDERATION AGGREGATING UP TO ₹ 500 MILLION BETWEEN THE DATE OF THIS DRAFT RED HERRING PROSPECTUS TILL THE FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"), SUBJECT TO MARKET CONDITIONS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE AMOUNT RAISED PURSUANT TO SUCH PRE-IPO PLACEMENT WILL BE REDUCED FROM THE AMOUNT OF THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH THE SEBI ICDR REGULATIONS AND THE SCRR.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED BENGALI DAILY NEWSPAPER, BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

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

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations, and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs", and such portion, the "QIB Portion"), provided that our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors, out of which a) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.0 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.0 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, in accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, Equity Shares will be allocated on a proportionate basis to Eligible Employees Bidding under the Employee Reservation Portion and Delta Shareholders Bidding under the Delta Shareholder Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process, by providing details of their respective ASBA Accounts (as defined hereinafter) and UPI IDs, in case of RIBs and individual Bidders applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion, using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of their respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 319.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 1 each. The Floor Price, Cap Price and Offer Price, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 30.

### OUR COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, Selling Shareholder, accepts responsibility for, and confirms, that the statements specifically made or confirmed by it in this Draft Red Herring Prospectus to the extent that the statements and information specifically pertain to it and the Equity Shares offered by it under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholder assumes no responsibility for any other statement, including, inter-alia, any of the statements made by or relating to our Company or its business.

### LISTING

The Equity Shares, once offered through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges. Our Company has received "in-principle" approvals from the BSE and the NSE for listing the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 387.

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE OFFER



**Axis Capital Limited**  
 1<sup>st</sup> Floor, Axis House,  
 C-2 Wadia International Centre,  
 PB Marg, Worli,  
 Mumbai 400 025,  
 Maharashtra, India  
**Telephone:** + 91 22 4325 2183  
**E-mail:** deltax.ipo@axiscap.in  
**Website:** www.axiscapital.co.in  
**Investor grievance e-mail:** complaints@axiscap.in  
**Contact Person:** Pavan Naik  
**SEBI Registration No.:** INM000012029

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

**KFin Technologies Limited (formerly known as KFin Technologies Private Limited)**  
 Selenium, Tower-B  
 Plot 31 and 32, Financial District  
 Nanakramguda, Serilingampally  
 Hyderabad, Rangareddi 500 032, Telangana, India  
**Telephone:** +91 40 6716 2222  
**Toll Free Number:** 1800 309 4001  
**E-mail:** dgl.ipo@kfintech.com  
**Website:** www.kfintech.com  
**Investor grievance e-mail:** einward.ris@kfintech.com  
**Contact Person:** M Murali Krishna  
**SEBI Registration Number:** INR000002221

### BID/OFFER PROGRAMME

**BID/OFFER OPENS ON**

[●]\*

**BID/OFFER CLOSES ON**

[●]\*\*

\*Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings 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 in “Industry Overview”, Key Regulations and Policies”, “Statement of Special Direct Tax Benefits”, “Statement of Special Indirect Tax Benefits” “Financial Information”, “Basis for Offer Price”, “Other Financial Information”, “Outstanding Litigation and Material Developments” “Offer Procedure” and “Main Provisions of the Articles of Association”, on pages 110, 161, 101, 107, 201, 97, 255, 284, 319 and 340, respectively, will have the meanings ascribed to such terms in those respective sections.*

#### Company and Selling Shareholder related terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Deltatech Gaming Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata – 700 074, West Bengal, India
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended from time to time.
“Auditors” or “Statutory Auditors”	The statutory auditors of our Company, namely Walker Chandiook & Co LLP, Chartered Accountants
“Audit Committee”	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.
“Board” or “Board of Directors”	The board of directors of our Company. For details, see “ <i>Our Management – Board of Directors</i> ” on page 171.
“Company Secretary and Compliance Officer”	Company secretary and compliance officer of our Company, being Anannya Godbole.
“Corporate Office”	349, Udyog Vihar, Phase II, Gurgaon - 122 015, Haryana, India
“Corporate Social Responsibility Committee”	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013, as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.
“Director(s)”	Director(s) on the Board of our Company, as appointed from time to time
“Equity Shares”	Equity shares of our Company of face value of ₹ 1 each
“ESARP Plan”	Employee stock appreciation rights plan of our Company, namely, ‘Deltatech Employees Stock Appreciation Rights Plan 2022’
“ESOP Plan”	Employee stock option plan of our Company, namely, ‘Deltatech Employee Stock Option Plan 2020’
“Executive Director(s)”	The executive directors of our Company, namely, Shivanandan Pare, Ashish Kapadia and Hardik Dhebar
“Executive Director and Chief Executive Officer” / “Chief Executive Officer”	Executive director and chief executive officer of our Company, namely, Shivanandan Pare.
“Executive Director and Chief Financial Officer”/	Executive director and chief financial officer of our Company, namely, Hardik Dhebar.

Term	Description
“Chief Financial Officer”	
“Group Companies”	The group companies of our Company in accordance with the SEBI ICDR Regulations and the Materiality Policy. For details, see “ <i>Our Group Companies</i> ” on page 197.
“Holding Company”	Delta Corp Limited
“Independent Chartered Accountant”	J.C. Bhalla & Co., Chartered Accountants
“Independent Director(s)”	Non-executive, independent director(s) appointed as per the Companies Act, 2013 and the Listing Regulations. For details of our Independent Directors, see “ <i>Our Management</i> ” on page 171.
“IPO Committee”	IPO committee of our Board, as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.
“KMP” or “Key Managerial Personnel”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, and as disclosed in “ <i>Our Management - Key Managerial Personnel</i> ” on page 190.
“Materiality Policy”	The materiality policy of our Company adopted pursuant to a resolution of our Board of Directors dated June 15, 2022 for identification of (a) material outstanding litigation; (b) material companies to be classified as Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations each for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
“Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended from time to time.
“Memorandum of Understanding” or “MoU”	Memorandum of understanding dated March 30, 2021 executed amongst GameQube Solutions, Abhinav Nigam, Pratik Kumar and our Company.
“Nomination, Remuneration and Compensation Committee”	The nomination, remuneration and compensation committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.
“Nominee Shareholders”	Nominee shareholders of our Company, namely, Ashish Kapadia, Hardik Dhebar, Arif Noorani, Sudarshan Bajoria, Sunil Nair, Pragnesh Shah, Manoj Jain, Dilip Vaidya, Manjula Puranik and Farzana Mojjani, each of whom hold Equity Shares on behalf of our Promoter. Our Promoter is the beneficial owner of these Equity Shares.
“Non-Executive Director(s)”	Non-executive directors of our Company. For details, see “ <i>Our Management</i> ” on page 171.
“Non-Executive and Non-Independent Chairman”	Non-executive and non-independent chairman (Additional) of our Board of Directors, being Jaydev Mody
“Promoter Group”	Such entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 193.
“Promoter”	Delta Corp Limited
“Registered Office”	4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata – 700 074, West Bengal, India
“Registrar of Companies” or “RoC”	Registrar of Companies, West Bengal at Kolkata
“Risk Management Committee”	The risk management committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.
“RedSeer”	RedSeer Management Consulting Private Limited
“RedSeer Report”	Report titled “Online Gaming Market in India” dated June 13, 2022, prepared by RedSeer
“Restated Financial Statements” or “Restated Consolidated Financial Statements”	Restated consolidated financial information of our Company and its erstwhile subsidiaries, <i>i.e.</i> , Deltin Cruises and Entertainment Private Limited and Mind Sports League Private Limited, for the Fiscals ended March 31, 2022, 2021 and 2020, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the guidance note on reports in company prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time, comprising the restated

<b>Term</b>	<b>Description</b>
	consolidated statement of assets and liabilities for the Fiscals ended March 31, 2022, 2021 and 2020, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the Fiscals ended March 31, 2022, 2021 and 2020, the summary statement of significant accounting policies, and other explanatory information.
“Scheme of Amalgamation”	Scheme of amalgamation of Gauss Networks Private Limited, with our Promoter, dated June 8, 2017
“Selling Shareholder”	Our Promoter, Delta Corp Limited
“Shareholder(s)”	The equity shareholders of our Company, from time to time
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee of our Board, constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in “ <i>Our Management – Committees of our Board</i> ” on page 180.

### Offer Related Terms

<b>Term</b>	<b>Description</b>
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
“Acknowledgement Slip”	The slip or document issued by relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
“Allotment”, “Allot” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders
“Allotment Advice”	A note or advice or intimation of Allotment, sent to all the Bidders who have Bid in the Offer after approval of the Basis of Allotment by the Designated Stock Exchange
“Allottee”	A successful Bidder to whom the Equity Shares are Allotted
“Anchor Investor”	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
“Anchor Investor Allocation Price”	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholder in consultation with the BRLMs
“Anchor Investor Application Form”	Form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
“Anchor Investor Bidding Date”	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed
“Anchor Investor Offer Price”	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which may be allocated by our Company and the Selling Shareholder, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
“Applications Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders

<b>Term</b>	<b>Description</b>
“ASBA Account”	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder
“ASBA Bidder”	All Bidders except Anchor Investors
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
“Axis”	Axis Capital Limited
“Banker(s) to the Offer”	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank
“Basis of Allotment”	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 319.
“Bid”	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and the Bid cum Application Form.  The term “Bidding” shall be construed accordingly
“Bidder”	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
“Bid Amount”	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.  Eligible Employees Bidding in the Employee Reservation Portion can Bid at the Cut-off Price and the Bid amount will be the Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form  Delta Shareholders Bidding in the Delta Shareholder Reservation Portion can Bid at the Cut-off Price and the Bid Amount will be the Cap Price net of Shareholder Discount, multiplied by the number of Equity Shares Bid for by such Delta Shareholder and mentioned in the Bid cum Application Form
“Bidding Centres”	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
“Bid cum Application Form”	Anchor Investor Application Form or the ASBA Form, as the context requires
“Bid Lot”	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
“Bid/Offer Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English daily national newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, and [●] editions of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language, where our Registered Office is located), each with wide circulation.  In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to the

Term	Description
	<p>Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.</p> <p>Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.</p>
“Bid/Offer Opening Date”	<p>Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall also be notified in all [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal where our registered office is located).</p>
“Bid/Offer Period”	<p>Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereto, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only.</p>
“Book Building Process”	<p>The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer will be made</p>
“Book Running Lead Managers” or “BRLMs”	<p>The book running lead managers to the Offer, namely Axis Capital Limited and JM Financial Limited</p>
“Broker Centre”	<p>Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time</p>
“CAN” or “Confirmation of Allocation Note”	<p>The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date</p>
“Cap Price”	<p>The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.</p>
“Cash Escrow and Sponsor Bank Agreement”	<p>Agreement to be entered into and amongst our Company, the Selling Shareholder, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bank(s), Public Offer Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for <i>inter alia</i>, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof</p>
“Circular on Streamlining of Public Issues”/ “UPI Circular”	<p>Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular (SEBI/HO/CFD/DIL1/CIR/P/2021/47) dated March 31, 2021, circular</p>

Term	Description
	(SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
“Client ID”	Client identification number maintained with one of the Depositories in relation to the demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time
“Cut-off Price”	The Offer Price, as finalized by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, Eligible Employees Bidding under the Employee Reservation Portion and Delta Shareholders Bidding under the Delta Shareholder Reservation Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
“Delta Shareholder(s)”	Public equity shareholder(s) of our Promoter (excluding such persons not eligible under applicable laws, rules, regulations and guidelines) as on the date of the Red Herring Prospectus  The maximum Bid Amount under the Delta Shareholder Reservation Portion by a Delta Shareholder shall not exceed ₹ 200,000 (net of Shareholder Discount).
“Delta Shareholder Reservation Portion”	In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the portion of the Offer being up to [●] Equity Shares, aggregating up to ₹ [●] million, available for allocation to Delta Shareholders, on a proportionate basis.
“Demographic Details”	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation and bank account details and UPI ID, where applicable
“Designated CDP Locations”	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
“Designated Date”	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
“Designated Intermediaries”	In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI mechanism), Eligible Employees, Delta Shareholders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs

<b>Term</b>	<b>Description</b>
“Designated RTA Locations”	Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> ) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
“Designated Stock Exchange”	[●]
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated June 16, 2022, filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares are Offered and the size of the Offer, and includes any addenda or corrigenda thereto
“Eligible Employee(s)”	<p>All or any of the following: (a) a permanent employee of our Company or our Promoter, present in India or outside India (excluding such employees who are not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or our Promoter, as the case may be, until the submission of the Bid cum Application Form; (b) a Director of our Company or our Promoter, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company or our Promoter, until the submission of the Bid cum Application Form.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount)</p>
“Eligible FPIs”	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
“Eligible NRIs”	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
“Employee Discount”	Our Company and the Selling Shareholder, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent to ₹[●] per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion, subject to necessary approvals, as may be required, and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.
“Employee Reservation Portion”	In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the portion of the Offer being up to [●] Equity Shares, aggregating up to ₹ [●] million available for allocation to Eligible Employees, on a proportionate basis.
“Escrow Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
“Escrow Collection Bank(s)”	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be

Term	Description
	opened, in this case being [●]
“First Bidder”	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
“Floor Price”	The lower end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares
“Fresh Issue”	<p>The fresh issue component of the Offer comprising of an issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ 3,000 million by our Company.</p> <p>Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.</p>
“General Information Document” or “GID”	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and Book Running Lead Managers
“Gross Proceeds”	The Offer Proceeds, less the amount to be raised with respect to the Offer for Sale
“JM”	JM Financial Limited
“Monitoring Agency”	Monitoring agency appointed pursuant to the Monitoring Agency Agreement, namely [●]
“Monitoring Agency Agreement”	Agreement to be entered into between our Company and the Monitoring Agency
“Mutual Fund”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
“Mutual Fund Portion”	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
“Net Offer”	The Offer less the Employee Reservation Portion and the Delta Shareholder Reservation Portion
“Net Proceeds”	The Gross Proceeds less our Company’s share of the Offer-related expenses applicable to the Fresh Issue. For details about use of the Net Proceeds and the Offer related expenses, see “ <i>Objects of the Offer</i> ” on page 85.
“Net QIB Portion”	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors
“Non-Institutional Investors” or “NII(s)” or “Non-Institutional Bidders” or “NIB(s)”	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, or the Eligible Employees Bidding in the Employee Reservation Portion or the Delta Shareholders Bidding in the Delta Shareholder Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
“Non-Institutional Portion”	The portion of the Net Offer being not more than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Offer Price, subject to the following and in accordance with the SEBI ICDR Regulations:

Term	Description
	<p>(i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.2 million and up to ₹ 1.0 million; and</p> <p>(ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.0 million.</p> <p>Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.</p>
“Non-Resident” or “NRI”	A person resident outside India, as defined under FEMA
“Offer”	<p>Initial public offering of up to [●] Equity Shares of face value of ₹ 1 each of our Company for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) aggregating up to ₹ 5,500 million. The Offer comprises a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹ 3,000 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Selling Shareholder.</p> <p>Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.</p>
“Offer Agreement”	The agreement dated June 16, 2022 entered amongst our Company, the Selling Shareholder and the Book Running Lead Managers, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
“Offer for Sale”	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Selling Shareholder.
“Offer Price”	<p>₹ [●] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.</p> <p>A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. Further, a discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Delta Shareholders Bidding in the Delta Shareholder Reservation Portion. The Employee Discount and the Shareholder Discount, if any, will be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers.</p>
“Offer Proceeds”	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 85.
“Offered Shares”	The Equity Shares being offered by the Selling Shareholder as part of the Offer for Sale comprising an aggregate of up to [●] Equity Shares.
“Pre-IPO Placement”	Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider undertaking a further issue of Equity Shares or any other instrument as

<b>Term</b>	<b>Description</b>
	may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.
“Price Band”	<p>Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price.</p> <p>The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, and will be advertised in all [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal where our registered office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites</p>
“Pricing Date”	The date on which our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, will finalise the Offer Price
“Prospectus”	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
“Public Offer Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date
“Public Offer Account Bank(s)”	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened, in this case being [●]
“QIB Portion”	The portion of the Net Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer, consisting of [●] Equity Shares which shall be Allotted to QIBs, including the Anchor Investors on a proportionate basis, including the Anchor Investor Portion (which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors), as applicable.
“Qualified Institutional Buyers” or “QIBs”	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
“Red Herring Prospectus” or “RHP”	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
“Refund Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
“Refund Bank(s)”	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]

<b>Term</b>	<b>Description</b>
“Registered Broker”	Stock brokers registered with the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI
“Registrar Agreement”	The agreement dated June 16, 2022, entered into amongst our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
“Registrar” or “Registrar to the Offer”	KFin Technologies Limited (formerly known as Karvy Fintech Private Limited)
“Resident Indian”	A person resident in India, as defined under FEMA
“Retail Individual Bidders” or “RIB(s)” or “Retail Individual Investors” or “RII(s)”	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the Bidding options in the Net Offer
“Retail Portion”	The portion of the Net Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion, Eligible Employees Bidding in the Employee Reservation Portion and Delta Shareholders Bidding in the Delta Shareholder Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
“Self Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=40</a> , or such other website as may be prescribed by SEBI from time to time  Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=43</a> , as updated from time to time
“Share Escrow Agent”	Escrow agent appointed pursuant to the Share Escrow Agreement, namely [●]
“Share Escrow Agreement”	The agreement to be entered into amongst our Company, the Selling Shareholder, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholder in escrow.
“Shareholder Discount”	Our Company and the Selling Shareholder, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent to ₹[●] per Equity Share) to Delta Shareholder(s) Bidding in the Delta Shareholder Reservation Portion, subject to necessary approvals, as may be required, and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.

<b>Term</b>	<b>Description</b>
“Specified Locations”	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ), and updated from time to time
“Sponsor Banks”	The Bankers to the Offer registered with SEBI which are appointed by our Company to act as conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being [●], [●], [●] and [●].
“Stock Exchange(s)”	Collectively, BSE Limited and National Stock Exchange of India Limited
“Syndicate Agreement”	Agreement to be entered into among our Company, the Selling Shareholder, the Book Running Lead Managers, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
“Syndicate Members”	Intermediaries (other than Book Running Lead Managers) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Offer and carry out activities as an underwriter namely, [●]
“Syndicate” or “members of the Syndicate”	Together, the Book Running Lead Managers and the Syndicate Members
“Systemically Important Non-Banking Financial Company” or “NBFC-SI”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
“Underwriters”	[●]
“Underwriting Agreement”	The agreement to be entered into amongst the Underwriters, the Selling Shareholder and our Company on or after the Pricing Date, but prior to filing of the Prospectus
“UPI”	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
“UPI Bidders”	Collectively, individual Bidders applying as Retail Individual Investors in the Retail Portion, and individual Bidders applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI Mechanism.  Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
“UPI ID”	ID created on UPI for single-window mobile payment system developed by the NPCI
“UPI Mandate Request”	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment  In accordance with the applicable UPI Circulars, UPI Bidders Bidding may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
“UPI Mechanism”	The mechanism that may be used by a UPI Bidder to make a Bid in the Offer in

Term	Description
	accordance with the UPI Circulars
“UPI PIN”	Password to authenticate UPI transaction
“Wilful Defaulter or Fraudulent Borrower”	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations
“Working Day”	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean all days except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circular issued by SEBI from time to time

#### Technical/Industry Related Terms/Abbreviations

Term	Description
“ARPU”	Average revenue per gamer
“ASCI”	Advertising Standards Council of India
“CIS”	Cloud infrastructure and services
“CPO”	Chief Product Officer
“CRO”	Chief Revenue Officer
“CTO”	Chief Technical Officer
“DAU”	Daily Active Gamer
“DDOS”	Distributed Denial of Service
“Deposits”	Money that a gamer brings on the platform to play games
“Gross Gaming Revenue” or “GGR”	Gross gaming revenue includes revenue from commissions earned at the time of game play, unclaimed money of more than 300 days of the inactive gamers, and unclaimed money deducted on account of frauds
“MAU”	Monthly Active Gamers
“SEM”	Search engine marketing
“SEO”	Search engine optimization
“TAM”	Total Addressable Market
“VPC”	Virtual Private Cloud

#### Conventional and General Terms or Abbreviations

Term	Description
“AGM”	Annual General Meeting
“AIFs”	Alternative investment funds as defined in and registered under the AIF Regulations
“AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
“AS”	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time
“BSE”	BSE Limited
“BTI Regulations”	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
“Calendar Year” or “year”	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
“Category I AIF”	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
“Category II AIF”	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
“Category I FPIs”	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category II FPIs”	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category III AIF”	AIFs who are registered as “Category III Alternative Investment Funds” under the

Term	Description
	SEBI AIF Regulations
“CDSL”	Central Depository Services (India) Limited
“CFO”	Chief Financial Officer
“Companies Act, 1956”	<i>Erstwhile</i> Companies Act, 1956 along with the relevant rules made thereunder
“Companies Act” / “Companies Act, 2013”	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
“COVID-19”	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
“Depositories Act”	Depositories Act, 1996 read with the rules and regulations thereunder
“Depository” or “Depositories”	NSDL and CDSL
“DIN”	Director Identification Number
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
“DP ID”	Depository Participant’s Identification Number
“EBITDA”	Earnings before interest, tax, depreciation and amortisation
“EGM”	Extraordinary general meeting
“EPS”	Earnings per share
“FDI”	Foreign direct investment
“FDI Policy”	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ( <i>earlier known as the Department of Industrial Policy and Promotion</i> )
“FEMA”	Foreign Exchange Management Act, 1999, as amended, including the rules and regulations thereunder
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
“FEMA Regulations”	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017, as amended
“Financial Year”, “Fiscal”, “FY” or “F.Y.”	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
“FIR”	First information report
“FPI(s)”	Foreign Portfolio Investor, as defined under the FPI Regulations
“FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
“FIPB”	The erstwhile Foreign Investment Promotion Board
“FVCI”	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
“Fugitive Economic Offender”	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018, as amended
“FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
“GDP”	Gross domestic product
“GoI” or “Government” or “Central Government”	Government of India
“GST”	Goods and services tax
“HUF”	Hindu undivided family
“IAS Rules”	Companies (Indian Accounting Standards) Rules, 2015, as amended
“ICAI”	The Institute of Chartered Accountants of India
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board
“India”	Republic of India
“Ind AS” or “Indian Accounting Standards”	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with IAS Rules
“Ind AS 24”	Indian Accounting Standard 24, “Related Party Disclosures”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules

<b>Term</b>	<b>Description</b>
“Ind AS 37”	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules
“IGAAP” or “Indian GAAP”	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
“Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
“IPO”	Initial public offer
“IST”	Indian standard time
“IT Act”	The Income Tax Act, 1961
“IT”	Information technology
“Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
“MCA”	Ministry of Corporate Affairs, Government of India
“MICR”	Magnetic ink character recognition
“MSME”	Ministry of Micro, Small and Medium Enterprises
“Mn” or “mn”	Million
“N.A.” or “NA”	Not applicable
“NAV”	Net asset value
“NBFC”	Non-Banking Financial Company
“NEFT”	National electronic fund transfer
“NPCI”	National Payments Corporation of India
“NRE Account”	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, as amended
“NRI” or “Non-Resident Indian”	Non-Resident Indian as defined under the FEMA Regulations
“NRO Account”	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, as amended
“NSDL”	National Securities Depository Limited
“NSE”	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
“P/E Ratio”	Price/earnings ratio
“PAN”	Permanent account number allotted under the Income Tax Act, 1961, as amended
“Public Gambling Act”	The Public Gambling Act, 1867, as amended
“RBI”	Reserve Bank of India
“Regulation S”	Regulation S under the U.S. Securities Act
“RONW”	Return on Net Worth
“Rs.” or “Rupees” or “₹” or “INR”	Indian Rupees
“RTGS”	Real time gross settlement
“SCRA”	Securities Contracts (Regulation) Act, 1956, as amended
“SCRR”	Securities Contracts (Regulation) Rules, 1957, as amended
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act
“SGD”	Singapore Dollar
“SBEB Regulations 2021”	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
“SEBI Act”	Securities and Exchange Board of India Act, 1992, as amended
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
“State Government”	Government of a State of India

<b>Term</b>	<b>Description</b>
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
“U.S.A”/ “U.S.”/ “United States”	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
“USD” or “US\$”	United States Dollars
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States of America
“U.S. Securities Act”	United States Securities Act of 1933, as amended
“VCFs”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended, as the case may be
“WACoA”	Weighted Average Cost of Acquisition

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

### Certain Conventions

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

All references to the “US”, “U.S.” “USA” or “United States” are to the United States of America and its territories and possessions.

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

### Financial Data

Unless the context otherwise requires or indicates, the financial information (including financial ratios) and any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30, 135 and 257, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements.

The restated consolidated financial information of our Company and its erstwhile subsidiaries, *i.e.*, Deltin Cruises and Entertainment Private Limited and Mind Sports League Private Limited, for the Fiscals ended March 31, 2022, 2021 and 2020 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (the “**Guidance Note**”), comprising the restated consolidated statement of assets and liabilities for the Fiscals ended March 31, 2022, 2021 and 2020, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the Fiscals ended March 31, 2022, 2021 and 2020, the summary statement of significant accounting policies, and other explanatory information. The audited consolidated financial statements as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 were audited by our Statutory Auditors.

For further information on our Company’s financial information, see “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 201 and 257, respectively.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For details in connection with risks involving differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*” on page 52. 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.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second

decimal and all the percentage figures have been rounded off to two decimal places.

### Non-GAAP Financial Measures

Certain non-GAAP measures and other operating matrices like net worth, return on net worth, net asset value per equity share, EBITDA, EBITDA Margin, Operating Profit, net tangible assets, Monetary assets, monetary assets as a % of net tangible assets, Total Borrowings to Total equity, Capital Turnover ratio, Restated Profit / (Loss) Margin, (“**Non-GAAP Measures**”) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, these Non-GAAP Measures and other operating matrices are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit for the period / year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures and other operating matrices between companies may not be possible. Other companies may calculate the Non-GAAP Measures and other operating matrices differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures and other operating matrices are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company’s operating performance.

### Currency and Units of Presentation

All references to:

1. “Rupees” or “INR” or “Rs.” Or “₹” are to the Indian Rupee, the official currency of India;
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

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million”, “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.

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 Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

### Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

### Exchange Rates

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

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

Currency	As on March 31, 2022 (₹)	As on March 31, 2021 (₹)	As on March 31, 2020 (₹)
1 USD	75.80	73.50	75.39

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

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “Online Gaming Market in India” dated June 13, 2022, prepared by RedSeer Management Consulting Private Limited (the “**Redseer Report**”) and publicly available information as well as other industry publications and sources. The Report has been exclusively commissioned at the request of our Company and paid for by our Company for the purposes of this Offer. For details in relation to risks involving the RedSeer Report, see “*Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*” on page 43.

The data included herein includes excerpts from the RedSeer Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. 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 and assumptions that may prove to be incorrect.

This Draft Red Herring Prospectus contains certain data and statistics from the RedSeer Report, which is available on the website of our Company at <https://www.deltatech.gg/wp-content/uploads/2022/06/Industry-Report-deltatech.pdf> and is subject to the following disclaimer:

*“The market information in RedSeer Management Consulting Private Limited’s report titled Online Gaming Market in India (the “**Report**”) is arrived at by employing an integrated research methodology which includes secondary and primary research. Our primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. RedSeer’s estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. RedSeer’s research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. RedSeer shall not be liable for any loss suffered by any person on account of reliance on the information contained in the Report.*”

*While RedSeer has taken due care and caution in preparing the Report based on information obtained from sources generally believed to be reliable, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, data availability amongst others.*

*Forecasts, estimates and other forward-looking statements contained in the Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Additionally, the COVID-19 coronavirus pandemic has significantly affected economic activity in general and it is yet to be fully abated. The forecasts, estimates and other forward-looking statements in the Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.*

*The Report is not a recommendation to invest/disinvest in any entity covered in the Report and the Report should not be construed as investment advice within the meaning of any law or regulation.*

*Without limiting the generality of the foregoing, nothing in the Report should be construed as RedSeer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of the Report shall be reproduced or extracted or published in any form without RedSeer’s prior written approval.”*

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 30. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and

methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, the section titled “*Basis for Offer Price*” on page 97, includes information relating to our peer group companies. Such information has been derived from publicly available sources.

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

- Any change in the regulatory framework including introduction of new legislative restrictions which affect our operations in skill-based fantasy and real money games;
- Our ability to operate in a competitive industry, be apprised of the latest consumer trends and technology;
- Our inability to compete with new entrants in real money gaming industry;
- Our inability to achieve profitability in the near future;
- Our ability to maintain or grow the size of our gamer base or level of engagement of our gamers which may affect our network liquidity;
- Our ability to identify appropriate third-party developers, or to enter into arrangements with appropriate third-party developers or renew our existing contracts with such third-party developers; and
- Our ability to successfully integrate businesses, technologies, services and products that we acquire or invest in.

For further discussion of factors that could cause our actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30, 135 and 257, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoter (who is also the Selling Shareholder), the Book Running Lead Managers, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or

otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Offer from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the SEBI ICDR Regulations, the Selling Shareholder shall ensure (through our Company) that the investors are informed of material developments in relation to statements and undertakings specifically confirmed or undertaken by the Selling Shareholder in relation to it and the Offered Shares from the date of this Draft Red Herring Prospectus, until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

## SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of the Offer, certain disclosures included in this Draft Red Herring Prospectus is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Industry Overview”, “Our Business”, “Objects of the Offer”, “Our Promoter and Promoter Group”, “Financial Information”, “Management’s Discussions and Analysis of Financial Position and Results of Operations”, “Outstanding Litigation and Material Developments”, and “Offer Structure”, on pages 30, 54, 71, 110, 135, 85, 193, 201, 257, 284 and 314 respectively.

### Primary business of our Company

We are a digitally native, technology led gaming platform, delivering a gamer-centric gaming experience across our various offerings. We are one of the earliest companies in the real money gaming segment in India and Adda52 is India’s first online poker platform offering multiple poker variants. [Source: RedSeer Report]. We have been considered as a ‘category pioneer’ in India having a large gamer base and have had more than 34.5% of market share for over seven years till Fiscal 2021. [Source: RedSeer Report].

We offer real money gaming through our platforms, Adda52.com-offering poker and Adda.games-offering multi-games, which will include our rummy offering, Adda52Rummy.

### Summary of the industry in which our Company operates

Overall gaming market in India was valued between ₹ 149,000 - 150,000 million in Fiscal 2021 and between ₹ 201,000 – ₹ 202,000 million in Fiscal 2022. The industry is expected to grow at a CAGR of 32% and reach ₹ 600,000 – ₹ 630,000 million at the end of Fiscal 2026. While casual games attract the largest number of gamers and have been crucial in growing the mobile gaming culture in India, real money gaming attracts the highest paying gamers in mobile gaming. As a result, real money games have been the largest revenue source for India’s gaming. This segment is expected to grow at 30% CAGR with growing expectation of regulatory clarity. [Source: RedSeer Report].

### Name of the Promoter

Our Promoter is Delta Corp Limited. For details, see “Our Promoter and Promoter Group” on page 193.

### Offer Size

Offer of Equity Shares <sup>(1)</sup>	Up to [●] Equity Shares, aggregating up to ₹5,500 million
<i>of which</i>	
Fresh Issue <sup>(1)(3)</sup>	Up to [●] Equity Shares, aggregating up to ₹ 3,000 million
Offer for Sale <sup>(2)</sup>	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Selling Shareholder
<i>The Offer comprises:</i>	
Employee Reservation Portion <sup>(4)</sup>	Up to [●] Equity Shares aggregating up to ₹ [●] million
Delta Shareholder Reservation Portion <sup>(5)</sup>	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million

(1) The Offer has been authorized by a resolution of our Board dated June 15, 2022 and the Fresh Issue has been approved by a resolution of our Shareholders dated June 16, 2022. Further, our Board of Directors have taken on record the consent of the Selling Shareholder to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on June 16, 2022.

(2) The Offered Shares are eligible for being offered for sale as part of the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For details of authorisations pertaining to the Offer for Sale, see “Other Regulatory and Statutory Disclosures” on page 296.

(3) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

(4) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see “Offer Structure” beginning on page 314.

(5) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Delta Shareholders, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see “Offer Structure” beginning on page 314.

The above table summarises the details of the Offer. For details of the offer, see “The Offer” and “Offer Structure” on pages 54 and 314, respectively.

The Offer and the Net Offer shall constitute [●]% and [●]% of the post Offer paid up Equity Share capital of our Company.

## Objects of the Offer

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

(in ₹ million)		
S. No.	Particulars	Estimated Amount <sup>(1)</sup>
1.	Organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms	1,500.00
2.	Strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platform	500.00
3.	Funding inorganic growth initiatives and general corporate purposes <sup>*#</sup>	[●]
<b>Total<sup>#</sup></b>		[●]

<sup>\*</sup>To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

<sup>#</sup> The amount to be utilised for general corporate purposes and towards inorganic growth initiatives shall not, in aggregate, exceed 35% of the gross proceeds of the Fresh Issue, out of which the amounts to be utilised towards each of (i) general corporate purposes, or (ii) inorganic growth initiatives will not exceed 25% of the gross proceeds of the Fresh Issue.

<sup>(1)</sup> Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

For details, see “Objects of the Offer” on page 85.

## Aggregate pre-Offer shareholding of our Promoter (who is also the Selling Shareholder), Promoter Group, as a percentage of the pre-Offer Equity Share capital of our Company

The aggregate pre-Offer shareholding of our Promoter (who is also the Selling Shareholder) as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares*	% of total pre-Offer paid up Equity Share capital
<b>Promoter (who is also the Selling Shareholder)</b>			
1.	Delta Corp Limited	95,690,856	100.00

<sup>\*</sup>Including 1,410 Equity Shares held by the Nominee Shareholders, for which our Promoter is the beneficial owner.

## Summary derived from the Restated Financial Statements

The following information has been derived from our Restated Financial Statements:

Particulars	(₹ in million, except per share data)		
	As at and for the Fiscal ended		
	March 31, 2022	March 31, 2021	March 31, 2020
Equity Share capital	0.59	0.36	0.36
Net Worth <sup>(1)</sup>	97.52	5.99	(223.41)
Revenue from operations	1372.27	1,553.65	1,316.45
Profit / (loss) after tax	(43.99)	159.50	300.69
Earnings per share (basic) (in ₹)	(0.53)	3.14	5.92
Earnings per share (diluted) (in ₹)	(0.53)	3.13	5.92
Net Asset Value per Equity Share (in ₹) <sup>(2)</sup>	1.19	0.12	(4.40)
Total Borrowings <sup>(3)</sup>	-	294.65	559.50

### Notes:

- Net worth means the aggregate value of the paid-up share capital, securities premium account, share option outstanding account reserve, retained earnings and other comprehensive income, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Net asset value per equity share means total equity attributable to the owners of our Company divided by the weighted average number of equity

shares. (Calculations for financial years ended March 31, 2020 and March 31, 2021 have been adjusted for bonus issue and sub-division of Equity Shares. Calculations for financial year ended March 31, 2022 has been adjusted for bonus issue)

3. Total borrowings means Non-current borrowings including current maturities of long term debt and current borrowing.

For details see “Financial Information” and “Basis for Offer Price” on pages 201 and 97.

### Auditor qualifications which have not been given effect to in the Restated Financial Statements

There are no qualifications included by the Statutory Auditors which have not been given effect to in the Restated Financial Statements.

### Summary of Outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled “Outstanding Litigation and Material Developments” in terms of the SEBI ICDR Regulations is provided below:

For details, see “Outstanding Litigation and Material Developments” on page 284.

Name of Entity	No. of Criminal Proceedings	No. of Tax Proceedings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by SEBI or Stock Exchanges	No. of Material civil litigation	Aggregate amount involved* (₹ in million)
<b>Company<sup>#</sup></b>						
By our Company	Nil	Nil	Nil	N.A.	Nil	-
Against our Company	Nil	1	Nil	N.A.	Nil	1.69
<b>Directors</b>						
By our Directors	1	Nil	Nil	N.A.	1	0.01
Against our Directors	4	1	Nil	N.A.	1	347.06
<b>Promoter</b>						
By our Promoter	Nil	Nil	Nil	N.A.	1	5.00
Against our Promoter	Nil	5	5	Nil	1	99.95
<b>Group Companies</b>						
By our Group Companies	Nil	Nil	Nil	N.A.	Nil	-
Against our Group Companies	Nil	Nil	Nil	N.A.	4	Not quantifiable

\*To the extent quantifiable.

# In order to examine the risks in relation to the judicial and regulatory framework concerning the real money gaming industry, we have carried out a general search of outstanding litigation relating to our industry and pending before judicial forums, which, could have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company, and have disclosed such outstanding litigation. While we are not a party to such litigation, an adverse outcome in any of these cases, could materially impact our Company. For details, see “Outstanding Litigation and Material Developments - Litigation which may have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company” on page 288 of this Draft Red Herring Prospectus.

### Risk factors

Specific attention of the Bidders is invited to “Risk Factors” on page 30.

### Summary of contingent liabilities

The details of the contingent liabilities (as per Ind AS 37) of our Company as on March 31, 2022 derived from the Restated Financial Statements are set forth below:

Particulars	Amount (₹ in million)
Claims against our Company's disputed liabilities not acknowledged as debt - Income tax liability	1.69
<b>Total</b>	<b>1.69</b>

For further information on our contingent liabilities, see “Financial Information – Restated Financial Statements – Notes to the Restated Consolidated Financial Information – Note 49 – Contingent Liabilities and Commitments” on page 253.

## Summary of related party transactions

A summary of the related party transactions in Fiscals 2022, 2021 and 2020 as per Ind AS 24 - Related Party Disclosures, derived from our Restated Financial Statements, is detailed below:

### a) Details of transactions carried out with related parties in the ordinary course of business:

(₹ in million unless stated otherwise)

Nature of Transactions	Holding Company /Fellow Subsidiary			Key management personnel			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
<b>Loan taken</b>												
Delta Corp Limited	20.04	440.14	217.50	-	-	-	-	-	-	20.04	440.14	217.50
<b>Total:</b>	<b>20.04</b>	<b>440.14</b>	<b>217.50</b>	-	-	-	-	-	-	<b>20.04</b>	<b>440.14</b>	<b>217.50</b>
<b>Loan repaid</b>												
Delta Corp Limited	314.69	704.99	9.00	-	-	-	-	-	-	314.69	704.99	9.00
<b>Total:</b>	<b>314.69</b>	<b>704.99</b>	<b>9.00</b>	-	-	-	-	-	-	<b>314.69</b>	<b>704.99</b>	<b>9.00</b>
<b>Sale of Property, Plant &amp; Equipment</b>												
Delta Corp Limited	-	0.40	-	-	-	-	-	-	-	-	0.40	-
<b>Total:</b>	-	<b>0.40</b>	-	-	-	-	-	-	-	-	<b>0.40</b>	-
<b>Sale of Investment</b>												
Delta Corp Limited (#)	224.62	-	-	-	-	-	-	-	-	224.62	-	-
Highstreet Cruises and Entertainment Private Limited (\$)	0.10	-	-	-	-	-	-	-	-	0.10	-	-
<b>Total:</b>	<b>224.62</b>	-	-	-	-	-	-	-	-	<b>224.62</b>	-	-
<b>Grant of ESOP (Nos.)</b>												
Ashish Kapadia	-	-	-	-	-	-	-	41,24,250	-	-	41,24,250	-
<b>Total:</b>	-	-	-	-	-	-	-	<b>41,24,250</b>	-	-	<b>41,24,250</b>	-
<b>Purchase of Services</b>												
Delta Corp Limited	-	-	60.57	-	-	-	-	-	-	-	-	60.57
Goan Football Club Private Limited	-	-	-	-	-	-	-	17.50	18.33	-	17.50	18.33
Freedom Registry Limited	-	-	-	-	-	-	0.01	0.01	-	0.01	0.01	-
AZB & Partners	-	-	-	-	-	-	0.64	7.23	0.93	0.64	7.23	0.93
<b>Total:</b>	-	-	<b>60.57</b>	-	-	-	<b>0.65</b>	<b>24.74</b>	<b>19.26</b>	<b>0.65</b>	<b>24.74</b>	<b>79.83</b>
<b>Purchase of Investment</b>												
Delta Corp Limited (@)	-	0.10	137.50	-	-	-	-	-	-	-	0.10	137.50
<b>Total:</b>	-	<b>0.10</b>	<b>137.50</b>	-	-	-	-	-	-	-	<b>0.10</b>	<b>137.50</b>
<b>Purchase of Property, Plant &amp; Equipment (Including Intangible Assets)</b>												
Delta Corp Limited	-	-	84.40	-	-	-	-	-	-	-	-	84.40
<b>Total:</b>	-	-	<b>84.40</b>	-	-	-	-	-	-	-	-	<b>84.40</b>
<b>CSR Expenditure</b>												
Forum for Sports and Freedom for Expression	-	-	-	-	-	-	1.18	-	-	1.18	-	-

Nature of Transactions	Holding Company /Fellow Subsidiary			Key management personnel			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
<b>Total:</b>	-	-	-	-	-	-	1.18	-	-	1.18	-	-
<b>Dividend Paid</b>												
Delta Corp Limited			57.60				-	-		-	-	57.60
<b>Total:</b>	-	-	57.60				-	-		-	-	57.60
<b>Remuneration Paid</b>												
Shivanandan Pare	-	-	-	8.39	-	-	-	-	-	8.39	-	-
Anannya Godbole	-	-	-	0.17	-	-	-	-	-	0.17	-	-
<b>Total:</b>	-	-	-	8.56	-	-	-	-	-	8.56	-	-
<b>Reimbursement of Expenses</b>												
Gaussian Online Skill Gaming Private Limited	0.25	-	-	-	-	-	-	-	-	0.25	-	-
Delta Corp Limited		-	5.13	-	-	-	-	-	-	-	-	5.13
<b>Total:</b>	0.25	-	5.13	-	-	-	-	-	-	0.25	-	5.13

(#) Sale of Equity Shares of Halaplay Technologies Private Limited

(\$ ) Sale of Equity Shares of Deltin Cruises and Entertainment Private Limited

(@) Investment in Equity Shares of Halaplay Technologies Private Limited in Financial Year 2019-20 and Deltin Cruises and Entertainment Private Limited in Financial Year 2020-21.

(₹ in million unless stated otherwise)

Nature of Transactions	Holding Company /Fellow Subsidiary			Key management personnel			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
<b>Closing balances:</b>												
<b>Other Receivables</b>												
Delta Corp Limited	-	-	2.59	-	-	-	-	-	-	-	-	2.59
Gaussian Online Skill Gaming Private Limited	-	0.46	0.44	-	-	-	-	-	-	-	0.46	0.44
<b>Total:</b>	-	0.46	3.03	-	-	-	-	-	-	-	0.46	3.03
<b>Loan Payable</b>												
Delta Corp Limited	-	294.65	559.50	-	-	-	-	-	-	-	294.65	559.50
<b>Total:</b>	-	294.65	559.50	-	-	-	-	-	-	-	294.65	559.50
<b>Other Payables</b>												
Delta Corp Limited	-	0.15	.24	-	-	-	-	-	-	-	0.15	0.24
<b>Total:</b>	-	0.15	0.24	-	-	-	-	-	-	-	0.15	0.24

b) The following are the details of the transactions / closing balances eliminated in the last three years:

(₹ in million unless stated otherwise)

Nature of Transactions	Subsidiary companies		
	2021-22	2020-21	2019-20
<b>Loan given</b>			
Deltin Cruises and Entertainment Private Limited	-	559.50	-
<b>Total:</b>	-	559.50	-
<b>Loan Received Back</b>			
Deltin Cruises and Entertainment Private Limited*	-	-	-
Mind Sports League Private Limited	-	-	41.40
<b>Total:</b>	-	-	41.40
<b>Interest Received</b>			
Mind Sports League Private Limited			1.55

<b>Total:</b>	-	-	<b>1.55</b>
<b>Closing balances:</b>			
<b>Equity Share Capital</b>			
Deltin Cruises and Entertainment Private Limited	-	0.10	-
<b>Total:</b>	-	<b>0.10</b>	-
<b>Inter Corporate Deposit given</b>			
Deltin Cruises and Entertainment Private Limited	-	559.50	-
<b>Total:</b>	-	<b>559.50</b>	-

\*During the Financial Year 2021-22, due to change in terms, our Company has classified inter corporate deposit given to Deltin Cruises and Entertainment Private Limited ("DCEPL") of ₹ 559.50 million as quasi equity in subsidiary company. DCEPL, the wholly owned subsidiary company has invested ₹ 558.59 million into Jalesh Cruises Mauritius Limited ("JCML). Based upon financial position of JCML and as a matter of prudence in an uncertain market environment DCEPL has evaluated the fair value of its investment in JCML as zero in Financial Year 2019-20. JCML has applied for liquidation in Financial Year 2020-21. The provision has been made for aforesaid inter corporate deposit as doubtful recovery in the standalone financial statement of the year 2020-21 and subsequently written off in Financial Year 2021-22.

For details, see "Financial Information" on page 201.

### Financing arrangements

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

### Weighted average price at which specified securities were acquired by the Promoter (who is also the Selling Shareholder) in the one year preceding the date of this Draft Red Herring Prospectus

S. No.	Name	Number of Equity Shares**	Weighted average price per Equity Share (in ₹) #
<b>Promoter (who is also the Selling Shareholder)</b>			
1.	Delta Corp Limited	95,330,856*	1.19

\*\*As certified by the Independent Chartered Accountant by way of their certificate dated June 16, 2022

\* 1,400 Equity Shares allotted to Ashish Kapadia, via bonus issue dated April 11, 2022, in the capacity of a nominee shareholder of our Promoter. Our Promoter is the beneficial owner of such Equity Shares.

#Weighted average cost of acquisition of Equity Shares is calculated by dividing the total cost by total number of Equity Shares acquired.

### Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus

The details of the price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoter (who is also the Selling Shareholder), Promoter Group and Shareholders with nominee director or other rights is disclosed below:

S. No.	Name of the acquirer/shareholder	Date of acquisition of equity shares	Number of equity shares acquired	Acquisition price per equity share# (in ₹)
<b>Promoter (who is also the Selling Shareholder)</b>				
1.	Delta Corp Limited	March 7, 2022	225,000	400.00
2.	Delta Corp Limited**	April 11, 2022	81,900,000	-
3.	Delta Corp Limited	June 8, 2022	13,205,856	1.75

#As certified by the Independent Chartered Accountant by way of their certificate dated June 16, 2022

\*\* 1,400 Equity Shares allotted to Ashish Kapadia, via bonus issue dated April 11, 2022, in the capacity of a nominee shareholder of our Promoter. Our Promoter is the beneficial owner of such equity shares.

### Average cost of acquisition by our Promoter (who is also the Selling Shareholder)

The average cost of acquisition of Equity Shares by our Promoter (who is also the Selling Shareholder) as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares*	Average cost of acquisition per Equity Share (in ₹) #
<b>Promoter (who is also the Selling Shareholder)</b>			
1.	Delta Corp Limited	95,690,856**	23.74

#As certified by the Independent Chartered Accountant by way of their certificate dated June 16, 2022

\*\*1,410 equity shares are held by Nominee Shareholders, for which our Promoter is the beneficial owner.

# Average cost of acquisition per Equity Share is calculated by dividing the total cost by total number of Equity Shares acquired.

For details of the average cost of acquisition of our Promoter, see “*Capital Structure – Build-up of the Promoter’s shareholding in our Company*” on page 76.

#### **Details of pre-IPO placement**

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

#### **Issue of Equity Shares for consideration other than cash in the last one year**

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus. However, our Company has undertaken a bonus issue of Equity Shares on April 11, 2022. For details, see “*Capital Structure – Equity Share capital history of our Company*” on page 72.

#### **Split / Consolidation of Equity Shares in the last one year**

Pursuant to the shareholders’ resolution dated February 7, 2022, each equity share of our Company of face value of ₹ 10 was sub-divided into 10 equity shares of face value of ₹ 1 each. Accordingly, 36,000 issued, subscribed and paid-up equity shares of face value of ₹ 10 each were sub-divided into 360,000 Equity Shares of face value of ₹ 1 each. For details, see “*Capital Structure*” on page 71.

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

Our Company had filed an application dated May 19, 2022, with SEBI seeking an exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations, from classifying (i) Advani Hotels and Resorts (India) Limited; and (ii) Halaplay Technologies Private Limited, as members of the Promoter Group and including relevant disclosures, confirmations and undertakings in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in relation to the same. SEBI has, *vide* its letter dated June 7, 2022 bearing reference number SEBI/HO/CFD/DIL-2/P/OW/2022/23682/1 approved our application and granted us the exemption sought therein.

## SECTION II – RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, 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 exhaustive, or 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 and uncertainties that are currently not known to us or deemed to be not relevant or material now, may 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 Overview”, “Our Business”, “Key Regulations and Policies” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 110, 135, 161 and 257, respectively, as well as other financial and statistical information contained in this Draft Red Herring Prospectus. Unless otherwise indicated or unless the context requires otherwise, the financial information used in this section are derived from our Restated Financial Statements.*

*In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. 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 Draft Red Herring Prospectus 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” on page 21.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer and engaged by us on February 18, 2022. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular period, refers to such information for the relevant period.*

### INTERNAL RISK FACTORS

#### ***1. Our operations in skill-based fantasy and real money games are subject to regulatory uncertainty in India.***

The Indian online gaming market is broadly divided into Real Money Games (RMG) and Non-Real Money Games (Non-RMG). RMG refers to games based on skill, with an option to play with real money. Non-RMG includes games wherein there is no real money involved [Source: RedSeer Report.]

While Indian states are empowered, under the Indian Constitution, to regulate skill gaming or follow the Public Gambling Act, 1867, as on the date of this Draft Red Herring Prospectus, real money gaming is banned in states like Andhra Pradesh, Telangana, Assam, Orissa, Arunachal Pradesh, whereas states like Sikkim and Nagaland regulate online skill-based games through licensing. For details, see “Key Regulations and Policies – Gambling Legislations” on page 161.

There have been various instances of legislative and judicial action in India, in the past, with respect to real money gaming, and there continues to be uncertainty in the regulatory framework and associated binary risks in relation to real money gaming in India.

For instance, the Karnataka legislature passed the Karnataka Police (Amendment) Act, 2021 (“**Karnataka Amendment Act**”) which, amongst other things, sought to: (a) widen the definition of “gaming” to include online gaming; and (b) widen the definition of “wagering or betting” to include risking money on games of skill and any action specified in the definition of wagering or betting, carried out directly or indirectly by the players playing any game or by any third parties. However, these amendments (amongst others proposed by the

Karnataka Amendment Act) were ruled to be *ultra vires* the Indian Constitution and were consequently struck down by the Karnataka High Court, and, therefore, online games of skill are currently not prohibited in the state of Karnataka. Similar instances include the State of Tamil Nadu and State of Kerala, where legislative changes sought to restrict one or more forms of online gaming, but courts have set aside such legislative changes. Contrary decisions in appeals from such orders or the introduction of new legislative restrictions could impact the legality of RMG in such states.

There have also been various challenges to the legality of different types of RMG through public interest litigation and complaints in various courts, and courts have upheld or declined the applicability of game of skill exemptions. For instance, the Supreme Court of India has held Rummy to be a game of skill. Various High Courts have upheld that fantasy sports gaming is a game of skill.

For details on certain of these cases, see “*Outstanding Litigation and Material Developments - Litigation which may have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company*” on page 288. An adverse decision by the relevant court(s) in any of the cases could have an adverse impact on our ability to carry on our business in one or more states/ union territories, as the case may be, in India.

Further, our Gross Gaming Revenue from depositing gamers for Adda52 from the top three states / territories (*i.e.*, Maharashtra, National Capital Region of Delhi and Karnataka) in India comprised 43.95 %, 45.60 % and 47.92 %, of our total Gross Gaming Revenue for Fiscals 2022, 2021 and 2020, respectively. Consequently, the introduction of any adverse legislation or an adverse decision by the relevant court(s) in any of these states / territories could have an adverse impact on our business and results of operations.

While we intend to closely monitor legislative and judicial developments around real money gaming, which, we believe, helps us develop a state of preparedness and gives us an advantage to be able to move quickly with minimal independent development and market generation costs, we cannot assure you that we will be able to capitalise on our current offerings and expand into the RMG segment in a short period of time following regulatory clarity being achieved, or in a cost-effective manner, or that we will be able to maintain our revenues in these states / territories or that we will be able to effectively compete with our peers who have established their presence in RMG in such states. Further, such strategy for other products in the future may also impact diversification and scalability, and thereby affect our revenues, results of operations and cash flows.

**2. *We derive a significant portion of our revenue from Adda52 and any new entrant in the real money gaming industry could have a significant impact on our business, cash flows, results of operations and the growth of our Company.***

Adda52 is our flagship platform, where we host various variants of poker, such as Texas Hold'em Poker, Pot Limit Omaha, 5 Card PLO and 5 Crazy Pineapple, *etc.* The Gross Gaming Revenue from Adda52 constituted a significant portion of the total revenue from operations of our Company, which comprised 93.82 %, 94.79 % and 96.19 % of our total Gross Gaming Revenue for Fiscals 2022, 2021 and 2020, respectively.

Rummy is currently the largest segment and is expected to dominate the real money gaming market in the future due to rising number of new rummy gamers from north India and increasing propensity to pay of existing gamers [Source: RedSeer Report]. This coupled with the entry of any new entrant in the real money gaming industry, or the introduction of a new game or variant of poker not currently offered by our Company or by any of our competitors may lure our gamer base from Adda52, and this may lead to a reduction in the gamer base of Adda52, which could have a significant impact on our business, cash flows, results of operations and the growth of our Company.

**3. *We incurred a net loss in Fiscal 2022, and we may not be able to achieve profitability in the near future, which may adversely impact our business and the value of the Equity Shares.***

We incurred a net loss of ₹ 43.99 million in Fiscal 2022. During Fiscal 2022, we launched Adda.games, which competes in markets characterized by vigorous competition. To grow our platforms and deliver a gamer-centric gaming experience across our various offerings, we need to continue to invest in (i) organic growth through marketing and business promotion activities to attract new gamers and retain existing gamers on our platforms; and (ii) strengthen our technology infrastructure to maintain, manage and develop new capabilities for our existing platforms. We expect our operating expenses to increase, as we hire additional personnel, broaden our marketing efforts and promotional activities, develop and introduce more games, expand and improve our

interface and continue to enhance our platform and brand, which may result in further losses going forward and we cannot assure you that we will be able to achieve profitability in the near future. If we continue to incur losses, our business and the value of the Equity Shares could be adversely affected.

**4. *We may not be able to maintain or grow the size of our gamer base or level of engagement of our gamers which may affect our network liquidity. This could materially and adversely affect our business, financial condition, cash flows and results of operations.***

We believe that the size and engagement level of our gamer base is critical to our success, and our business and financial performance will continue to be impacted by our ability to add, engage and retain active gamers.

Our poker offerings require network liquidity, as it is a synchronous multi-player game, and we are already extending the poker liquidity across clients with Adda.games. Any inability to add, retain, engage and monetize gamers within our current offerings, or to achieve similar or higher levels of retention, engagement or monetization of gamers in future offerings would adversely impact our network liquidity, our results of operations and cash flows.

There can be no assurance that our skill-based real money games will continue to sustain or grow their current level of popularity for various reasons, including:

- our inability to maintain the quality of our existing offerings;
- our failure to adapt to changes in gamer preferences, market trends or advancements in technology;
- our inability to successfully deploy our existing and future applications on popular mobile operating systems;
- technical or other problems which may prevent us from delivering our services in a timely and reliable manner or otherwise affect the gaming experience;
- unavailability or non-reliability of high-speed data services and network connectivity to our gamers;
- gamer's concerns relating to privacy, safety, security and other factors; or
- our failure to maintain the brand image of our platforms or our reputation.

There can be no assurance that our efforts to avoid or address any of the reasons listed above will be successful. Further, such efforts could require us to incur substantial expenditure to modify or adapt our content and technology.

If we fail to add, retain or continue growing our gamer base, or if our gamers reduce their engagement with our platform, our network liquidity would be adversely impacted and our deposits would reduce, which would materially and adversely affect our business prospects, financial condition, results of operations and cash flows.

**5. *We operate in a competitive industry and our market share may be adversely impacted in case we do not keep ourselves apprised of the latest consumer trends and technology, and if we fail to compete effectively in the markets in which we operate. Further, any increase in competition for Adda.games could materially and adversely affect our business***

We operate in a competitive industry which is characterized by rapid shifts in consumer trends and technology and our market share may be adversely impacted at any time by the significant number of competitors in our industry that may compete more effectively than us. We face competition from both new as well as existing players and we expect new competitors to continue to emerge. The failure to compete effectively with any of them could materially and adversely affect our business, financial condition, cash flows and our results of operations.

The Pure-play poker industry has several players such as Pokerbaazi, SpartanPoker, etc. There are also players like MPL & WinZO which offer online poker on their multi-game platforms. (Source: RedSeer Report). We compete with our competitors across a range of factors, such as product quality, liquidity, gamers base, etc. We measure these factors through data such as MAU, DAU, Deposits, etc. Our competitors may launch similar products or services, with different pricing and packages that may have greater appeal than our offerings. Further, our existing approach to identify value-based strategic acquisitions may be adversely affected in the event our competitors, who may have deeper pockets and may follow the path to scale rather than profitability, compete for the same targets as we may in the future, identify. While we believe we have historically maintained an astute capital deployment mindset, our philosophy may be challenged by massive investments into other gaming start-ups from marquee investors.

Further, on account of the relatively low entry barriers to developing mobile or online free-to-play games, we expect new competitors to enter the market and existing competitors to allocate more resources to developing and marketing competing games and applications. We charge commission on the gamer contribution to the prize pool, which is eventually recognized as part of our gross revenue (including applicable taxes). Our current and future competitors may enjoy competitive advantages, such as greater name recognition, more successful marketing capabilities, and substantially greater financial, technical, and other resources than we have. Greater financial resources and product development capabilities may allow our competitors to respond more quickly to new or emerging technologies and changes in gamer preferences that may render our platform less attractive. If our competitors develop and market more successful mobile games offerings or offer similar mobile games offerings as us but at lower prices or at a discount or pursue aggressive marketing, it could result in, amongst other things, a reduction in the revenue and the number of gamers on our platform, which would have a material adverse impact on our revenue, margins, and profitability.

Further, Adda.games competes in markets characterized by vigorous competition, changing technology, changing consumer preferences, evolving industry standards, and frequent introductions of new games. We also expect new entrants to offer new games. Any increase in competition could result in, among other things, a reduction of the revenue we generate from Adda.games, the number of gamers on Adda.games and the frequency of use of Adda.games. If we are unable to differentiate ourselves from, and successfully compete with, our competitors, our business will be materially and adversely affected.

The total number of gamers in the market is dependent on the increase in the market size. Our ability to acquire quality gamers may be affected due to intense competition and hence may result in increase in our overall cost of acquisition.

**6. *If we are unable to successfully integrate businesses, technologies, services and products that we acquire or invest in, our business, results of operations, cash flows and financial condition could be adversely affected.***

We have acquired businesses, technologies, services and products in recent years, such as the acquisition of multi-gaming technology under the brand ‘Faboom’, which was re-branded as our Adda.games platform. Since the launch of Adda.games, we have maintained an increasing number of gamers on our platform with a steady revenue per such gamer. For details, see “*Our Business- Our Market Opportunity*” and “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation*” on pages 141 and 169, respectively.

We expect to continue to evaluate and consider a wide array of investments and acquisitions in line with our overall business strategy. The integration of newly acquired businesses may be costly and time-consuming, and each acquisition could present us with risks and difficulties in integration, including alignment of people culture. While we endeavor to integrate the businesses we acquire, there can be no assurance that the integration will be done successfully or in a time bound manner. We also depend on the promoters and the management of the acquired businesses for business continuity, however, there can be no assurance that they will remain in employment post the acquisition. Moreover, some of the acquired businesses’ customers may discontinue relationships with the acquired business due to a change in ownership or management. In addition, future acquisitions may also expose us to potential risks, including risks associated with the integration of new offerings, services and personnel, unforeseen or hidden liabilities, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions, and potential loss of, or harm to, relationships with employees, developers or gamers, the incurrence of debt, contingent liabilities or amortization expenses, or write-offs of goodwill, any of which could significantly disrupt our ability to manage our business and could adversely affect our business, financial condition, results of operations and cash flows.

Our ability to succeed will depend on the synergies we are able to achieve through the integration of acquired entities. We also intend to utilise a portion of the Net Proceeds for funding inorganic growth initiatives and acquire new gamers, help us acquire new capabilities and/ or increase our geographical presence. For details, see “*Objects of the Offer - Details of the Objects of the Fresh Issue - Funding inorganic growth initiatives and general corporate purposes*” on page 92. As on the date of this Draft Red Herring Prospectus, we have not identified any potential target for investment or acquisition or entered into any definitive agreements towards any future acquisitions or strategic initiatives. It is also possible that we may not be able to identify suitable targets, or that if we do identify suitable targets, we may not be able to complete those transactions on terms commercially acceptable to us or at all and/or be able to complete all aspects of the acquisition process and/or

receive relevant regulatory clearances (as applicable) in a timely manner or at all. The occurrence of any of the foregoing risks could have an adverse effect on our business, results of operations, cash flows, financial condition and growth prospects.

7. ***We have historically spent significantly on gamer acquisition. If we fail to retain our gamers, attract new gamers and if our gamer acquisition costs increase, our business, revenue, profitability and growth may be adversely impacted.***

We believe that investment in our gaming platform and offerings is essential to our improvement, growth opportunities and for onboarding of new gamers, and retention of our existing gamers. We intend to continue to invest in data infrastructure to enhance our artificial intelligence to improve the experience of our gamers by providing more personalized experiences, which we believe will help us with, amongst other things, our retention rates. Our success depends on our ability to increase the stickiness of the gamers on our platform and to attract new gamers to our platforms.

Gamer retention is the core to the growth of our business. However, our ability to retain and grow our gamer base depends on the willingness of the gamers to use our platforms. The attractiveness of our platforms to gamers depends upon, among other things: the number and variety of games available through our platforms; our brand and reputation; gaming experience and satisfaction; technological innovation; and games offered by our competitors. Our gamer acquisition efforts currently include providing the gamers with certain incentives and bonuses. We may need to introduce new games and gamer acquisition initiatives, which may become increasingly expensive, and generating a meaningful return on these initiatives may be difficult. Further, the expenditure on gamer acquisition may not result in expected gamer growth or retention of the existing gamers at the same pace in comparison to our past growth. If we fail to retain the existing gamers on our platform or do not attract new gamers to our platforms, our business, results of operations, financial condition, cash flows and prospects would be materially and adversely affected.

We believe that we have been able to successfully retain our gamers. In any given month, we have consistently retained active gamers aged more than 24 months, on our flagship platform – Adda52. The age of a gamer on the platforms is calculated as the age of such a gamer in terms of months from their first gameplay. For Fiscal 2022, on an average, 20% of the total active gamers were on our platforms with age more than 24 months. For Fiscal 2021 and Fiscal 2020, such percentage stood at 15% and 19%, respectively.

However, we cannot assure you that our Company will be able to retain gamers, which will help us generate revenues going forward.

8. ***We rely on third party vendors for geo-tagging and geo-blocking for gamers originating from restricted states in India, and any failure to consequently comply with the applicable gambling legislations across India could adversely impact our reputation, our business and growth prospects.***

We currently follow the practice of geo-tagging and geo-blocking gamers from restricted states in India and rely on third-party vendors for such geo-tagging and geo-blocking mechanisms. For details in relation to the restricted states in India and the consequent risks, see “*Key Regulations and Policies – Gambling Legislations*” and “*- Our operations in skill-based fantasy and real money games are subject to regulatory uncertainty in India*” on pages 161 and 30, respectively. Based on such geo-tagging and geo-blocking mechanisms, gamers seeking to access our platforms from such restricted states in India will neither be able to login, nor be able to access the games offered by us on our platforms. While we believe that the geo-tagging and geo-blocking mechanisms provide adequate safeguards in ensuring that gamers located in the restricted states of India are unable to access our platforms. However, there have been instances in the past wherein certain gamers have either played games on our platforms with IP addresses from restricted states in India due to certain technical glitches and breaches in our internal controls for geo-tagging and geo-blocking mechanisms. Additionally, given the digitisation of bank accounts across India, our Company processes withdrawals to gamers having their bank accounts in restricted states in India subject to such gamers residing and playing from unrestricted states in India.

While our Company believes that it has taken adequate measures and strengthened internal controls to avoid the recurrence of such instances, considering our dependencies on third parties for geo-tagging and geo-blocking mechanisms, we cannot assure you such similar instances will not reoccur in the future, which could result in a non-compliance with the applicable gambling legislations across India, and could, consequently, adversely impact our reputation, our business and growth prospects.

9. ***There are certain proceedings involving our Company, our Promoter, our Directors and our Group Companies which if determined against us, may have an adverse effect on our business, cash flows and results of operations.***

There are outstanding legal proceedings involving our Company, Promoter, Directors and Group Companies as on the date of this Draft Red Herring Prospectus. Brief details of material outstanding litigation are set forth below:

Name of Entity	No. of Criminal Proceedings	No. of Tax Proceedings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by SEBI or Stock Exchanges	No. of Material civil litigation	Aggregate amount involved* (₹ in million)
<b>Company<sup>#</sup></b>						
By our Company	Nil	Nil	Nil	N.A.	Nil	-
Against our Company	Nil	1	Nil	N.A.	Nil	1.69
<b>Directors</b>						
By our Directors	1	Nil	Nil	N.A.	1	0.01
Against our Directors	4	1	Nil	N.A.	1	347.06
<b>Promoter</b>						
By our Promoter	Nil	Nil	Nil	N.A.	1	5.00
Against our Promoter	Nil	5	5	Nil	1	99.95
<b>Group Companies</b>						
By our Group Companies	Nil	Nil	Nil	N.A.	Nil	-
Against our Group Companies	Nil	Nil	Nil	N.A.	4	Not quantifiable

\*To the extent quantifiable.

# In order to examine the risks in relation to the judicial and regulatory framework concerning the real money gaming industry, we have carried out a general search of outstanding litigation relating to our industry and pending before judicial forums, which, could have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company, and have disclosed such outstanding litigation. While we are not a party to such litigation, an adverse outcome in any of these cases, could materially impact our Company. For details, see “Outstanding Litigation and Material Developments- Litigation which may have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company” on page 288 of this Draft Red Herring Prospectus.

For details, see “Outstanding Litigation and Material Developments” on page 284.

Additionally, there are certain industry specific litigations wherein we are not a party to the proceedings, but any adverse outcome in such litigations could have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company. For details, see “Outstanding Litigation and Material Developments – Litigations which may have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company” on page 288. In this regard, while we have carried out a general search of outstanding litigations relating to our industry and pending before judicial forums, which, could have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company. These summaries are not exhaustive and are only intended to provide general information to the investors, and are based solely on information available in the public domain. Accordingly, we cannot assure you that these summaries are up-to-date and exhaustive, nor can we assure you that there is no other litigation, the outcome of which, will impact our Company.

10. ***Our MAUs on Adda.games may be higher for a certain period in a Fiscal on account of a busy sports season.***

Adda.games offers various popular game formats, such as fantasy cricket and fantasy football, where gamers form virtual teams consisting of real players. These virtual teams compete based on the statistical performance of actual matches resulting in increase in the number of MAUs during such sporting events. An increase in MAUs translates to lower ARPUs, thereby leading to a decrease in our revenue. We experienced increased average MAUs towards the end of the second quarter and during the third quarter of Fiscal 2022 on account of a

busy sports season, and may continue to do so in the future, whenever there are such sporting events. We cannot assure you that our ARPUs will increase during periods of a busy sports season, and such lower ARPUs may adversely affect our revenues, cash flows and financial condition.

- 11. *Adda.games was launched in April 2021 and is reliant on third-party developers for the launch of new games on its platform. Any inability to identify appropriate third-party developers, or to enter into arrangements with appropriate third-party developers or renew our existing contracts with such third-party developers may affect our business, cash flows and results of operations.***

In April, 2021, we acquired multi-gaming technology under the brand ‘Faboom’ and re-branded it as the Adda.games platform, thereby expanding our footprint in the gaming industry. Adda.games acts as a comprehensive gaming platform, providing gamers a single destination for their real money gaming needs. We enter into either fixed fee contracts with game developers where the game developers are paid a certain fee per month, per game, or we enter into revenue sharing arrangements where the game developers are paid part of the commission on a slab basis. While we continue our expansion plans, we cannot assure you that we will be able to identify appropriate third-party developers, enter into contracts on terms which are favourable to us, renew our existing contracts on the same terms, any our third-party developers will not terminate their existing contracts and we would be able to find replacements on the same terms or at all. Any inability on our part to enter into such contracts or renew our existing contracts, may affect our business, cash flows and results of operations.

Additionally, the significant portion of the objects of the Offer are proposed to be deployed towards (i) organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms; and (ii) strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platform, of Adda.games and any increase in competition could result in, among other things, a reduction of the revenue we generate from Adda.games, the number of gamers on Adda.games and the frequency of use of Adda.games, which could materially and adversely affect our business, cash flows and results of operations.

- 12. *Our success is tied to the continued use of the internet and smartphones, and the reliability and adequacy of online infrastructure in India. Any shutdown or breakdown of such infrastructure may have an adverse effect on our growth.***

Our business and future operating results are substantially dependent upon numerous factors affecting the continued use of the internet by consumers as an effective medium for entertainment through gaming. These factors include the rate of growth of mobile devices, internet and broadband usage and penetration, extant laws, regulations and policies governing online gaming, including real money gaming, acceptance of and media publicity regarding sports media and virtual tournaments, concerns on online data privacy and general economic conditions in India. Our success will depend, in large part, upon third parties maintaining and improving the internet infrastructure to provide a reliable network backbone with the speed, data capacity, security and hardware necessary for reliable internet access and services. The continued growth in our revenue is substantially dependent upon the widespread acceptance and use of the internet. India has experienced internet shutdowns in certain cities across India where the government has directed telecom companies to shut down services or take down sites, any increase in frequency of such shutdowns could adversely impact our ability to provide our platforms.

An increase in data tariffs or prices of smartphones could have a negative impact on our ability to grow or maintain our existing gamer base. The demand for, and acceptance of, services sold over the internet and apps are highly uncertain. Rapid growth in mobile gaming including skill-based fantasy and real money games and the use of the internet is still a relatively recent phenomenon in India, and we cannot assure you that this trend will continue or that internet penetration among Indian gamers will increase. As a result, growth in our gamer base is dependent on attracting them to our platforms. Concerns about fraud, privacy, lack of trust and other problems may also discourage businesses from adopting the internet. Failures by online companies in India to meet consumer demands could result in consumer reluctance to use the internet as a means for information exchange. If these concerns are not adequately addressed, they may inhibit the growth of apps in India. In addition, if a well-publicized breach of internet security or privacy of data collected through mobile apps were to occur, general usage could decline, which could reduce the use of our services and impede our growth, and may, in turn, negatively impact our business, cash flows, financial condition and results of operations.

**13. *Our businesses may be adversely affected due to breaches of security measures. Failure to prevent security breaches or address consumers' concerns over such issues may have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

Our businesses generate and process a large amount of data, and the improper use or disclosure of such data could harm our reputation and subject us to legal proceedings. We collect and store gamers data as we conduct our business online. We rely on third party tools for the security and authentication necessary to effect secure transmission of confidential gamers information, such as gamers names and passwords, and there can be no assurance that such security controls over gamer's data will be able to prevent, counter or respond to any security breach or the improper disclosure of confidential information in a timely manner, or at all. Our offerings are also distributed through third party channels including telecom operators and app stores, which may be subject to security breaches, cyber-attacks, viruses, ransomware, worms, trojans, malicious software, break-ins, phishing attacks or other attacks. We have no control over the security measures put in place by such third-party channels to prevent such breaches and attacks or their actions in this respect. Further, the platforms through which we distribute our offerings may contain errors or "bugs" that are not detected until after the games are published. Any such errors could impact the overall gaming experience, which could cause gamers to reduce their time or interest in our mobile games offerings or not recommend our content to other prospective gamers.

Breaches of cyber-security measures could result in misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations. While there have been no instances of misappropriation of gamers' data by our employees or third-party service providers in the past, there can be no assurance that such misappropriation will not occur in the future. Disclosure of gamer's information (including mobile numbers or other personal information) on account of any security breach or otherwise could harm our reputation and we may be liable under applicable law or contractual obligations in relation to such confidential information. If our reputation is adversely affected, we may lose gamers on our platform because of the perception that we cannot adequately protect our gamers' information. We may be required to invest significant time and resources including financial resources to prevent such security breaches or to mitigate problems caused by such breaches.

Further, our business may be harmed by concerns over playing games on mobile phones. Generally, malwares could use the paid services without a consumer's consent, resulting in fraudulent charges to such consumers. Such concerns over the security and privacy may affect the internet industry generally, and our apps, in particular. If our security measures are breached as a result of third-party action, employee or contractor error, malfeasance or otherwise and, as a result, someone obtains unauthorized access to our data or the data of consumers, or other third parties, our reputation could be damaged, our business may suffer, and we could incur significant regulatory liability.

There can also be no assurance that we will be able to develop security measures that will prevent such security breaches, or have any degree of control over security breaches targeting specific types of mobile devices. Failure to prevent security breaches or address consumers' concerns over such issues may have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

A breach of our security, compromise of data or resilience, affecting our operations, or those of our gamers, could lead to an extended interruption to our services as well as loss of subscriber information and other confidential data. The impact of such a failure could include immediate financial losses due to fraud and theft, termination of contracts, lost productivity and unplanned costs of restoration and improvement. Additionally, reputational damage may arise, undermining market confidence and jeopardizing future revenues. Further, technology bugs and any kind of system failures may result in leakages of the funds of the gamers, thereby increasing the possibility of litigation.

**14. *We presently do not own the trademark or logo under which we currently operate and if third parties, including our current or future competitors are able to circumvent our protection measures which are put in place for the protection of trademark, logo and intellectual property, and any inability to protect our intellectual property or any third-party claims in relation to infringement of our existing intellectual property rights, would adversely affect our business and reputation.***

In the business in which we operate, all our trademarks and other intellectual property rights are our material assets and are crucial to our business operations. We depend on a combination of trademark laws and domain name protection laws to protect our logo, brand name and domain names. While we have applied for the registration of various trademarks in India, all such trademarks are not registered, and registration of certain

trademarks is pending as of the date of this Draft Red Herring Prospectus. Our Company's logo "DELTATECH GAMING", is not registered with us as on the date of this Draft Red Herring Prospectus and we have made an application under classes 9, 16, 25, 35 and 41 of the Trade Mark Act, 1999 for registration of the logo. For details, see "*Our Business – Intellectual Property*" on page 159.

While we believe we have included adequate provisions in our existing arrangements with our employees, co-developers and third parties with whom we conduct business to confirm our ownership of the intellectual property and to limit access to, and disclosure and use of, our proprietary information, despite such precautions, we cannot assure you that our trademarks and intellectual property will not be copied or obtained by third parties. If we are unable to adequately protect our intellectual property, our competitive position, reputation and our business could be adversely affected, as third parties may be able to commercialize and use the brand that is substantially the same as ours to compete with us without incurring the development and branding costs that we have incurred.

**15. *Advertisements pertaining to our platforms are subject to regulatory scrutiny. Any contravention of such regulations may adversely affect our business and prospects.***

The Ministry of Information and Broadcasting, Government of India, has pursuant to a notification dated December 4, 2020, advised all broadcasters to comply with the guidelines on advertisements relating to online gaming and fantasy sports issued by the ASCI, which is effective from December 15, 2020. These guidelines, inter alia, prohibit depiction of person under the age of or appearing to be under the age of 18 years engaged in playing online games for real money winnings, and the presentation of 'online gaming for real money winnings' as an income opportunity or an alternative employment option. Further, Niti Aayog, in December 2020, has introduced the Draft Guiding Principles for Uniform National-Level Regulation of Online Fantasy Sports Platforms in India ("**Guiding Principles**"), which are required to be implemented and overseen by a recognized self-regulatory organization. The Guiding Principles, *inter alia*, provide for requirements in relation to formats of fantasy sports contests, periodic submission of statistical data of user performance by the operators, minimum age for pay-to-play formats and institution of safeguards for minors, terms of participation, and advertising and promotion of contests. If we contravene the guidelines or principles relating to the advertisements on online gaming and fantasy sports, we may be subject to penalties which may adversely affect our business and prospects.

**16. *Our inability to cater to the evolving consumer preferences, in India, in the skill-based real money games industry may affect our growth and our business operations, cash flows and results of operations.***

Our offerings including the skill-based fantasy and real money games and our interfaces need to be enhanced and updated on an ongoing basis as the preference of the consumer is cyclical and is difficult to predict. The popularity of skill-based fantasy and real money games reduces unless such games are continuously enhanced. In order to remain competitive, we must look for opportunities to widen our offerings and thereby our engagement with our consumer. If our offerings do not achieve the expected consumer acceptance or generate sufficient revenues upon their introduction, we may not be able to recover the licensing and marketing costs associated with such games.

While we rely on data analytics in determining consumer preferences and trends, there is no assurance that the data analytics will be accurate or reliable, or whether we would be able to accurately predict and aggregate future mobile games offerings which will be suited to the changing consumer preferences.

Our business and results of operations and cash flows could be negatively impacted if we do not correctly assess our consumer's preferences.

**17. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Such

instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

This is illustrated by the promotions on our platforms, for which there are instances of promotional benefits taken by gamers which may be more than our budgeted levels, such as, instances wherein new gamers have created multiple accounts *via* multiple mobile numbers, and misused the joining bonus that we provide for all new registrations. We also acquire new gamers through various affiliates and channel partners, for which we provide a certain fee to such affiliates and channel partners. Such affiliates and channel partners help us in acquiring new gamers and there are instances where such affiliates and channel partners were paid without them having performed adequate service or having provided sub-standard service.

**18. *Failure to anticipate or successfully adopt and incorporate current gaming trends and new technologies in our offerings may materially and adversely affect our business, financial condition, cash flows, results of operation and prospects, as well as our reputation.***

The skill-based fantasy and real money games industry is a highly competitive industry and requires constant evolving and upgrading of offerings and technologies. We need to adapt to the latest gaming and technology trends, and the latest business models to provide improved performance, increased scale and better integration among our offerings, and while we believe that we anticipate, well in advance, the current gaming trends and technologies that we should adopt, develop and implement to make our offerings more current, accessible and competitive in the market, any failure to anticipate or successfully adopt and incorporate current gaming trends and new technologies in our offerings may materially and adversely affect our business, financial condition, cash flows, results of operation and prospects, as well as our reputation.

Further, any failure to maintain and improve our technology infrastructure may leave us vulnerable to unanticipated system disruptions, security breaches, slower response times and errors on account of updates to third party systems used by us, which, in turn, could result in lower quality experiences for our gamers and delays or disruptions in our data collection, storage and analytics. While we do strive to ensure efficient functionality and effectiveness of our software or platforms, there have been instances in the past of reduced functionality or effectiveness of our software or platforms, which may have impacted our ability to maintain and constantly improve our technology infrastructure to handle our business needs and ensure quality gaming experience.

**19. *We may not be successful in effectively maintaining, promoting or developing our platforms.***

Our marketing strategy include discounts promotions, loyalty rewards, tournaments, branding, digital marketing, alliances, offline marketing events & activities, digital display advertising, television, OTT, billboards, radio, video, direct mail, social media, email, hiring and mobile “push” communications, search engine optimization, and keyword search campaigns.

We have incurred and intend to incur significant costs and expenses, including from the Net Proceeds, to market our platforms and we intend to continue such efforts. We incurred ₹ 848.11 million, ₹ 901.53 million and ₹ 593.25 million as marketing and sales promotion expenses for Fiscals 2022, 2021 and 2020, respectively. Our inability to collaborate with advertisement networks which enable us to successfully acquire gamers would adversely impact our results of operations, cash flows and operating profit.

Many factors are important for maintaining, developing and enhancing our brands, including by increasing brand awareness through brand building initiatives and ensuring gaming experience and satisfaction by consistently creating fresh and engaging content. There can be no assurance that we will be able to effectively promote or develop our brands. If any of the offerings which we launch from time to time do not meet standards for quality and performance or gamers’ subjective expectations, our brand reputation and gamer retention may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our mobile games, or the quality of our mobile games declines, our business, financial condition and cash flows, results of operations may be adversely affected.

**20. *Our skill-based real money games may be vulnerable to cheating. Any failure to monitor, identify, contain and prevent such cheating could have an adverse impact on our business, growth, results of operations and financial condition.***

We have devised an extensive mechanism to identify, control and mitigate the risks of frauds, cheating and collusion by, and between, gamers. This includes regress monitoring of the transactions of gamers by a dedicated team as well as use of data analysis. Any such instances encountered are taken up and appropriate strict actions are taken on the involved gamers as per the standard operating procedure followed by us in relation to such incidents. However, due to the nature of the games offered by us, the possibility of frauds and cheating is high. The gamers might indulge in fraudulent or illegal activity such as, cheating, manipulation, chip dumping, collusion, etc. If we do not monitor, identify, contain and prevent such incidents, we might lose the patronage of our gamers, and gamers may migrate to a competitor's platform, thus adversely affecting our business, growth, results of operations and financial condition. There have been instances in the past, wherein gamers have informed us of collusion or chip dumping, which is subsequently verified by our compliance team, based on which we blocked the accounts of the errant gamers, confiscated the balance and distribute the balance to the affected gamers. While we believe that we have taken, and endeavor to take, strict action against the errant gamers and have enhanced our internal controls on data analysis to restrict such incidents, we cannot assure you that such similar instances will not reoccur in the future, which may adversely affect the business and reputation of our Company.

- 21. *The Statutory Auditors have included certain remarks in their reporting under The Companies (Auditors Report) Order, 2016 ("CARO") on our audited standalone financial statements for the Fiscal 2022, 2021 and 2020, in relation to cash losses and delays in payment of statutory dues of our Company. Such delays may lead to penalties being levied on our Company.***

The Statutory Auditors have included certain findings in their report on our Audited Financial Statements in relation to cash losses and the implications of certain delays in payment of statutory dues, including deposit of GST, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, labour welfare fund, and other material statutory dues. For details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Summary of reservations and qualifications or adverse remarks of auditors*" on page 281. There can be no assurance that our Statutory Auditors will not include such remarks in the audit reports on our audited financial statements in the future, or that such remarks will not affect our financial results in future fiscal periods. Investors should consider these matters and related remarks in evaluating our financial condition and results of operations. Any such remarks in the auditors' reports on our financial statements in the future may also adversely affect the trading price of our Equity Shares. While no penalties have been imposed on us for such delays in payment of statutory dues by the concerned regulatory authorities, there is no assurance that penalties, if any, will not be imposed on us in future. Further, while we continue to pay all statutory dues which become payable, and endeavor to do so in a timely manner, we cannot assure you that there will not be any delay in payments of statutory dues in the future. For details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 257.

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

We are highly dependent on the continued contributions of our management and on our senior leadership led by the management team and key managerial personnel. If one or more of our senior executives or key employees are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace them easily or at all. Inability to retain members of our senior management, our senior executives and key personnel or attract and retain new senior executives and key personnel in the future could materially adversely affect our business, financial condition, cash flows and results of operations.

At times, we have experienced, and we may continue to experience, difficulty in hiring and retaining personnel with 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 March 31, 2022, we had 157 permanent employees. The attrition rate of our employees for Fiscals 2022, 2021 and 2020, was 53%, 26% and 37%, respectively. 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 before we realise the benefit of our investment in recruiting and training them. 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.

If any of our senior executives or KMP joins a competitor or forms a competing company, we may lose gamers, developers, know-how and key IT professionals and staff members to them which may materially adversely affect our business, financial condition, cash flows and results of operations. Additionally, there could be unauthorised disclosure or use of our technical knowledge, practices or procedures by such personnel. If any dispute arises between our senior executives or KMPs and us, any non-competition, non-solicitation and non-disclosure provisions in our employment agreements we have with our senior executives or KMPs might not provide effective protection to us, and we may incur additional costs in resolving such disputes or remedying losses. Our success depends on our ability to effectively source and staff people with the right mix of skills and experience. If we are unable to effectively utilise our personnel on a timely basis to fulfil the needs of our gamers, it may materially adversely affect our business, financial condition, cash flows and results of operations.

23. ***Our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits. Any real or potential conflicts of interest that may arise in this regard may materially and adversely impact our business, financial condition, results of operations and cash flows.***

Our Promoter, Directors and Key Managerial Personnel 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 association with our Company. Our Promoter, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered by our Company with any other company or firm in which they are directors or partners. Additionally, interests of Promoter, the Promoter Group, Directors and Key Managerial Personnel may conflict with the interests of our Company, and they may, for business considerations or otherwise, cause us to take certain actions, or refrain from taking certain actions, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

Our Promoter 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. In the event of any real or potential conflicts of interest that may arise between the Promoter, Promoter Group, Directors and Key Managerial Personnel and our Company, the same may materially and adversely impact our business, financial condition, results of operations and cash flows.

For details, see “Our Management - Interest of Directors”, “Our Management - Interest of Key Managerial Personnel”, “Our Promoter and Promoter Group - Interest of our Promoter” and “Restated Financial Statements - Notes to Restated Financial Statements – Note 31 – Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party” on pages 179, 192, 194 and 234, respectively of this Draft Red Herring Prospectus.

24. ***Our Promoter has significant control over the Company and has the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Offer, our Promoter will continue to retain significant control and will have the ability to exercise significant influence over all matters requiring shareholders’ approval 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 Promoter will exercise their rights as shareholders to the benefit and best interests of our Company.

25. ***We operate our registered office and corporate office from premises that are taken by us on a leasehold basis. Our inability to renew the lease agreements in relation to such premises, may impede our effective operations.***

Our Company operates the registered office and corporate office on a leasehold basis. While our lease arrangement for the registered office is renewed on a yearly basis, our corporate office is taken on a lease for a period of nine years. Our lease agreements are renewable on mutually acceptable terms and upon payment of such rent escalations as stated in lease agreements. Periodic renewals of short-term leases may increase our costs

as they are subject to rent re-negotiations. Moreover, if the lease agreements are not renewed or are renewed on terms and conditions that are unfavorable to us or we are unable to find alternate premises on commercially acceptable terms, we may suffer a disruption in our operations which could have a material adverse effect on our business and operations.

**26. *One of our Group Companies is authorised by its memorandum of association to engage in a similar line of business as our Company and may compete with us.***

Our Group Company, namely, Gaussian Online Skill Gaming Private Limited, is authorised by its memorandum of association to engage in the same businesses as that of our Company, and may have common pursuits with our Company. While there is currently no active conflict between our Group Company and our Company, we cannot assure you that there will be no conflict of interest in allocating business opportunities between us and our Group Company going forward. We have not entered into any non-compete agreement with our Group Company, and there can be no assurance that our Group Company will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance. For details, see, “*Our Group Companies*” at page 197.

**27. *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.

**28. *Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.***

We have issued Equity Shares in the last 12 months at a price which may be lower than the Offer price, as set out in the table below:

<b>Date of allotment</b>	<b>Number of Equity Shares allotted</b>	<b>Face value (₹)</b>	<b>Issue price per Equity Share (₹)</b>	<b>Form of consideration</b>	<b>Reason for allotment</b>
March 7, 2022	225,000	1	400	Cash	Rights Issue
June 8, 2022	13,205,856	1	1.75	Cash	Rights Issue

The price at which Equity Shares have been issued by our Company in the immediately preceding 12 months is not indicative of the price at which they will be issued in the Offer or traded on the stock exchanges. For details, see “*Capital Structure – Notes to the Capital Structure – Equity Share capital History of our Company*” on page 72.

**29. *We are required to maintain certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations***

We require certain approvals, licenses and registrations for operating our business. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licenses. Our failure to obtain such licenses and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. For details, see “*Government and Other Approvals*” on page 294.

Further, fresh and renewal applications for approvals, licenses and registrations for operating our business need to be made within certain timeframes. While we have made such applications in a timely manner in the past, we cannot assure you that we will receive these approvals in a timely manner or at all. Further, in the future we will be required to apply for the renewal of approvals and 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 face

consequences due to which our business operations may be adversely affected. However, in the past three years, there has been no instance of failure to receive or renew the necessary license, approval or registration in a timely manner, leading to interruption in our Company's operations.

**30. *Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

We have exclusively commissioned and paid for an industry report titled “*Online Gaming Market in India*” dated June 13, 2022” issued by “RedSeer” for the purpose of confirming our understanding of the industry in connection with the Offer and for making disclosures which need to be made in the chapter titled “*Industry Overview*” of this Draft Red Herring Prospectus. Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the RedSeer Report or extracts of the RedSeer Report. All such information in this Draft Red Herring Prospectus indicates the RedSeer Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the RedSeer 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.

Furthermore, the RedSeer Report is not a recommendation to invest or disinvest in any company covered in the RedSeer Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

**31. *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.***

The Board, at its meeting held on June 15, 2022, adopted a dividend distribution policy. The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable laws, including the Companies Act. Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. While we have paid dividends in the past, we may not be able 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. For details, see “*Dividend Policy*” on page 200 of this DRHP.

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

We have obtained certain insurance policies such as term life insurance, an illness group insurance and a health insurance policy for our employees. We have not obtained any insurance pertaining to our business or the assets of the Company. 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.

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

We have entered into several related party transactions with our Promoter, individuals and entities forming a part of our Promoter Group relating to our operations for Fiscal 2022, 2021 and 2020. In addition, we have in the past also entered into transactions with other related parties. For details, see “*Restated Consolidated Financial Information - Notes to Restated Financial Statements – Note 31 – Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party*” at page 234.

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.

**34. *We have had negative cash flows in the past and it is possible that we may experience negative cash flows in the future.***

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated.

(₹ in million)

Particulars	Fiscal		
	2022	2021	2020
Net cash flow from/(used in) operating activities	48.74	241.26	433.31
Net cash flows (used in)/from investing activities	148.36	3.63	(483.41)
Net cash flows (used in)/from financing activities	(211.67)	(273.16)	136.08

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows" on page 277.

**35. *The wide variety of payment methods that we accept subjects us to third-party payment processing-related risks.***

Our online payment options include certain non-cash options such as, e-wallets and credit and debit cards, digital wallets, UPI payment or transfers from an online bank account. For third-party payment methods and credit and debit cards, we pay interchange and other service fees, which may increase over time and raise our operating costs. Any disruption in the functioning of our third-party payment channels, even if caused due to factors completely external to us, can adversely affect our brand and reputation. We may also be subject to fraud, chargeback, security breaches and other illegal activities in connection with the various payment methods we offer. In addition, we are subject to various rules, regulations and requirements, regulatory or otherwise, governing payment processing, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we or our third-party payment gateway operators fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept electronic payments from our gamers, process electronic funds transfers or facilitate other types of online payments, and our business, cash flows, financial condition and results of operations could be materially and adversely affected.

**36. *We may be required to raise additional funds through equity or debt in the future to continue to grow our business, which may not be available on favourable terms or at all.***

Our strategy to grow our business and maintain our market share may require us to raise additional funds for our working capital or long-term business plans. We cannot assure you that such funds will be available on favourable terms or at all. Additional debt financing may increase our financing costs. The financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favourable terms or at all as and when required, our ability to finance our growth, whether organic or inorganic may be affected which may have an adverse impact on our business, financial condition, results of operations, cash flows and prospects

**37. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

We intend to utilize the Net Proceeds of the Offer as set forth in "Objects of the Offer" on page 85. The funding requirements mentioned as a part of the objects of the Offer are based on internal management estimates, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our organic or inorganic growth could be delayed due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans. Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

**38. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.**

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For details of the proposed objects of the Offer, see chapter titled "Objects of the Offer" on page 85 of this Draft Red Herring Prospectus.

**39. 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, 2022, our contingent liabilities as disclosed in the notes to our Restated Financial Statements aggregated to ₹ 1.69 million. The details of our contingent liabilities are as follows:

(₹ in million)

Sr. No.	Particulars	Contingent liabilities as at March 31, 2022
1.	Notice of demand under section 156 of the Income Tax Act 1961 for the AY2015-16	1.69
	<b>Total</b>	<b>1.69</b>

For details of contingent liability, see "Financial Information – Restated Financial Statements – Notes to the Restated Consolidated Financial Information – Note 49 – Contingent Liabilities and Commitments" on page 253 of this Draft Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

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

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

The Taxation Laws (Amendment) Act, 2019, also prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the

effective tax rate (on gross basis) for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Further, the Government of India announced the Union Budget for Fiscal 2022 (“**Budget 2022**”), pursuant to which the Finance Bill 2022 has proposed various amendments which will only come into effect upon receipt of Presidential assent to the bill and notification in requisite acts. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Bill, 2022 (“**Finance Bill 2022**”) would have an adverse effect on our business, financial condition and results of operations.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. There has been uncertainty around the implementation of GST on the online gaming. Any change in GST laws on online gaming can have material adverse impact on the monetization structure of the Company and the same would have a material adverse effect on our business, financial condition and results of operations. While we are and will continue to adhere to the GST rules and regulations, any failure to comply with the same may result in non-compliance with the GST and may adversely affect our business and results of operations.

Further, the Government of India announced the union budget for Fiscal 2023, following which the Finance Bill, 2022 was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 (“**Finance Act 2022**”). We cannot predict whether the amendments made and yet to be notified pursuant to the Finance Act 2022 would have an adverse effect on our business, financial condition, future cash flows and results of operations. 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.

Similarly, changes in other laws may require additional compliances and/or result in us incurring additional expenditure. For instance, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. Once these codes are in force, we may be required to incur additional expenditure to ensure compliance with them. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**41. *In the event that our Net Proceeds to be utilised towards inorganic growth initiatives are insufficient for the cost of our proposed inorganic acquisition, we may have to seek alternative forms of funding.***

We propose to utilise the Net Proceeds towards inorganic growth initiatives in addition to organic growth initiatives, as set forth in “*Objects of the Offer*” on page 85. We will from time to time continue to seek attractive inorganic opportunities that will fit well with our strategic business objectives and growth strategies, and the amount of Net Proceeds to be used for acquisitions will be based on our management’s decision. The amounts deployed towards such inorganic initiatives may not be the total value or cost of such acquisitions or investments, resulting in a shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments. Consequently, we may be required to explore a range of options to raise requisite capital, including utilizing our internal accruals and/or seeking debt, including from third party lenders or institutions.

**42. *Our Company will not receive any proceeds from the Offer for Sale portion.***

The Offer comprises of an offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Selling Shareholder. The net proceeds from the Offer for Sale will be transferred to the Selling Shareholder and will not result in any creation of value for us or in respect of your investment in our Company. Our Company will not receive any such proceeds. For details, see “*Objects of the Offer*” on page 85.

## EXTERNAL RISK FACTORS

**43. *Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.***

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. 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 interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares. Further, the generalized system of preferences, a US trade preference program, situation in the United States is also subject to changes and modification without notice.

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

**44. *Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to whom we sell our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

**45. *Any downgrading of India’s sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

***Risks Relating to the Equity Shares and this Offer***

**47. *Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.***

Our Company is a company incorporated under the laws of India and a majority of our Directors are located in India. A substantial portion of our assets, certain of our Key Managerial Personnel and officers are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not 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 only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, 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 directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or

inconsistent with the public policy in India. Further, 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. 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 approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. 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. Any such suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

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

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

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

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

**49. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

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

**50. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 97 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to

significant fluctuations after the Offer, and may decline below the Offer Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our performance. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India’s right to impose tax on capital gains arising from the sale of shares of an Indian company.

The Finance Act, 2020 (“**Finance Act 2020**”) had stipulated that the sale, transfer and issue of certain securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act 2020 also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain 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 certain securities, other than debentures, on a delivery basis is currently specified under the Finance Act 2020 at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2021 (“**Finance Act 2021**”), which followed, removed the requirement for 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. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

More recently, the Government of India announced the union budget for Fiscal 2023, following which the Finance Bill, 2022 was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022. We cannot predict whether the amendments made pursuant to the Finance Act 2022 would have an adverse effect on our business, financial condition, future cash flows and results of operations. 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.

**52. *There is no guarantee that our Equity Shares will be listed on the stock exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permissions for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. Investors’ book entry, or ‘demat’ accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant’s demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the stock exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the Equity Shares will be credited to investors' demat accounts within the prescribed time and that trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

- 53. *Any future issuance of Equity Shares, or convertible securities 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, convertible securities 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. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our significant shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of a shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price.

- 54. *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 compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or 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 Consolidated 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital.

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. For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 339.

55. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Restated Financial Statements for Fiscals 2022, 2021 and 2020, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

58. ***A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company,

whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

**59. *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 a shareholder of our Company, as opposed to a shareholder of an entity in another jurisdiction.

**60. *Our gamers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.***

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with gamers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our gamers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

## SECTION III – INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer of Equity Shares<sup>(1)</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ 5,500 million
<i>of which:</i>	
Fresh Issue <sup>(1)(7)</sup>	Up to [●] Equity Shares, aggregating up to ₹ 3,000 million
Offer for Sale <sup>(2)</sup>	Up to [●] Equity Shares aggregating up to ₹ 2,500 million.
<b>The Offer comprises:</b>	
<b>Employee Reservation Portion<sup>(8)</sup></b>	Up to [●] Equity Shares aggregating up to ₹ [●] million
<b>Delta Shareholder Reservation Portion<sup>(9)</sup></b>	Up to [●] Equity Shares aggregating up to ₹ [●] million
<b>Net Offer<sup>(1)(8)(9)</sup></b>	Up to [●] Equity Shares aggregating up to ₹ [●] million
<b>The Net Offer comprises:</b>	
<b>A) QIB Portion <sup>(3)(4)(6)</sup></b>	Not less than [●] Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
<b>B) Non-Institutional Portion<sup>(4)(5)(6)</sup></b>	Not more than [●] Equity Shares
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 0.2 million to ₹ 1.0 million	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.0 million	[●] Equity Shares
<b>C) Retail Portion <sup>(4)(6)</sup></b>	Not more than [●] Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	95,690,856 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “Objects of the Offer” on page 85 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

- (1) The Offer has been authorized by a resolution of our Board dated June 15, 2022, and the Fresh Issue has been approved by a resolution of our Shareholders dated June 16, 2022.
- (2) The Equity Shares being offered by the Selling Shareholder are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholder has approved the transfer of the Offered Shares, pursuant to the Offer for Sale. For details of authorizations received for the Offer, see “Other Regulatory and Statutory Disclosures” on page 296.
- (3) Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” on page 319.
- (4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law.
- (5) Further, (a) 1/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 0.1 million and (b) 2/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 0.1 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIIs. The allocation to each NII shall not be less than the Minimum NII Application Size, subject to availability of Equity

*Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*

- (6) Allocation to Bidders in all categories, except Anchor Investors, if any, Non Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non Institutional Investor and Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Offer Procedure” on page 319.*
- (7) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.*
- (8) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see “Offer Procedure” and “Offer Structure” on pages 319 and 314 respectively.*
- (9) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Delta Shareholders which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see “Offer Procedure” and “Offer Structure” on pages 319 and 314 respectively.*

For details, including in relation to grounds for rejection of Bids, see “Offer Procedure” on page 319. For details of the terms of the Offer, see “Terms of the Offer” on page 308.

## **SUMMARY OF FINANCIAL INFORMATION**

The following tables set forth summary financial information derived from our Restated Financial Statements as of and for the Fiscal Years ended March 31, 2022, March 31, 2021 and March 31, 2020. The summary financial information presented below should be read in conjunction with ‘*Financial Information*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on pages 201 and 257, respectively.

***[Remainder of this page intentionally kept blank]***

**Summary of restated consolidated statement of assets and liabilities.**

(₹ in Millions unless stated otherwise)

Particulars		As at	As at	As at
		31st March, 2022	31st March, 2021	31st March, 2020
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a)	Property, Plant and Equipment	8.91	18.16	27.12
(b)	Intangible assets	119.26	104.79	82.47
(c)	Intangible assets under development	3.21	8.69	14.49
(d)	Financial Assets			
	(i) Investments	-	240.41	185.96
	(ii) Other Financial Assets	3.90	3.33	8.42
(e)	Deferred Tax Assets (Net)	17.11	6.36	5.07
(f)	Income Tax Assets (net)	6.68	-	-
(g)	Other Non Current Assets	0.06	-	0.10
<b>Total Non Current Assets</b>		<b>159.13</b>	<b>381.74</b>	<b>323.63</b>
<b>Current Assets</b>				
(a)	Financial Assets			
	(i) Investments	-	-	112.92
	(ii) Cash and Cash Equivalents	247.97	262.64	290.91
	(iii) Bank Balances other than (ii) above	4.24	5.42	-
	(iv) Loans	-	4.00	-
	(v) Other Financial Assets	95.01	52.82	33.63
(b)	Other Current Assets	14.61	18.85	7.77
<b>Total Current Assets</b>		<b>361.83</b>	<b>343.73</b>	<b>445.23</b>
<b>TOTAL ASSETS</b>		<b>520.96</b>	<b>725.47</b>	<b>768.86</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a)	Equity Share Capital	0.59	0.36	0.36
(b)	Other Equity	96.93	5.63	(223.77)
<b>Total Equity</b>		<b>97.52</b>	<b>5.99</b>	<b>(223.41)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a)	Financial Liabilities			
	(i) Lease Liabilities	-	-	7.26
(b)	Provisions	16.57	15.39	10.74
<b>Total Non Current Liabilities</b>		<b>16.57</b>	<b>15.39</b>	<b>18.00</b>
<b>Current Liabilities</b>				
(a)	Financial Liabilities			
	(i) Borrowings	-	294.65	559.50
	(ii) Lease Liabilities	-	7.34	6.52
	(iii) Trade Payables			
	Total outstanding dues to micro and small enterprises	-	-	-
	Total outstanding dues to creditors other than micro and small enterprises	2.26	6.50	1.67
	(iv) Other Financial Liabilities	350.12	307.65	315.50
(b)	Other Current Liabilities	41.13	67.73	61.41
(c)	Provisions	13.36	12.49	7.25
(d)	Current Tax Liabilities (Net)	-	7.73	22.42
<b>Total Current Liabilities</b>		<b>406.87</b>	<b>704.09</b>	<b>974.27</b>
<b>Total Liabilities</b>		<b>423.44</b>	<b>719.48</b>	<b>992.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>520.96</b>	<b>725.47</b>	<b>768.86</b>

**Summary of the restated consolidated statements of profit and loss (including other comprehensive income)**

(₹ in Millions unless stated otherwise)

Particulars	For Year Ended		
	31st March, 2022	31st March, 2021	31st March, 2020
<b>Income</b>			
Revenue from Operations	1,372.27	1,553.65	1,316.45
Other Income	4.05	6.86	5.19
<b>Total Income</b>	<b>1,376.32</b>	<b>1,560.51</b>	<b>1,321.64</b>
<b>Expenses:</b>			
Employee Benefit Expenses	335.07	234.19	146.18
Finance Costs	0.59	2.24	3.76
Depreciation and Amortization Expense	80.99	65.00	31.41
Other Expenses	1,006.36	1,043.82	748.24
<b>Total Expenses</b>	<b>1,423.01</b>	<b>1,345.25</b>	<b>929.59</b>
(Loss)/Profit Before Exceptional Item and Tax	(46.69)	215.26	392.05
Exceptional Item	0.11	-	6.99
<b>(Loss)/Profit Before Tax</b>	<b>(46.58)</b>	<b>215.26</b>	<b>399.04</b>
<b>Tax Expenses</b>			
- Current Tax	5.45	59.33	104.62
- Deferred Tax Charge/ (Benefit)	(8.04)	(3.57)	(4.07)
Total Tax Expenses	(2.59)	55.76	100.55
<b>(Loss)/Profit for the Year</b>	<b>(43.99)</b>	<b>159.50</b>	<b>298.49</b>
<b>Non Controlling Interest</b>	-	-	(2.20)
<b>(Loss)/Profit attributable to shareholders</b>	<b>(43.99)</b>	<b>159.50</b>	<b>300.69</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans profit/(Loss)	(0.42)	(1.30)	0.09
Fair value of Equity Instrument	(15.79)	23.95	(572.48)
Income Tax relating to items that will not be reclassified to profit or loss	2.71	(2.29)	(0.02)
<b>Total Other Comprehensive (Loss)/Income for the Year</b>	<b>(13.50)</b>	<b>20.36</b>	<b>(572.41)</b>
<b>Total Comprehensive (Loss)/Income for the Year</b>	<b>(57.49)</b>	<b>179.86</b>	<b>(271.72)</b>
<b>Profit Attributable to :</b>			
a) Owners of the Company	(43.99)	159.50	300.69
b) Non-Controlling Interest	-	-	(2.20)
<b>Other Comprehensive Income attributable to :</b>			
a) Owners of the Company	(13.50)	20.36	(572.41)
b) Non-Controlling Interest	-	-	-
<b>Total Comprehensive Income attributable to :</b>			
a) Owners of the Company	(57.49)	179.86	(271.72)
b) Non-Controlling Interest	-	-	(2.20)
<b>Earnings Per Equity Share (Nominal Value of Rs. 1/- each)</b>			
- Basic	(0.53)	3.14	5.92
- Diluted	(0.53)	3.13	5.92

## Summary of the the restated consolidated statement of cash flow

(₹ in Millions unless stated otherwise)

Particulars	Year Ended	Year Ended	Year Ended
	31st March, 2022	31st March, 2021	31st March, 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net (Loss)/Profit before tax	(46.58)	215.26	399.04
<u>Add/ (Deduct) :</u>			
Depreciation And Amortisation Expense	80.99	65.00	31.41
Employee Stock Option	59.01	49.54	-
Provision Written back	(2.69)	(3.40)	-
Exceptional Items	(0.11)	-	(6.99)
Gain on Investment	-	(2.17)	(4.52)
Finance Cost	0.59	2.24	3.76
Profit on Sale of Property, Plant and Equipments	-	(0.22)	-
Impairment of Intangible Asset under Development	-	4.25	-
Rent Concession	(0.91)	-	-
Interest Income	(0.45)	(1.07)	(0.64)
<b>Operating Profit Before Working Capital Changes</b>	<b>89.85</b>	<b>329.43</b>	<b>422.06</b>
<u>Adjustments For :</u>			
Other Current Asset	4.24	(11.07)	6.62
Other Financial Asset	(42.40)	(18.12)	(11.74)
Other Financials Non Current Assets	(0.22)	5.08	(2.20)
Other Non Current Asset	(0.06)	0.10	1.31
Trade Payables	(4.24)	5.99	(11.43)
Other Current Liabilities	(26.60)	6.31	6.17
Other Financial Liabilities	46.39	(5.47)	101.55
Provisions	1.63	3.18	9.85
<b>Cash Generated from Operations</b>	<b>68.59</b>	<b>315.43</b>	<b>522.19</b>
Taxes Paid	(19.85)	(74.17)	(88.88)
<b>Net Cash generated from operating activities (A)</b>	<b>48.74</b>	<b>241.26</b>	<b>433.31</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipments	(80.73)	(77.35)	(120.98)
Sale of Property, Plant and Equipments	-	0.40	-
Loan Received Back/(Given)	4.05	(4.00)	4.14
Sale of subsidiary company	0.10	-	5.27
Sale of Non Current Investment	224.62	-	-
Purchase of Current Investment	-	-	(16.92)
Purchase of Non Current Investment	-	(30.51)	(357.68)
Sale of Current Investment	-	115.09	2.76
Interest Received	0.32	-	-
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>148.36</b>	<b>3.63</b>	<b>(483.41)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue Equity Shares	90.00	-	-
Borrowing (Net)	(294.65)	(264.85)	214.36
Dividend paid to the Company's Shareholders (including DDT)	-	-	(69.44)
Lease Liability Payment	(6.75)	(7.36)	(6.83)
Interest Paid	(0.27)	(0.95)	(2.01)
<b>Net Cash Used In Financing Activities (C)</b>	<b>(211.67)</b>	<b>(273.16)</b>	<b>136.08</b>
Increase/ (decrease) in cash and cash equivalents (A + B + C)	(14.57)	(28.27)	85.98

Particulars	Year Ended	Year Ended	Year Ended
	31st March, 2022	31st March, 2021	31st March, 2020
Cash and cash equivalents as at beginning of the year	262.64	290.91	204.93
Less : Disposal of subsidiary company (net of sale consideration received in cash)	(0.10)	-	-
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>247.97</b>	<b>262.64</b>	<b>290.91</b>

## GENERAL INFORMATION

Our Company was incorporated as ‘Gaussian Networks Private Limited’, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 10, 2011 issued by the RoC. Pursuant to the Scheme of Amalgamation the business undertaking of our Company was transferred to our Promoter. Subsequently, the name of our Company was changed from ‘Gaussian Networks Private Limited’ to ‘Deltatech Gaming Private Limited’ pursuant to a resolution passed by our Board on March 11, 2022 and by the Shareholders of our Company in an EGM held on March 15, 2022 and a fresh certificate of incorporation dated March 24, 2022 was issued by the RoC. Thereafter, pursuant to resolutions passed by our Board of Directors and by our Shareholders each dated April 29, 2022, our Company was converted into a public limited company, consequent to which its name was changed to “Deltatech Gaming Limited”, and a fresh certificate of incorporation consequent to such conversion was issued by the RoC on May 10, 2022. For details, including in relation to changes in name and registered office of our Company, see “*History and Certain Corporate Matters*” on page 167.

### Registered Office of our Company

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

**Deltatech Gaming Limited (formerly, Gaussian Networks Private Limited)**  
4th Floor, 148 Jessore Road,  
Block A, South East Corner,  
Kolkata- 700 074,  
West Bengal, India  
**Telephone:** +91 33 4804 3823

### Corporate Office of our Company

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

**Deltatech Gaming Limited (formerly, Gaussian Networks Private Limited)**  
349, Udyog Vihar,  
Phase II, Gurgaon- 122 015,  
Haryana, India.  
**Telephone:** +91 124 610 2402

### Corporate identity number and registration number

Corporate Identity Number: U72300WB2011PLC163605  
Registration Number: 163605

### The Registrar of Companies

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

#### Registrar of Companies, West Bengal at Kolkata

Nizam Palace 2<sup>nd</sup> MSO Building,  
2<sup>nd</sup> Floor, 234/4 A.J.C. Bose Road  
Kolkata - 700 020  
West Bengal, India

### Our Board of Directors

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

Name	Designation	DIN	Address
Jaydev Mody	Non-Executive and Non-Independent Chairman (Additional)	00234797	Flat No. 2, 1 <sup>st</sup> Floor West Hill 27, Nepeansea Road, Cumbala Hill, Malabar Hill, Mumbai - 400 006, Maharashtra,

Name	Designation	DIN	Address
			India
Shivanandan Pare	Executive Director and Chief Executive Officer	03613410	Villa No 63, Prestige Glen Wood, Mandur Village, Mandur, Bengaluru - 560 049, Karnataka, India.
Ashish Kapadia	Executive Director	02011632	Flat No. 1, Pentacle Building, 1 <sup>st</sup> Floor, Sophia College Lane, Off Peddar Road, Mumbai - 400 026, Maharashtra, India.
Hardik Dhebar	Executive Director and Chief Financial Officer	00046112	201, Guru Vihar, Off Eksar Road, Next to St. Rock College, Borivali (West) Mumbai - 400 092, Maharashtra, India.
Tara Subramaniam	Independent Director (Additional)	07654007	1201, 12 <sup>th</sup> Floor, Vasukamal, 14th Road, Near Agarwal Nursing Home, Bandra West, Mumbai - 400 050, Maharashtra, India
Chetan Desai	Independent Director (Additional)	03595319	901, Matoshree Kunj, Tanaji Malusare Marg, Vile Parle West, Mumbai - 400 056, Maharashtra, India
Javed Tapia	Independent Director (Additional)	00056420	5 <sup>th</sup> Floor Ashford Apts 26A, BG Kher Marg, Malabar Hill, Mumbai- 400 006, Maharashtra, India
Pankaj Razdan	Independent Director (Additional)	00061240	Flat no. 301 302, Pinnaacle D Dreams, JVPD Scheme, Juhu, Mumbai – 400 049, Maharashtra, India

For details of our Board of Directors, see “*Our Management – Board of directors*” on page 171.

#### **Company Secretary and Compliance Officer**

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

#### **Anannya Godbole**

4<sup>th</sup> Floor, 148 Jessore Road  
Block A, South East Corner  
Kolkata - 700 074,  
West Bengal, India

**Telephone:** +91 33 4804 3823

**E-mail:** secretarial@deltatech.gg

#### **Investor Grievances**

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

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

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the

Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000, Delta Shareholders Bidding under Delta Shareholder Reservation Portion for up to ₹ 200,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

### **Book Running Lead Managers**

#### **Axis Capital Limited**

1<sup>st</sup> Floor, Axis House,  
C-2 Wadia International Centre,  
PB Marg, Worli,  
Mumbai – 400 025,  
Maharashtra, India  
**Telephone:** +91 22 4325 2183  
**E-mail:** deltatech.ipo@axiscap.in  
**Investor grievance e-mail:** complaints@axiscap.in  
**Website:** www.axiscapital.co.in  
**Contact Person:** Pavan Naik  
**SEBI Registration No.:** INM000012029

#### **JM Financial Limited**

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

### **Legal Counsel to our Company and the Selling Shareholder as to Indian law**

#### **AZB & Partners**

AZB House  
Peninsula Corporate Park  
Ganpatrao Kadam Marg  
Lower Parel  
Mumbai - 400 013, India  
**Telephone:** +91 22 6639 6880

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

#### **Khaitan & Co**

10<sup>th</sup> & 13<sup>th</sup> Floor, Tower 1C  
One World Centre  
841, Senapati Bapat Marg  
Mumbai - 400 013  
Maharashtra, India  
**Telephone:** +91 22 6636 5000

### **Statutory Auditors to our Company**

#### **Walker Chandiook & Co LLP, Chartered Accountants**

11th Floor, Tower II,  
One International Center,  
S B Marg, Prabhadevi (W),

Mumbai – 400 013,  
Maharashtra, India  
**Tel:** +91 22 6626 2600/99  
**E-mail:** Khushroo.Panthaky@WalkerChandiok.IN  
**Firm Registration Number:** 001076N/N500013  
**Peer Review Certificate Number:** 014158

#### **Registrar to the Offer**

#### **KFin Technologies Limited (formerly known as Karvy Fintech Private Limited)**

Selenium, Tower-B  
Plot No – 31 and 32, Financial District  
Nanakramguda, Serilingampally  
Hyderabad, Rangareddi - 500 032  
Telangana, India  
**Tel:** +91 40 6716 2222  
**Toll free number:** 1800 309 4001  
**E-mail:** dgl.ipo@kfintech.com  
**Investor grievance e-mail:** einward.ris@kfintech.com  
**Website:** www.kfintech.com  
**Contact Person:** M Murali Krishna  
**SEBI Registration No.:** INR000000221  
**CIN:** U72400TG2017PLC117649

#### **Syndicate Members**

[•]

#### **Banker(s) to the Offer**

##### *Escrow Collection Bank(s)*

[•]

##### *Public Offer Bank(s)*

[•]

##### *Refund Bank(s)*

[•]

##### *Sponsor Banks*

[•]

#### **Bankers to our Company**

##### **Axis Bank Limited**

Ground Floor, Plot No. B,  
Enkay Tower, Vanijya Nikunj,  
Udyog Vihar, Phase 5,  
Gurugram-122 016, Haryana, India  
**Telephone:** +91 124 4265 410  
**Email:** udyogvihar.branchhead@axisbank.com,  
udyogvihar.operationshead@axisbank.com  
**Website:** www.axisbank.com  
**Contact Person:** Parminder Singh

##### **RBL Bank Limited**

6<sup>th</sup> Floor, One World Centre,  
Lower Parel, Mumbai- 400013,  
Maharashtra, India  
**Telephone:** +91 22 4302 0600  
**Email:** Meghna.bhatia@rblbank.com  
**Website:** www.rblbank.com  
**Contact Person:** Meghna Bhatia

**IndusInd Bank Limited**

Shop No 2/3, Gr. Floor,  
Atlanta Building,  
Nariman Point,  
Mumbai– 400 021, Maharashtra, India  
**Telephone:** +91 99870 30627  
**Email:** pratik.agarwal@indusind.com  
**Website:** www.indusind.com  
**Contact Person:** Pratik Agarwal

**Changes in the auditors**

There has been no change in the statutory auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

**Designated Intermediaries*****Self-Certified Syndicate Banks***

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

***Eligible SCSBs and mobile applications enabled for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, UPI Bidders may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>, as updated from time to time.

***Syndicate SCSB Branches***

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

***Registered Brokers***

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

## **RTAs**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and <https://www.nseindia.com/products/content/equities/ipos/asba-procedures.htm>, as updated from time to time.

## **Collecting Depository Participants**

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

## **Experts**

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

Our Company has received written consent dated June 16, 2022 from Walker Chandiook & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated June 15, 2022 on our Restated Financial Statements; and (ii) their report dated June 16, 2022 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated June 16, 2022, from the independent chartered accountant, namely J.C. Bhalla & Co., Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **Monitoring Agency**

Our Company will appoint a monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 85.

## **Appraising Entity**

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. For details, see “*Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds*” on page 44.

## **Statement of inter-se allocation of responsibilities of the Book Running Lead Managers**

<b>Sr. No</b>	<b>Activities</b>	<b>Responsibility</b>	<b>Coordination</b>
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus, and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	Axis, JM	Axis
2.	Drafting and approval of all statutory advertisement.	Axis, JM	Axis

Sr. No	Activities	Responsibility	Coordination
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including media monitoring, corporate advertising, brochure, etc. and filing of media compliance report.	Axis, JM	JM
4.	Appointment of intermediaries – Bankers to the Offer, Registrar to the Offer, advertising agency, printers to the Offer including co-ordination for agreements	Axis, JM	Axis
5.	Preparation of roadshow presentation and investor frequently asked questions	Axis, JM	JM
6.	Domestic Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy preparation of publicity budget;</li> <li>• Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>• Finalizing domestic road show and investor meeting schedule.</li> </ul> These will be done in consultation with & approval of the management and selling shareholder	Axis, JM	Axis
7.	Retail marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Formulating marketing strategies, preparation of publicity budget;</li> <li>• Finalise ad media and public relation strategy;</li> <li>• Finalising centers for holding conferences for stock brokers, investors, etc;</li> <li>• Finalising collection centers as per Schedule III of the SEBI ICDR Regulations; and</li> <li>• Follow-up on distribution of publicity and Offer material including application form, red herring prospectus, prospectus and brochure and deciding on the quantum of the Offer material.</li> </ul>	Axis, JM	Axis
8.	Non-institutional marketing of the Issue, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Finalising media, marketing and public relations strategy;</li> <li>• Formulating strategies for marketing to Non – Institutional Investors</li> </ul>	Axis, JM	JM
9.	International institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule</li> </ul>	Axis, JM	JM
10.	Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation and coordination with stock exchanges for book building process, filing of letters including for software, Bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to DSE.	Axis, JM	JM
11.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholder.	Axis, JM	JM
12.	Post Bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and banks, unblocking of application monies, intimation of allocation and dispatch of refund to bidders, etc.  Post-Offer activities, which shall involve essential follow-up steps including allocation to anchor investors, follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.  Payment of the applicable securities transaction tax (“STT”) on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the STT return by the prescribed due date	Axis, JM	JM

Sr. No	Activities	Responsibility	Coordination
	as per Chapter VII of Finance (No. 2) Act, 2004.  Co-ordination with SEBI and Stock Exchanges for Refund of 1% Security Deposit and Submission of all post Offer reports including the Initial and final Post Offer report to SEBI.		

### **Credit Rating**

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

### **IPO Grading**

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

### **Debenture Trustees**

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

### **Green Shoe Option**

No green shoe option is contemplated under the Offer.

### **Filing of this Draft Red Herring Prospectus**

A copy of this Draft Red Herring Prospectus is being filed through the SEBI Intermediary Portal at <https://sipotal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/ 011 dated January 19, 2018 and at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in), in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at Nizam Palace 2nd MSO Building, 2nd Floor, 234/4 A.J.C. Bose Road, Kolkata - 700 020, West Bengal, and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>.

### **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band, which will be decided by our Company, and the Selling Shareholder, in consultation with the Book Running Lead Managers, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal where our registered office is located), at least two working days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company, and the Selling Shareholder, in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date. For details, see “*Offer Procedure*” on page 319.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs and Sponsor Banks, as the case may be. In addition to this, the UPI Bidders may participate through the ASBA process through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

**In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employee Reservation Portion, Delta Shareholders Bidding in the Delta Shareholder Reservation Portion can revise their Bids during**

**the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Offer Period. Except for Allocation to RIBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.**

**Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Selling Shareholder has specifically confirmed that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable in relation to the Offered Shares. In this regard, our Company and the Selling Shareholder have appointed the Book Running Lead Managers to manage this Offer and procure Bids for this Offer.**

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

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For details on the method and procedure for Bidding, see “Offer Structure” and “Offer Procedure” on pages 314 and 319, respectively.

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

For an illustration of the Book Building Process and the price discovery process, see “Terms of the Offer” and “Offer Procedure” on pages 308 and 319, respectively.

#### **Underwriting Agreement**

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

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

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)

<b>Name, address, telephone number and e-mail address of the Underwriters</b>	<b>Indicative number of Equity Shares to be underwritten</b>	<b>Amount Underwritten (₹ in million)</b>
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price, Basis of Allotment and actual allocation in accordance with provisions of Regulation 40(2) of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders respectively procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus

and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer by each Book Running Lead Manager shall be as per the Underwriting Agreement.

## CAPITAL STRUCTURE

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

		(In ₹ except share data)	
		Aggregate value at face value	Aggregate value at Offer Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>		
	150,000,000 Equity Shares of face value of ₹ 1 each	150,000,000	-
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>		
	95,690,856 Equity Shares of face value of ₹ 1 each	95,690,856	-
<b>C</b>	<b>PROPOSED OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Offer of up to [●] Equity Shares <sup>(2)(3)</sup>	[●]	[●]
	<i>which includes:</i>		
	Fresh Issue of up to [●] Equity Shares <sup>(2)(4)</sup>	[●]	[●]
	Offer for Sale of up to [●] Equity Shares <sup>(3)</sup>	[●]	[●]
	<i>Which includes:</i>		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million <sup>(5)</sup>	[●]	[●]
	Delta Shareholder Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million <sup>(6)</sup>	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER</b>		
	[●] Equity Shares of face value of ₹ 1 each*	[●]	[●]
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer (as on date of this Draft Red Herring Prospectus)		41,659,392
	After the Offer		[●]

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

(1) For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see 'History and Certain Corporate Matters - Amendments to our Memorandum of Association in the last 10 years' on page 167.

(2) The Offer has been authorized by a resolution of our Board dated June 15, 2022 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated June 16, 2022.

(3) The Selling Shareholder has authorized the sale of the Offered Shares in the Offer for Sale. The Selling Shareholder confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. Further, the Selling Shareholder confirms that the Offered Shares is within the thresholds prescribed under Regulation 8A of the SEBI ICDR Regulations, to the extent applicable to it. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution at its meeting held on June 16, 2022. For details on the authorizations of the Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 296.

(4) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

(5) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see "Offer Structure" beginning on page 314.

(6) Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Delta Shareholders, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see "Offer Structure" beginning on page 314.

## Notes to the Capital Structure

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

(a) The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative No. of Equity Shares	Name of allottees
June 10, 2011	Subscription to MoA	12,400	10	10	Cash	12,400	Allotment of 6,200 equity shares to Gaurav Gaggar, 3,100 equity shares to Anuj Gupta and 3,100 equity shares to Mohit Agarwal
September 24, 2011	Further issue	11,600	10	10	Cash	24,000	Allotment of 5,800 equity shares to Gaurav Gaggar, 2,900 equity shares to Anuj Gupta and 2,900 equity shares to Mohit Agarwal
October 1, 2011	Further issue	12,000	10	2,000	Cash	36,000	Allotment of 500 equity shares to Gaurav Gaggar, 1,000 equity shares to Anuj Gupta, 1,000 equity shares to Mohit Agarwal, 3,000 equity shares to Sudarshan Lal Maini, 1,750 equity shares to Alok Mittal, 4,000 equity shares to Rawalwasia & Sons Exim Limited and 750 equity shares to Gulu Mirchandani
Pursuant to a Board resolution dated January 11, 2022 and Shareholders' resolution dated February 7, 2022, equity shares of face value of ₹ 10 each of our Company were sub-divided into Equity Shares of face value of ₹ 1 each. Consequently, the issued and subscribed share capital of our Company, comprising 36,000 equity shares of face value of ₹10 each, was sub-divided into 360,000 Equity Shares of face value of ₹1 each.							
March 7, 2022	Rights issue in the ratio of 0.625 Equity Shares for every one Equity Share held	225,000	1	400	Cash	585,000	Allotment of 225,000 Equity Shares to our Promoter
April 11, 2022	Bonus issue in the ratio of 140 Equity Shares for every one Equity Share held	81,900,000	1	N.A.	N.A.	82,485,000	Allotment of 81,898,600 Equity Shares to our Promoter and 1,400 Equity Shares to Ashish Kapadia (in the capacity of a nominee shareholder of our Promoter)
June 8, 2022	Rights issue in the ratio of 0.1601 Equity Shares for every one Equity Share held	13,205,856	1	1.75	Cash	95,690,856	Allotment of 13,205,856 Equity Shares to our Promoter

(b) *Equity Shares issued for consideration other than cash or out of revaluation reserves*

Our Company has not issued any Equity Shares out of its revaluation reserves or for consideration other than cash. However, our Company has undertaken a bonus issue of Equity Shares on April 11, 2022. For details, see "Capital Structure – Equity Share capital history of our Company" on page 72.

(c) **Equity Shares allotted in terms of any schemes of arrangement**

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) **Equity Shares allotted at a price lower than the Offer Price in the last year**

Except as disclosed below, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Whether part of Promoter Group	Name of allottees
March 7, 2022	225,000	1	400	Rights issue in the ratio of 0.625 Equity Shares for every one Equity Share held	Yes	Allotment of 225,000 Equity Shares to our Promoter
April 11, 2022	81,900,000	1	N.A.	Bonus issue in the ratio of 140 Equity Shares for every one Equity Share held	Yes	Allotment of 81,898,600 Equity Shares to our Promoter and 1,400 Equity Shares to Ashish Kapadia (in the capacity of a nominee shareholder of our Promoter)
June 8, 2022	13,205,856	1	1.75	Rights issue in the ratio of 0.1601 Equity Shares for every one Equity Share held	Yes	Allotment of 13,205,856 Equity Shares to our Promoter

- As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.
- Equity Shares issued pursuant to employee stock option schemes**

As on date of this Draft Red Herring Prospectus, our Company has not issued Equity Shares pursuant to the ESOP Plan and ESARP Plan.

#### 4. Shareholding Pattern of our Company

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Outstanding (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Number of voting rights					Total as a % of (A+B+C)	Number (a)	As a % of total Equity Shares held (b)	Number (a)		As a % of total Equity Shares held (b)
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	11*	95,690,856*	-	-	95,690,856*	100	95,690,856*	-	95,690,856*	100	-	-	-	-	-	95,690,856*	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total (A)+(B)+(C)</b>	<b>11</b>	<b>95,690,856</b>	<b>-</b>	<b>-</b>	<b>95,690,856</b>	<b>100</b>	<b>95,690,856</b>	<b>-</b>	<b>95,690,856</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,690,856</b>	

\*including 1,410 Equity Shares held by the Nominee Shareholders, for which our Promoter is the beneficial owner.

## 5. Major shareholders

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

- a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Offer share capital
1.	Delta Corp Limited	95,690,856*	100.00
<b>Total</b>		<b>95,690,856</b>	<b>100.00</b>

\*Including 1,410 Equity Shares held by the Nominee Shareholders, for which our Promoter is the beneficial owner.

- b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Offer share capital
1.	Delta Corp Limited	82,485,000*	100.00
<b>Total</b>		<b>82,485,000</b>	<b>100.00</b>

*Note: Details as on June 6, 2022, being the date ten days prior to the date of this Draft Red Herring Prospectus*

\*Including 1,410 Equity Shares held by the Nominee Shareholders, for which our Promoter is the beneficial owner.

- c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of equity shares of ₹ 10 each Held	% of the equity share capital
1.	Delta Corp Limited	36,000*#	100.00
<b>Total</b>		<b>36,000</b>	<b>100.00</b>

*Note: Details as on June 16, 2021, being the date one year prior to the date of this Draft Red Herring Prospectus.*

\* including one share held by Ashish Kapadia, for which our Promoter is the beneficial owner.

# Pursuant to a Board resolution dated January 11, 2022 and Shareholders' resolution dated February 7, 2022, equity shares of face value of ₹ 10 each of our Company were sub-divided into Equity Shares of face value of ₹ 1 each. Consequently, the issued and subscribed Equity Share capital of our Company, comprising 36,000 equity shares of face value of ₹10 each, was sub-divided into 360,000 Equity Shares of face value of ₹1 each. The above table does not account for such sub-division.

- d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of equity shares of ₹ 10 each Held	% of the equity share capital
1.	Delta Corp Limited	36,000*#	100.00
<b>Total</b>		<b>36,000</b>	<b>100.00</b>

*Note: Details as on June 16, 2020, being the date two years prior to the date of this Draft Red Herring Prospectus.*

\* including one share held by Ashish Kapadia, for which our Promoter is the beneficial owner.

# Pursuant to a Board resolution dated January 11, 2022 and Shareholders' resolution dated February 7, 2022, equity shares of face value of ₹ 10 each of our Company were sub-divided into Equity Shares of face value of ₹ 1 each. Consequently, the issued and subscribed Equity Share capital of our Company, comprising 36,000 equity shares of face value of ₹10 each, was sub-divided into 360,000 Equity Shares of face value of ₹1 each. The above table does not account for such sub-division.

6. Except for any grant of employee stock options or employee stock appreciation rights under the ESOP Plan and ESARP Plan, respectively, or any Equity Shares that may be issued pursuant to exercise of employee stock options, or pursuant to any employee stock appreciation rights and any issuance of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, if any, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-

subscription etc., as the case may be. Further, other than as set out hereinabove, our Company presently does not intend or propose to alter its capital structure until a period of six months from the Bid/Offer Opening Date.

7. Except for any grant of employee stock options or employee stock appreciation rights under the ESOP Plan and ESARP Plan, respectively, or any Equity Shares that may be issued pursuant to exercise of employee stock options, or pursuant to any employee stock appreciation rights, there are no outstanding options or stock appreciation rights or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.
8. As on the date of this Draft Red Herring Prospectus, our Company has a total of 11 Shareholders, of which 10 Shareholders hold Equity Shares in the capacity of a nominee shareholder of our Promoter, for which our Promoter is the beneficial owner.
9. **Details of Shareholding of our Promoter and members of the Promoter Group in our Company**

(i) **Equity Shareholding of the Promoter**

As on the date of this Draft Red Herring Prospectus, our Promoter holds 95,690,856 Equity Shares, equivalent to 100% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
<b>Promoter</b>					
1.	Delta Corp Limited	95,689,446	99.99	[●]	[●]
<b>Nominee Shareholders</b>					
2.	Ashish Kapadia <sup>#</sup>	1,401	Negligible	[●]	[●]
3.	Hardik Dhebar <sup>#</sup>	1	Negligible	[●]	[●]
4.	Arif Noorani <sup>#</sup>	1	Negligible	[●]	[●]
5.	Sudarshan Bajoria <sup>#</sup>	1	Negligible	[●]	[●]
6.	Sunil Nair <sup>#</sup>	1	Negligible	[●]	[●]
7.	Pragnesh Shah <sup>#</sup>	1	Negligible	[●]	[●]
8.	Manoj Jain <sup>#</sup>	1	Negligible	[●]	[●]
9.	Dilip Vaidya <sup>#</sup>	1	Negligible	[●]	[●]
10.	Manjula Puranik <sup>#</sup>	1	Negligible	[●]	[●]
11.	Farzana Mojgani <sup>#</sup>	1	Negligible	[●]	[●]
<b>Total</b>		<b>95,690,856</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

\* Subject to finalisation of Basis of Allotment

<sup>#</sup>Equity Shares held in the capacity of a nominee shareholder of our Promoter, for which our Promoter is the beneficial owner.

- (ii) All Equity Shares held by our Promoter are in dematerialized form as on the date of this Draft Red Herring Prospectus.
- (iii) **Build-up of the Promoter's shareholding in our Company**

The build-up of the Equity shareholding of our Promoter since the incorporation of our Company is set forth in the table below:

Date of allotment/ transfer	Details of allotment/ transfer	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital	Percentage of post-Offer Equity Share capital*
July 5, 2017	Transfer pursuant to the amalgamation of Gauss Networks Private Limited, with our Promoter. For details, see "Details regarding	Scheme of Amalgamation	35,999	10	59,949.95 <sup>#</sup>	0.38	[●]

Date of allotment/ transfer	Details of allotment/ transfer	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital	Percentage of post-Offer Equity Share capital*
	<i>material acquisitions or divestments of business/undertakings, mergers or amalgamation – Scheme of amalgamation of Gauss Networks Private Limited and our Promoter dated June 8, 2017” in the chapter titled “History and Certain Corporate Matters” on page 169.</i>						
July 5, 2017	Transfer to Ashish Kapadia (in the capacity of being a nominee shareholder of our Promoter pursuant to the Scheme of Amalgamation.)	Scheme of Amalgamation	1	10	59,949.95 <sup>#</sup>	Negligible	[●]
Pursuant to a Board resolution dated January 11, 2022 and Shareholders’ resolution dated February 7, 2022, equity shares of face value of ₹ 10 each of our Company were sub-divided into Equity Shares of face value of ₹ 1 each. Accordingly, 36,000 equity shares of face value of ₹10 each held by our Promoter and Ashish Kapadia were sub-divided into 360,000 Equity Shares of face value of ₹1 each.							
March 7, 2022	Allotment of 225,000 Equity Shares	Rights issue in the ratio of 0.625 Equity Shares for every one Equity Share held	225,000	1	400	0.23	[●]
April 11, 2022	Allotment of 81,898,600 Equity Shares to our Promoter	Bonus issue	81,898,600	1	N.A.	85.59	[●]
	Allotment of 1,400 Equity Shares to Ashish Kapadia (in the capacity of being a nominee shareholder of our Promoter)	Bonus issue	1,400	1	N.A.	Negligible	[●]
June 8, 2022	Allotment of 13,205,856 Equity Shares to our Promoter	Rights issue in the ratio of 0.1601 Equity Shares for every one Equity Share held	13,205,856	1	1.75	13.80	[●]
<b>Total</b>			<b>95,690,856</b>			<b>100.00</b>	<b>[●]</b>

<sup>#</sup>The actual consideration paid by our Promoter towards cost of acquisition of equity share of face value of ₹ 10 of our Company is ₹ 2,158.20 million translating to ₹ 59,949.95 per equity share of face value of ₹ 10. However, as per the Scheme of Amalgamation, the investment in our Company was to be valued at fair value in accordance with the provisions of IND AS and the book value as recorded in the books of our Promoter is ₹ 2,906.33 million translating to ₹ 80,731.47 per equity share of face value of ₹10.

\* Subject to finalisation of Basis of Allotment

**Note:** Ashish Kapadia, in his capacity of a nominee shareholder of our Promoter has transferred one Equity Share each on April 25, 2022 to Arif Noorani, Hardik Dhebar and Pragnesh Shah and on April 27, 2022 to Dilip Vaidya, Farzana Mojgani, Manjula Puranik, Manoj Jain, Sudarshan Bajoria and Sunil Nair. On account of the beneficial ownership of such Equity Shares remaining with our Promoter, the transfer of Equity Shares between the Nominee Shareholders has not been built into the above table. The current issued, subscribed and paid-up Equity Share capital of our Company is held by our Promoter, which includes 1,410 Equity Shares in aggregate held by our Promoter through the Nominee Shareholders.

- (iv) All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- (v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

(vi) **Equity Shareholding of the Promoter Group and the directors of our Promoter**

As on the date of this Draft Red Herring Prospectus, the members of our Promoter Group do not hold any Equity Shares. Further, except as disclosed below, none of the directors of our Promoter hold any Equity Shares.

S. No.	Name of the Shareholder	No. of Equity Shares*	% of pre-Offer Equity Share capital
1.	Ashish Kapadia	1,401	Negligible
<b>Total</b>		<b>1,401</b>	<b>Negligible</b>

\* Ashish Kapadia holds Equity Shares in the capacity of a nominee shareholder of our Promoter, for which our Promoter is the beneficial owner.

(vii) Except as disclosed in “– Build-up of the Promoter’s shareholding in our Company” on page 76, none of the members of the Promoter Group, the Promoter, the Directors of our Company, the directors of our Promoter, nor any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

10. **Details of lock-in of Equity Shares**

(i) **Details of Promoter’s contribution locked in for eighteen months**

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoter (assuming exercise of all vested employee stock options) shall be locked in for a period of 18 months as minimum promoter’s contribution from the date of Allotment (“**Promoter’s Contribution**”), and the Promoter’s shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoter’s Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares *	Nature of transaction	No. of Equity Shares	Face Value (₹)	Offer/acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Offer paid-up capital (%)**	Date up to which the Equity Shares are subject to lock-in
Delta Corp Limited	[•]	[•]	[•]	1	[•]	[•]	[•]	[•]
<b>Total</b>						[•]	[•]	[•]

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

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

**Note:** The above details shall be filled in the Prospectus to be filed with the RoC.

Our Promoter has consented to include such number of Equity Shares held by it as may constitute 20% of the fully diluted post-Offer Equity Share capital (assuming exercise of all vested employee stock options) of our Company as Promoter’s Contribution. Our Promoter has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoter’s Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

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

1. The Equity Shares offered for Promoter's Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;
2. The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
3. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
4. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for six months***

Unless provided otherwise under applicable law, pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company (including those Equity Shares held by our Promoter in excess of the Promoter's Contribution and excluding those Equity Shares held by our Promoter and locked-in as Promoter's Contribution), shall be locked-in for a period of six months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations, except for (i) the Equity Shares offered pursuant to the Offer for Sale; (ii) Equity shares allotted to the employees (whether current employee or not) under the ESOP Plan and the ESARP Plan; and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI. Additionally, in accordance with Regulation 8A of the SEBI ICDR Regulations, the relaxation from lock-in period provided under Regulation 17(c) of the SEBI ICDR Regulations to Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI shall not be available to any Shareholder(s) holding, individually or with persons acting in concert, more than 20% of pre-Offer shareholding of our Company on fully diluted basis.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment.

(iv) ***Other requirements in respect of lock-in***

- (i) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.
- (ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:
  - (a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
  - (b) With respect to the Equity Shares locked-in as Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of

financing one or more of the objects of the Offer, and such pledge of the Equity Shares must be one of the terms of the sanction of the loan, which is not applicable in the context of this Offer.

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

- (iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in in terms of Regulation 16 of the ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.
  - (iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoter prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.
11. Our Company, our Promoter (who is also the Selling Shareholder), our Directors and the BRLMs have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
  12. All Equity Shares are fully paid-up as on the date of this Draft Red Herring Prospectus.
  13. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (determined as per the definition of ‘associate company’ under the Companies Act, 2013 and as per definition of the term ‘associate’ under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  14. **ESOP Plan and ESARP Plan**

As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan.

***Deltatech Employee Stock Option Plan 2020 (“ESOP Plan”)***

The ESOP Plan is in compliance with the SBEB Regulations, 2021. Our Company may grant options under the ESOP Plan prior to filing the Red Herring Prospectus with the RoC.

Pursuant to a resolution passed by our Board on August 1, 2020 and by our Shareholders on August 3, 2020, our Company approved the ESOP Plan to create, offer and grant up to 3,600 employee stock options to eligible employees of our Company. Pursuant to a sub-division of Equity Shares and subsequent rights issues of Equity Shares and bonus issue of Equity Shares, the current aggregate number of employee stock options exercisable under the Plan is not more than 9,569,085 and the current maximum number of employee stock options that may be granted to an eligible employee under ESOP Plan, in aggregate was revised to not more than 4,784,543 employee stock options (subject to adjustments for corporate actions such as bonus issue, rights issue or sub-division of Equity Shares). In order to comply with the SBEB Regulations, 2021, the ESOP Plan was amended pursuant to a resolution passed by our Board and by our Shareholders on April 20, 2022, respectively. The ESOP Plan is administered by the Board of Directors or any of its committee.

The details of the ESOP Plan, as certified by the Independent Chartered Accountants through a certificate dated June 16, 2022 as follows.

The following table sets forth the particulars of ESOP Plan, including options granted as on the date of this Draft Red Herring Prospectus:

Particulars	Details
Options granted	4,784,543
Exercise price of the options in (₹)	28.78
Options exercised	Nil
Options vested (including options that have been exercised)	1,594,848
Options forfeited/lapsed/cancelled	Nil
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	4,784,543
Total number of options outstanding in force	4,784,543

Particulars	Details for the Fiscal			From April 1, 2022 till the date of the DRHP
	2020	2021	2022	
Total options outstanding as at the beginning of the period	NA	NA	4,784,543	4,784,543
Options granted	NA	4,784,543	NA	NA
Pricing formula for the options	Black scholes option pricing formula			
Exercise price of options (in ₹) (as on the date of grant options)	NA	28.78	NA	NA
Vesting period	<b>Vesting Proportion</b>		<b>Vesting period from date of grant</b>	
	33.33%		1 year	
	33.33%		2 year	
	33.34%		3 year	
	<b>Basis of Vesting</b>			Continuity of service
Options vested	NA	NA	1,594,848	NA
Options exercised	NA	NA	NA	NA
Total number of Equity Shares arising as a result of exercise of options	NA	NA	NA	NA
Options forfeited/ lapsed/ cancelled	NA	NA	NA	NA
Variation of terms of options	No such variation till date			
Money realised by exercise of options (in ₹)	NA	NA	NA	NA
Total number of options in force	NA	4,784,543	4,784,543	4,784,543
Employee-wise details of options granted to:*				
♦ (i) Senior managerial personnel (i.e. Directors and Key Management Personnel) <b>Ashish Kapadia: Director</b>	NA	4,784,543	NA	NA
♦ (ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	NA	NA	NA	NA

Particulars	Details for the Fiscal			From April 1, 2022 till the date of the DRHP
	2020	2021	2022	
<p>♦ (iii) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</p> <p><b>Ashish Kapadia: Director</b></p>	NA	4,784,543	NA	NA
Diluted earnings per share pursuant to the issue of equity shares on exercise of options calculated in accordance with applicable accounting standard on 'earnings per share'. (in ₹)	NA as these options were granted after the date of the Audited Financial Statements for Fiscal 2020	3.13	Our Company has incurred losses after tax in the current year, thus ESOP are anti-dilutive in nature.	NA
Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SBEB Regulations, 2021 had been followed, in respect of options granted in the last three years	NIL	The accounting policies followed are in line with the SBEB Regulations, 2021. Accordingly, no impact on profits and earnings.	NIL	NIL
Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and earning per share of the Company	<p>NA - option accounted as per fair value calculated on black scholes option pricing formula</p> <p>Since our Company has prepared its Restated Financial Statements under Ind-AS, employee compensation cost has been calculated using fair value of stock options and hence there is no difference arising from the fair value of stock options over the intrinsic value of stock options</p>			
Description of the pricing formula and the method and significant assumptions to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Refer table 1 below			

Particulars	Details for the Fiscal			From April 1, 2022 till the date of the DRHP	
	2020	2021	2022		
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock		2020	2021	2022	From April 1, 2022 till the date of the DRHP
	Weighted average exercise price	N.A.	28.78	28.78	28.78
	Weighted average fair value of option	N.A.	29.59	29.59	29.59
Intention of the Key Management Personnel and whole-time directors who are holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer.	As on the date of this Draft Red Herring Prospectus, none of our Directors, senior managerial personnel and employees holding Equity Shares amounting more than 1% of the issued Equity Share capital (excluding outstanding warrants and conversions) arising out of the ESOP Plan intend to sell such Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer.				
Intention to sell equity shares arising out of the exercise of shares granted under ESOP Plan within three months after the listing of equity shares by directors, senior managerial personnel and employees having equity shares arising out of the ESOP Plan, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)					

**Table-1:**

Particulars	Vest 1	Vest 2	Vest 3
	September 2, 2021	September 2, 2022	September 2, 2023
Pricing formula- method used	<b>Black Scholes Option Pricing Formula</b>		
Weighted average share price	53.65	53.65	53.65
Expected Life	3.00	3.50	4.00
Expected volatility (%)	20.99	19.72	19.00
Risk free interest rate (%)	4.81	5.02	5.21
Exercise price	28.78	28.78	28.78
Expected dividends (%)	Nil	Nil	Nil
Fair Value per vest	28.82	29.58	30.35
Vest (%)	33.33	33.33	33.34
Weighted average option fair value	29.59		

***Deltatech Employees Stock Appreciation Rights Plan 2022 (“ESARP Plan”)***

The ESARP Plan is in compliance with the SBEB Regulations, 2021. Our Company may grant employee stock appreciation rights under the ESARP Plan prior to filing the Red Herring Prospectus with the RoC. In accordance with the ESARP Plan, an employee stock appreciation right means a right given to an eligible employee or his/her nominee or legal heir (in case of death of the eligible employee), to receive appreciation, as defined in the ESARP Plan, by way of Equity Shares of our Company unless otherwise decided at the discretion of Board of Directors or any committee to settle by way of cash, in accordance with and subject to the terms and conditions of the ESARP Plan and the applicable laws.

Pursuant to a resolution of our Board dated May 4, 2022, and Shareholders' resolution dated May 5, 2022, our Company has instituted the ESARP Plan to create, offer and grant up to 4,784,543 employee stock appreciation rights to eligible employees of our Company, which may result in issue of not more than 4,784,543 Equity Shares (subject to adjustments for corporate actions such as bonus issue, rights issues or sub-division of Equity Shares). The ESARP Plan is administered by the Board of Directors or any of its committee.

As on the date of this Draft Red Herring Prospectus, our Company has not granted any employee stock appreciation rights under ESARP Plan.

15. Except as disclosed in "*Our Management*" on page 171, none of our Directors or Key Managerial Personnel of our Company hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
16. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholder, the members of the Syndicate, our Promoter, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
17. As on date of this Draft Red Herring Prospectus, none of the members of our Promoter Group (except our Promoter) hold Equity Shares in our Company, therefore, none of the members of our Promoter Group (except our Promoter) will participate in the Offer.
18. Except as disclosed in "*Capital Structure – Notes to the Capital Structure - Equity Share capital history of our Company*" on page 72, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
19. All transactions in Equity Shares by our Promoter and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
20. Our Promoter will not receive any proceeds from the Offer, except to the extent of its participation as a Selling Shareholder in the Offer for Sale.
21. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

## OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

### Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholder will be entitled to the proceeds from the Offer for Sale, net of its portion of the Offer related expenses. For details, see “- Offer expenses” on page 93.

### Fresh Issue

The details of the proceeds of the Fresh Issue are summarised in the table below:

Particulars		Amount*
Gross proceeds from the Fresh Issue		3,000**
Less:	Estimated Offer related expenses in relation to the Fresh Issue <sup>#</sup>	[●]
<b>Net Proceeds</b>		<b>[●]</b>

(₹ in million)

\* To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.

\*\*Subject to full subscription to the Fresh Issue component.

<sup>#</sup> For details, see “- Offer expenses” on page 93.

### Requirement of Funds:

We are a digitally native, technology led gaming company and our core competencies lie in our investment in building our in-house platforms and developing data intelligence capabilities. We acquire new gamers through marketing activities, such as, amongst others, celebrity-led campaigns, influencer marketing, online and offline advertising campaigns, and retain our existing gamers through reward based engagement and retention activities, such as challenges, contests and gamer leader boards, which are structured in a manner to reward gamers on the basis of their gameplay. Our flagship platform, Adda52, is developed in-house by our engineering team, and we believe our Adda52 platform has a distributed and scalable architecture. We further believe that through our marketing and business promotion activities, coupled with our in-house platforms and data intelligence capabilities, we have grown our cumulative registered gamer base on our platforms at a CAGR of 38.93% from Fiscal 2018 to Fiscal 2022. Further, our data analytics capabilities, powered by scalable data engineering, allow us to consume a large number of data points and help us draw insights and intelligence into gamer behaviour, leading to improvements in product, offerings and gamer engagement. This enables us to track gamer data and preferences such as, preferred games, preferred variant, range of buy-in, frequency of playing games, etc., thereby ensuring increased monetisation of our existing, as well as new, offerings, resulting in an increase in our network liquidity and revenues.

In light of the above, to increase and retain our gamers and to grow our offerings and capabilities of our platforms, we need to continue to invest in (i) organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms; and (ii) strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platforms. In addition to this, in order to capitalise on market opportunities and to pursue our growth strategies, we intend to, amongst other things, identify and acquire targets, in India or abroad, that would strategically fit and be synergistic to our business and would strengthen our technological infrastructure. We have invested towards these avenues in the past, and we expect these to continue to be critical to our business in the future.

Accordingly, our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)		
S. No.	Particulars	Estimated Amount <sup>(1)</sup>
1.	Organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms	1,500.00
2.	Strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platform	500.00
3.	Funding inorganic growth initiatives and general corporate purposes <sup>*#</sup>	[●]
<b>Total<sup>#</sup></b>		<b>[●]</b>

<sup>(1)</sup>To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

<sup>#</sup> The amount to be utilised for general corporate purposes and towards inorganic growth initiatives shall not, in aggregate, exceed 35% of the gross proceeds of the Fresh Issue, out of which the amounts to be utilised towards each of (i) general corporate purposes, or (ii) inorganic growth initiatives will not exceed 25% of the gross proceeds of the Fresh Issue.

<sup>(1)</sup> Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake its existing business activities and the activities for which funds are being raised through the Fresh Issue. In addition, our Company expects to receive the benefits of listing its Equity Shares on the Stock Exchanges, including enhancing its visibility and brand image among our existing and potential gamers, and creating a public market for our Equity Shares.

### Utilization of Net Proceeds and Proposed Schedule of Implementation and Deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in million)

Particulars	Estimated Amount to be funded from Net Proceeds	Estimated Utilization of Net Proceeds		
		Fiscal 2023	Fiscal 2024	Fiscal 2025
Organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms	1,500.00	255.00	507.00	738.00
Strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platform	500.00	250.00	200.00	50.00
Funding inorganic growth initiatives and general corporate purposes <sup>(1)(2)</sup>	[●]	Over a period of Fiscals 2023, 2024 and 2025		
<b>Total</b>	[●]			[●]

(1) To be finalised upon determination of Offer Price and updated in the Prospectus, at the time of filing with the RoC.

(2) The amount to be utilised for general corporate purposes and towards inorganic growth initiatives shall not, in aggregate, exceed 35% of the gross proceeds of the Fresh Issue, out of which the amounts to be utilised towards each of (i) general corporate purposes, or (ii) inorganic growth initiatives, will not exceed 25% of the gross proceeds of the Fresh Issue.

The deployment of funds indicated above will be based on management estimates, existing circumstances of our business and prevailing market conditions. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See “Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds” on page 44.

Given the nature of our business, and since the amount of the Net Proceeds proposed to be utilized towards the Objects are not towards implementing any specific project, we may have to revise our funding requirements and deployment from time to time, on account of a variety of factors such as our financial condition, business strategies and external factors such as market conditions, the COVID – 19 pandemic, competitive environment and other external factors, which would not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws.

Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for (i) general corporate purposes, and/or (ii) inorganic growth initiatives, to extent that each such deployment will not exceed 25% of the gross proceeds of the Fresh Issue and shall not, in aggregate, exceed 35% of the gross proceeds of the Fresh Issue.

We propose to deploy the entire Net Proceeds towards the Objects by the end of Financial Year 2025. However, if the Net Proceeds are not completely utilised for the Objects by the end of Financial Year 2025, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

## Details of the Objects of the Fresh Issue

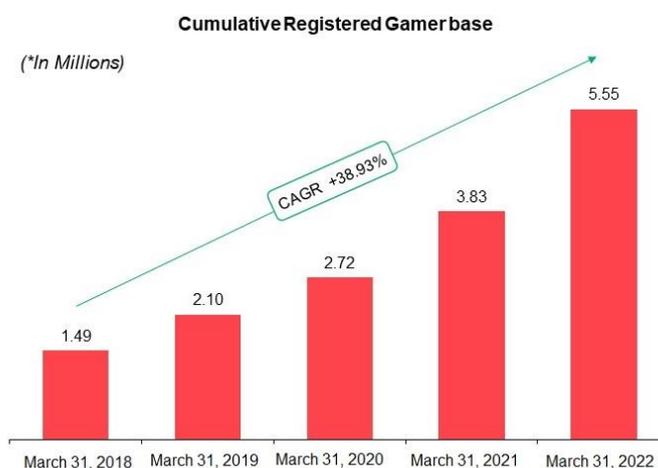
### 1. Organic growth, through marketing and business promotion activities, to attract new gamers and retain existing gamers on our platforms

We propose to utilize ₹ 1,500.00 million towards marketing and business promotion expenses to attract new gamers and retain existing gamers on our platforms.

We use a combination of digital and traditional marketing initiatives to create awareness of our platforms and offerings. We have historically invested in marketing and business promotional activities to grow our gamer base by acquiring new gamers through (i) online channels, digital brand and performance advertising campaigns, paid search engine marketing, and using other digital marketing tools; (ii) mass media campaigns on offline channels, such as, print, radio, television, cab and taxi brand advertisements; (iii) targeted communication through continuous engagement on social media platforms through celebrities and influencers, and personalized messages; and (iv) targeted offline campaigns through corporate events and tournaments. For details see “*Our Business – Marketing, Advertisement and Sales Promotion*” on page 157.

In addition to the above, in order to retain our existing gamers, we engage with them through reward-based promotional activities such as contests, challenges and daily, weekly and monthly gamer leader boards, offering exciting prizes. The leader board prize structure is created in a manner such that it rewards gamers on the basis of their gameplay and therefore enables us to retain increased number of gamers on our platforms. For example, gamers are given challenges to complete pre-specified number of games in a day, leading to monetary rewards for such gamers, or gamers who play the highest number of games in a day get exciting monetary rewards through leaderboards, etc. We believe that the flexibility and diversity of our marketing through these leaderboards plays an important role in engagement and retention of gamers. For details, see “*Our Business – Growth capabilities*” and “*Marketing, Advertisement and Sales Promotion*” on pages 156 and 157, respectively.

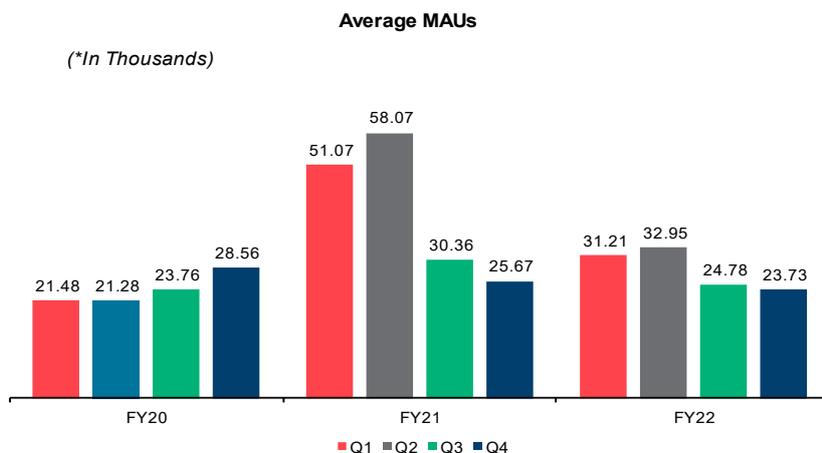
Owing to our gamer engagement and retention activities, we have consistently grown our cumulative registered gamer base on our platforms from Fiscal 2018 to Fiscal 2022. The increase in the number of cumulative registered gamer base as on March 31, 2022, as highlighted below, implies a three-fold jump in the number of cumulative registered gamer base over the period:



- i) There may be overlap of gamers between the platforms as the number of total registered gamers base is cumulative for all platforms.
- ii) The increase in the cumulative registered gamer base for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.
- iii) The increase in the cumulative registered gamer base for Fiscal 2022 was on account of the acquisition of ‘Faboom’ and the subsequent launch of Adda.games. For details in relation to the acquisition of ‘Faboom’, see, “*History and certain corporate matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation* on page 169.

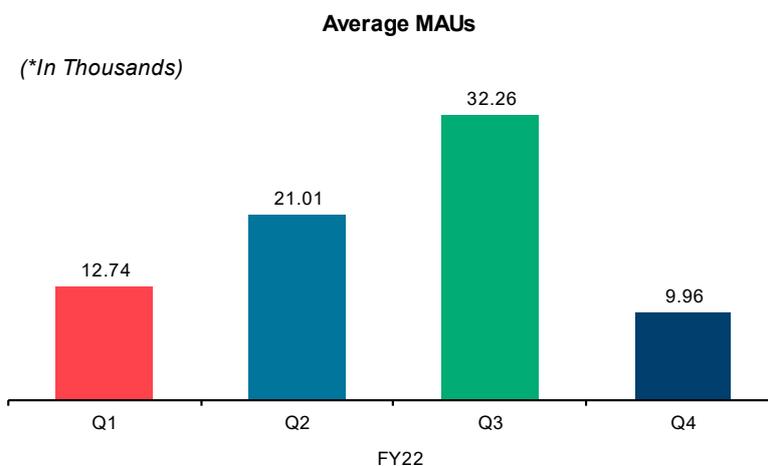
We believe that our engagement and retention tools have further helped us deliver MAU growth over the years for all our platforms. This has created a record of leadership in our poker offering, through our platform, Adda52, which in turn has created a strong brand recall and has translated into a consistent number of active gamers on our Adda52 and Adda.games platforms. Further, the growth in our MAUs have resulted in increased gamers on these platforms, leading to higher network liquidity translating to higher revenues on such platforms.

The quarterly average Monthly Active Gamers (“MAU”) for Adda52 for Fiscals 2022, 2021 and 2020, were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter.
- iii) The disproportionate increase in the average MAU for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.

For Adda.games, our quarterly average MAUs for Fiscal 2022 were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter.
- iii) Towards the end of the second quarter and during the third quarter, the Average MAUs were high on account of a busy sports calendar which gave rise to higher gamer traffic.

The increase in gamer base, clubbed with higher MAUs, has significantly helped our Company increase its indexed growth in annual ARPU for Adda52 from Fiscal 2020 to Fiscal 2022 by 18.91 times as described in “Our Business - Overview” on page 135.

Our investment in marketing and branding of our gaming platforms to acquire and retain our gamers aggregated to ₹ 593.25 million, ₹ 901.53 million and ₹ 848.11 million, during Fiscals 2020, 2021 and 2022, respectively.

In view of our demonstrated strength of “Category pioneer with more than a decade of experience and market leadership by revenue” and as part of our strategies of ‘Enhancing and scaling Adda.games’ and ‘Strengthening and expanding the Adda52 ecosystem’, as explained in “Our Business” on pages 142, 147 and 147 respectively, we intend to continue building on our brand visibility and gamer engagement through the above-mentioned

marketing and business promotional activities for our gaming platforms and deploy a significant portion of ₹ 1,500.00 million out of the Net Proceeds towards acquisition of new gamers and retention of existing gamers for building our Adda.games platform.

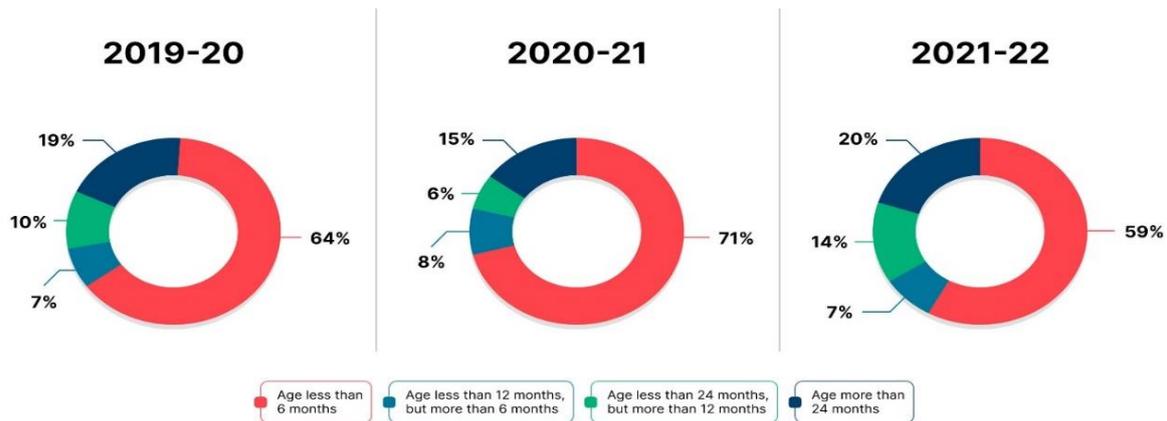
Our historical investments in marketing and business promotional activities may not be fully reflective of our future growth plans and new developments. Our marketing and business promotion strategy and associated investments are, and will continue to be, subject to multiple internal and external factors, including, business requirements and investments towards complementary and ancillary business offerings to compete effectively and to adapt to changes in gamer preferences. See “*Risk Factors – We have historically spent significantly on gamer acquisition. If we fail to retain our gamers, attract new gamers and if our gamer acquisition costs increase, our business, revenue, profitability and growth may be adversely impacted*” on page 34.

## **2. Strengthen our technology infrastructure to develop new capabilities, maintain and manage our existing platform:**

We offer real money gaming through our gaming platforms and provide a gamer-centric experience across our various offerings. We believe that investment in our platforms and offerings is essential to capitalize our growth opportunities and improve effectiveness of our gamer retention activities and, therefore, we have, over the years, invested in building our in-house platforms and we continue to evolve them. For instance, our team of engineers and data scientists has developed technical capabilities for the Adda52 platform, which enables us to (a) offer our games with features, such as gamer friendly mobile apps and websites, where we host various games and poker formats, such as cash games, tournaments, *etc.*, which enables us to improve gamer engagement and build recall value; (b) periodically develop and enhance our game features, keeping in mind player expectations, to ensure a loyal gamer base, resulting in overall business growth; and (c) adding multiple features and enhancements to our games from time to time, such as introduction of new game variants, multi–tabling option where players can play up to four tables simultaneously *via* mobile apps and up to 10 tables *via* desktop apps, and utilise multiple features, such as multi–tabling option, chat room, viewing options, *viz.*, gamer statistics, game history, *etc.* and an in-app wallet for quick access to deposits and withdrawals. For details, see “*Our Business*” on page 135.

Further, our data analytics capabilities helps us analyse a large number of data points and draw insights and intelligence into gamer behaviour that enables us to identify gamer preferences and, in turn, allows us take immediate action to improve our product offerings and gamer engagement. This is enabled by tracking gamer data and preferences such as, preferred games, preferred variant, range of buy-in, frequency of playing games *etc.* For instance, we have developed rule-based gamification capabilities for prolonged gamer engagement, resulting in gamer retention by analyzing gamer attributes and preferences linked to their specific gameplay, such as number of hands played, number of hands won, duration of play, *etc.*

We believe that our evolving technology platform, coupled with our data analytics capabilities, have improved our understanding of gamers, and have enabled us to attract and retain gamers. Our ability to understand gamer preferences drives gamer retention and engagement on our platforms, which, in turn, leads to stickiness on our gaming platforms. In any given month, we have consistently retained active gamers aged more than 24 months, on our flagship platform – Adda52. For Fiscal 2022, on an average, 20% of the total active gamers were on our platforms with age more than 24 months. For Fiscal 2021 and Fiscal 2020, such percentage stood at 15% and 19%, respectively. The stickiness of the gamers on our platforms has helped in increasing the network liquidity on our platforms. This has helped us capture more than 34.5% of the market share for over seven years till Fiscal 2021. [Source: RedSeer Report] which has resulted in a strong financial performance, as is evidenced from our EBITDA for Fiscals 2022, 2021 and 2020, which were ₹ 34.89 million, ₹ 282.50 million and ₹ 427.22 million, respectively.



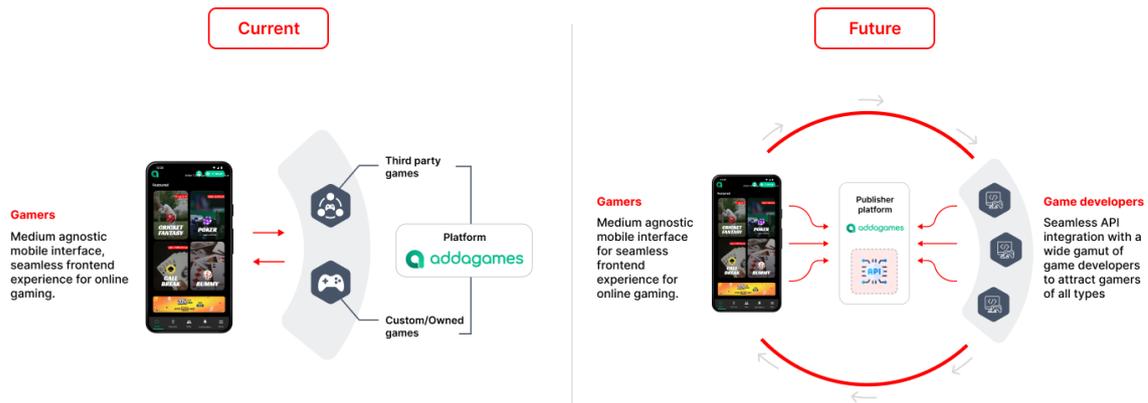
- i) The age of a gamer in any given month is calculated from the first gameplay month to the respective month in consideration for the Fiscal. (“Gamer Age”)
- ii) The gamer retention percentages for a particular month has been calculated as the sum of the active gamers in the relevant periods presented above (which represents the different categories of Gamer Age, i.e. less than six months, greater than six months but less than 12 months, greater than 12 months but less than 24 months and more than 24 months) divided by the MAU of the particular month. (“Gamer Retention”)
- iii) The percentages presented for Fiscals 2022, 2021 and 2020 are the monthly averages of the Gamer Retention

Our software and website maintenance expenses aggregated to ₹ 188.39 million in Fiscal 2020, ₹ 103.90 million in Fiscal 2021 and ₹ 153.95 million in Fiscal 2022 which include spends towards cloud management for our platforms, security, data and business intelligence tools, services for software development, investments in technology, which include capitalized salaries of our technology team, software purchase costs and outsourced software development, amongst others.

We continuously upgrade and improve our existing technology infrastructure. Product, data and technology form part of our core capabilities and, approximately 1/3rd of our total employees are engaged in managing and maintaining technological capabilities. For details, see “Our Business – Human Resources” at page 159. As we scale, we will also need to increase our investments in data science capabilities, such as artificial intelligence and machine learning algorithms to analyse large volumes of data relating to gamer preferences and behaviour, and continually upgrade and improve our existing technology of our platforms. Accordingly, in view of our strength – ‘Our in-house technology and ability to leverage gamer data’ and as part of our strategies of ‘Continue to elevate the gamer experience by investing in products, technology and data science’ and ‘Enhancing and scaling Adda.games’ and ‘Strengthening and expanding the Adda52 ecosystem’, as explained in “Our Business” on pages 144, 146, 147 and 147 respectively, we intend to continue to invest and utilise ₹ 500.00 million from the Net Proceeds towards developing, expanding and enhancing our technological capabilities by growing our team of professionals including software and data engineers, data scientists, product managers and product designers for our gaming platforms. Further, we also intend to strengthen and enhance our existing technology infrastructure to maintain, manage, secure and develop new capabilities for our existing platforms. We intend to achieve the above, in the following manner:

a) Create a multi-gaming ecosystem by upgrading our technology capabilities for the Adda.games platform

In line with our growth strategy, in April 2021, we acquired multi-gaming technology under the brand ‘Faboom’ and re-branded it as the ‘Adda.games’ platform, thereby expanding our footprint in the gaming industry. Adda.games acts as a comprehensive gaming platform, providing gamers with a unique and diversified portfolio of real money games in a single destination. Our in-house technology team works in conjunction with third-party developers to create relevant, interactive and engaging games. Through Adda.games, we host different games, such as, rummy, poker, fantasy cricket and casual real money games like call break. Adda.games provides multi-player real money games and has a distributed and scalable architecture which is built on cloud services. Our Adda.games platform, at present, offers multi-gaming experience to our gamers through manual third party game integration by publishing third-party games on the gaming platform. We propose to adapt and expand our existing technology infrastructure and capabilities by building an automated multi-gaming publishing environment, complimented by our API stack, on our underlying operating system, which would enable any third party game developer to publish its games on our platform, seamlessly. We intend to create a multi-gaming publisher ecosystem wherein game developers can publish and monetize their real money games, jointly with us, in a systematic manner. This has been explained by way of the chart below:



We believe that creating a multi-gaming publisher ecosystem will help us create a variety in our offerings, which would result in increased gamer acquisition and retention. We intend to invest in the technology required for the proposed publisher ecosystem and grow our team of skilled engineers and support staff, in order to build our system infrastructure. For details, see “*Our Business – Our Strategies – Enhancing and scaling Adda.games*” on page 147.

b) Enhancing the capabilities of our existing platforms for improved gamer experience:

Our business strives on our ability to build gamer stickiness, which is driven by our product, technology and data capabilities. We intend to strengthen our product, data and technology capabilities to support initiatives targeted to improve engagement with new gamers and to make our gamer experience more immersive by constantly investing in our technology, security and data science and infrastructure for our existing gaming platforms, in the following manner:

(i) *Investment in data science*

We intend to develop our data science capabilities through, amongst others, (a) architecting big data systems to store and process real-time gamer click stream and events data for analytics and business intelligence; (b) building predictive models using machine learning to optimize churn, retention, etc.; (c) to augment fair gameplay capabilities, by integration of predictive systems; and (d) engineering a real-time monitoring and alerting engine to work as a real-time intelligence feed to business.

(ii) *Investment in technology and product development*

We propose to invest in our product development and engineering capabilities to offer an enhanced gamer experience through, amongst others, (a) building a gamification framework which reacts to gamer actions across the formats in real-time and incentivizes them to improve product retention; (b) upgrading and automating the testing frameworks to further reduce the release time and ensure a performant product shipped to a gamer; (c) to keep up with security trends, continuously upgrading and investing in our security framework to ensure the platform is safeguarded from cyber threats; (d) building a recommendation delivery engine, which feeds on data capabilities, such as artificial learning and machine learning, in order to provide hyper-personalization; (e) creating a gamer service cloud to capture all gamer feedback, analyze and understand their sentiments, reacting in order to increase the gamer happiness quotient; (f) engineering development towards technology empowerment and automation of internal processes to business functions; and (g) creating an interactive learning framework on our platforms through which any gamer, upon request and subscribing to such framework can understand the games and their variants as courses, seek expert help and monitor his/her progress in the game.

Our historical investments may not be fully reflective of our future growth plans and new developments, and business trends may arise within our categories of offerings. Our growth strategy and associated investments are, and will continue to be, subject to multiple internal and external factors, including applicable business requirements, investments in newer technology infrastructure and platforms, and towards complementary and ancillary business offerings to compete effectively and to adapt to changes in gamer preferences and technological advancements. See “*Risk Factors – Our inability to cater to the evolving consumer preferences, in India, in the skill-based real money games industry may affect our growth and our business operations, cash*”

*flows and results of operations*” on page 38.

### **3. Funding inorganic growth initiatives and general corporate purposes**

#### **(a) Funding inorganic growth**

We expect to utilize ₹ [●] million of the Net Proceeds towards funding inorganic growth through acquisitions and other strategic initiatives.

Pursuant to the Scheme of Amalgamation dated June 8, 2017, between Gauss Networks Private Limited, and our Promoter, the business undertaking of our Company was transferred to our Promoter, Delta Corp Limited, which is a listed company. Post this Scheme of Amalgamation, we witnessed organic growth in line with our goal to remain self-sustainable. We benefit from the strong parentage of our Promoter which helps us in utilizing its infrastructure resources, enabling us to seamlessly integrate our offerings into the offline offerings of our Promoter. Further, in Fiscal 2022, we acquired multi-gaming technology under the brand, ‘Faboom’, which we have further rebranded and launched as our multi-gaming platform ‘Adda.games’. Since the launch of Adda.games, we have maintained an increasing number of gamers on our platform. For details, see “*Our Business - Our Market Opportunity*” and “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation*” on pages 141 and 169, respectively.

In light of the above, and in order to capitalise on market opportunities and to pursue our growth strategies, we intend to, amongst other things, identify and acquire targets, in India or abroad, that would strategically fit and be synergistic to our business and would strengthen our gamer base, technological infrastructure, including our data and technology team. We may identify and evaluate potential targets for strategic investments, acquisitions and partnerships, based on a number of factors, including: (i) domain expertise and operating experience in markets that we operate in or wish to expand into; (ii) strategic compatibility or synergy with our existing businesses; (iii) additional or enhanced games in order to expand, diversify and/or improve our offerings; (iv) strengthening our market share in existing markets or establishing presence in new markets (including additional geographical regions); and (v) access to technology infrastructure and capabilities, including ones which supplement or complement our existing infrastructure, including our data and technology teams. Our acquisition strategy is primarily driven by our Board, and typically involves detailed due diligence being undertaken by us on a potential target, and subsequently negotiating and finalizing definitive agreements towards such acquisition. We typically engage external advisors and consultants to assist us in the process of such acquisition, with whom (and with the potential target) we enter into customary non-disclosure agreements.

As on the date of this Draft Red Herring Prospectus, we have not identified any potential target for investment or acquisition or entered into any definitive agreements towards any future acquisitions or strategic initiatives. The actual deployment of funds towards inorganic growth initiatives will depend on several factors, including the timing, nature, size, and the number of acquisitions to be undertaken, applicable regulatory restrictions 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, mode of such investment, *i.e.*, debt or equity or whether these will be in the nature of asset or slump sale(s) or technology acquisitions or joint ventures. Acquisitions and inorganic growth initiatives may be undertaken as cash transactions, or be undertaken as share-based transactions, including share swaps, or a combination thereof and payment in a combination of upfront and deferred linked to an earn-out structure. However, at this stage, our Company cannot determine the exact mode of investment.

The portion of the Net Proceeds allocated towards this Object may not be the total value or cost of any such strategic initiatives but is expected to provide us with sufficient financial leverage to enter into binding agreements. In the event of any shortfall of funds required for any such strategic initiative, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes (subject to such amount not exceeding 25% of the gross proceeds of the Fresh Issue) and/or through our internal accruals or debt financing or any combination thereof. See “*Risk Factors - In the event that our Net Proceeds to be utilised towards inorganic growth initiatives are insufficient for the cost of our proposed inorganic acquisition, we may have to seek alternative forms of funding*” on page 46.

#### **(b) General Corporate Purposes**

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes, as approved by our

management, from time to time, subject to (i) such utilization for general corporate purposes not exceeding 25% of the Net Proceeds, and (ii) the cumulative amount to be utilized for general corporate purposes and towards inorganic growth initiatives not exceeding 35% of the Net Proceeds, in compliance with SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives such as acquiring businesses that complement our product and service offerings which are able to synergize with our existing business model, thereby providing us new capabilities to serve our existing consumers, acquiring technology infrastructure thereby enhancing our service/product offerings, 'acqui-hire' opportunities, wherein we acquire a company and its experienced and skilled team, to further strengthen our existing ecosystem, meeting ongoing general corporate exigencies, expenses incurred in ordinary course of business, meeting our working capital and business requirements, business development initiatives, any of the other Objects, other expenses including salaries, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act 2013.

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

### **Interim use of Net Proceeds**

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

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

### **Means of finance**

The Net Proceeds will not be utilised for financing a particular project, accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations.

### **Appraising entity**

None of the Objects require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law. See "*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.*" on page 44.

### **Offer expenses**

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the Book Running Lead Managers, legal counsels, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees, any costs incurred in issuing corporate advertisements (*i.e.*, any corporate advertisements consistent with the past practice of our Company and not including any fee paid to any marketing or advertising agency, for marketing and advertisements, appointed by our Company in connection with the Offer), and auditor fees for annual audit each of which shall be borne by our Company, and (b) fees and expenses in relation to the legal counsel to the Selling Shareholder which shall be borne by the Selling

Shareholder, all costs, charges, fees and expenses associated with and incurred in connection with the Offer, issue advertising, printing, road show expenses, accommodation and travel expenses, stamp, transfer, issuance, documentary, registration, costs for execution and enforcement of this Agreement, Registrar's fees, fees to be paid to the BRLMs, fees and expenses of legal counsel to our Company and the BRLMs, fees and expenses of the auditors, fees to be paid to Sponsor Banks, SCSBs (processing fees and selling commission), brokerage for Syndicate Members, commission to Registered Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors, shall be shared Company and the Selling Shareholder, in proportion to the number of Equity Shares issued and Allotted through the Fresh Issue and sold by the Selling Shareholder in the Offer for Sale. To the extent any expenses attributable to the Selling Shareholder have been paid by our Company, they will be reimbursed to our Company directly from the Public Offer Account.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses <sup>(1)</sup> (₹ in million)	As a % of total estimated Offer related expenses <sup>(1)</sup>	As a % of Offer size <sup>(1)</sup>
Fees payable to the Book Running Lead Managers and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by UPI Bidders) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Banks for Bids made by RIBs <sup>(2)(3)</sup>	[●]	[●]	[●]
Selling commission and uploading charges payable to members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers <sup>(4)(5)(6)</sup>	[●]	[●]	[●]
Processing fees payable to the Sponsor Banks <sup>(6)</sup>	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to legal counsels	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

<sup>(1)</sup> The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

<b>Portion for RIBs*</b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Eligible Employees</b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Non-Institutional Bidders*</b>	[●]% of the Amount Allotted (plus applicable taxes)

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

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

<sup>(3)</sup> No processing fees shall be payable by the Selling Shareholder to the SCSBs on the applications directly procured by them.

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

<b>Portion for RIBs*</b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Eligible Employees</b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Non-Institutional Bidders*</b>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>(4)</sup> Selling commission on the portion for UPI Bidders, Eligible Employees, Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

<b>Portion for RIBs</b>	[●]% of the Amount Allotted* (plus applicable taxes)
<b>Portion for Eligible Employees</b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Non-Institutional Bidders</b>	[●]% of the Amount Allotted* (plus applicable taxes)

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

- (5) Selling commission/ uploading charges payable to the Registered Brokers on the portion for UPI Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

<b>Portion for RIBs*</b>	₹ [●] per valid application (plus applicable taxes)
<b>Portion for Eligible Employees</b>	₹ [●] per valid application (plus applicable taxes)
<b>Portion for Non-Institutional Bidders*</b>	₹ [●] per valid application (plus applicable taxes)

\* Based on valid applications

- (6) Uploading charges/ Processing fees for applications made by UPI Bidders would be as under:

<b>Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs</b>	₹ [●] per valid application (plus applicable taxes)
<b>Payable to Sponsor Banks</b>	₹ [●] per valid application (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

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

### Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the Objects as stated above. The 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 Directors' report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we

have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

### **Variation in Objects**

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

### **Other confirmations**

The Offer includes an offer for sale of up to [●] Equity Shares by the Selling Shareholder (who is also our Promoter). Therefore, our Promoter, is interested in the Offer to the extent of the Equity Shares offered by it in the Offer for Sale. Except as mentioned above, (a) no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies; (b) there is no proposal whereby any portion of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, Key Managerial Personnel except in the ordinary course of business and in compliance with applicable law; and (c) there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoter, Promoter Group, Directors, Key Managerial Personnel and Group Companies.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should read the below mentioned information along with “*Our Business*”, “*Risk Factors*”, “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 135, 30, 201 and 257, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- Category pioneer with more than a decade of experience and market leadership by revenue;
- Our in-house technology and ability to leverage gamer data;
- Demonstrated capabilities of building a real money gaming business with consistent positive operating cash flows and EBIDTA;
- Strength of the ‘DELTIN’ brand and strong parentage of our Promoter, Delta Corp Limited, a leading company in the gaming industry in India; and
- Experienced management team with a proven track record.

For details, see “*Our Business – Our Strengths*” on page 142.

### Quantitative Factors

Certain information presented below, relating to our Company, is derived from the Restated Financial Statements. For details, see “*Financial Information*” on page 201.

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

#### 1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for changes in capital, as per Ind-AS 33- Earnings per share:

As per the Restated Consolidated Financial Statements of our Company:

Financial Years	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2022	(0.53)	(0.53)	3
Financial Year 2021	3.14	3.13	2
Financial Year 2020	5.92	5.92	1
Weighted Average	1.77	1.77	

Notes:

- (1)  $\text{Basic earnings per share (₹)} = \frac{\text{Restated consolidated profit for the year attributable to equity shareholders}}{\text{Weighted average number of equity shares in calculating basic EPS}}$
- (2)  $\text{Diluted earnings per share (₹)} = \frac{\text{Restated consolidated profit for the year attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares in calculating diluted EPS}}$
- (3) The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant output by total aggregate weight.
- (4) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33, notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- (5) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weight factor. The Weighted average number of Equity Shares outstanding during the years are adjusted for bonus issue and share split.

- (6) As per recommendation of the Board of Directors in their meeting held on November 29, 2021 and approval of the Shareholders dated December 27, 2021, our Company has increased its authorised Equity Share capital to ₹ 150,000,000 consisting of 15,000,000 Equity Shares of face value of ₹ 10 each.

Further, as per the recommendation of the Board of Directors in their meeting held on January 11, 2022 and approval of the Shareholders dated February 7, 2022, the existing Equity Shares are sub-divided into 150,000,000 Equity Shares of face value of ₹ 1 each. Pursuant to this resolution, the issued, paid up and subscribed Equity Share capital of our Company was subdivided to 360,000 Equity Shares of ₹ 1 each.

Further, as per approval of the Board of Directors in their meeting held on February 22, 2022, our Company has issued 225,000 Equity Shares of face value of ₹ 1 each on rights basis in ratio of 0.625:1 (i.e. 0.625 Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on March 7, 2022 at an issue price of ₹ 400 each. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 585,000 comprising of 585,000 Equity Shares of face value of ₹ 1 each.

Further, as per recommendation of the Board of Directors in their meeting held on April 9, 2022 and approval of the Shareholders dated April 9, 2022, our Company has issued 81,900,000 bonus Equity Shares of face value of ₹ 1 each in ratio of 140:1 (i.e. 140 bonus Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on April 11, 2022. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 82,485,000/- comprising of 82,485,000 Equity Shares of face value of ₹ 1 each.

Further, as per approval of the Board of Directors in their meeting held on May 26, 2022, our Company has issued 13,205,856 Equity Shares of face value of ₹ 1 each on rights basis in ratio of 0.1601:1 (i.e. 0.1601 Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on June 8, 2022 at an issue price of ₹. 1.75 each. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 95,690,856/- comprising of 95,690,856 Equity Shares of face value of ₹ 1 each.

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

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on Basic EPS for Financial Year 2022	[●]	[●]
Based on Diluted EPS for Financial Year 2022	[●]	[●]

### Industry P/E ratio

Particulars	Industry P/E (number of times)
Highest	[●]
Lowest	[●]
Average	[●]

#### Notes:

- (1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For details, see “– Comparison of Accounting Ratios with Listed Industry Peers” on page 99.
- (2) The industry P/E ratio mentioned above is as on financial year ended March 31, 2022.

## 3. Average Return on Net Worth (“RoNW”)

As per the Restated Consolidated Financial Statements of our Company:

Particulars	RoNW %	Weight
Financial Year 2022	(45.11)	3
Financial Year 2021	2,662.77	2
Financial Year 2020	(134.59)	1
Weighted Average	842.60	

#### Notes:

- (1) Net worth means the aggregate value of the paid-up Equity Share capital, securities premium account, share option outstanding account reserve, retained earnings and other comprehensive income, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- (2) Return on Net Worth ratio: Restated consolidated profit for the year attributable to equity Shareholders of our Company divided by the Total Net Worth of our Company at the end of the year.
- (3) The weighted average return on net worth is a product of return on net worth and respective assigned weight, dividing the resultant output by total aggregate weight.

#### 4. Net Asset Value (NAV) per Equity Share of face value of ₹ 1 each

As per the Restated Consolidated Financial Statements of our Company:

As on	NAV per Equity Share (₹)
As on 31 March 2022	1.19
As on 31 March 2021	0.12
After the Issue	
-At Floor Price	[●]
-At Cap Price	[●]
-Issue Price	[●]

**Notes:**

- (1) Net asset value per Equity Share is calculated as restated consolidated net worth at the end of the year divided by the weighted average number of Equity Shares.
- (2) Net worth means the aggregate value of the paid-up Equity Share capital, securities premium account, share option outstanding account reserve, retained earnings and other comprehensive income, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- (3) Weighted Average Number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weight factor. The Weighted average number of Equity Shares outstanding during the years are adjusted for bonus issue and share split.
- (4) Further, as per the recommendation of the Board of Directors in their meeting held on January 11, 2022 and approval of the Shareholders dated February 7, 2022, the existing Equity Shares are sub-divided into 150,000,000 equity shares of face value of ₹ 1 each. Pursuant to this resolution, the existing issued, paid up and subscribed Equity Share capital of our Company stands subdivided to 360,000 Equity Shares of ₹ 1 each.
- (5) Further, as per approval of the Board of Directors in their meeting held on February 22, 2022, our Company has issued 225,000 Equity Shares of face value of ₹ 1 each on rights basis in ratio of 0.625:1 (i.e. 0.625 Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on March 7, 2022. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 585,000 comprising of 585,000 Equity Shares of face value of ₹ 1 each at an issue price of ₹ 400 each.
- (6) Further, as per recommendation of the Board of Directors in their meeting held on April 9, 2022 and approval of the Shareholders dated April 9, 2022, our Company has issued 81,900,000 bonus Equity Shares of face value of ₹ 1 each in ratio of 140:1 (i.e. 140 bonus Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on April 11, 2022. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 82,485,000/- comprising of 82,485,000 Equity Shares of face value of ₹ 1 each.
- (7) Further, as per approval of the Board of Directors in their meeting held on May 26, 2022, our Company has issued 13,205,856 Equity Shares of face value of ₹ 1 each on rights basis in ratio of 0.1601:1 (i.e. 0.1601 Equity Shares for every 1 Equity Share), which were allotted to the Shareholders on June 8, 2022 at an issue price of ₹ 1.75 each. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 95,690,856 comprising of 95,690,856 Equity Shares of face value of ₹ 1 each.

#### 5. Comparison of Accounting Ratios with Listed Industry Peers

Name of the company	Total revenue for Fiscal 2022 (₹ in million)	Face value per equity share (₹)	P/E Ratio	Earning per share (Basic and Diluted)	Return on Net Worth (%)	Net Asset Value (₹) in million	Net Asset Value (₹ per share)
Deltatech Gaming Limited	1,376.32	1.00	NA <sup>#</sup>	(0.53)	(45.11)	97.52	1.19
<b>Peer</b>							
Nazara Technologies Limited	6,458	4.00	123.53	9.09	4.23	10,413	320.40

<sup>#</sup> To be computed once the Offer Price will be determined.

Source for Industry peer information included above: peer group company's regulatory filings with BSE

- (1) All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial information for the year ended March 31, 2022, submitted to stock exchange.
- (2) Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the publicly available financial results of the respective company for the year ended March 31, 2022.
- (3) P/E Ratio of peers has been computed based on the closing market price (i.e. June 13, 2022) of equity shares on BSE, divided by the

Basic EPS provided under Note 2 above.

- (4) Return on Net Worth (%) = Net profit/(loss) after tax / Net worth at the end of the year.
- (5) Total Equity has been computed as the aggregate of equity share capital and other equity. Net worth is equal to total equity.
- (6) NAV of Nazara Technologies Limited is computed as Net worth (excluding Non-controlling Interest) at the end of the year / Total number of equity shares outstanding at the end of the year. Further, NAV of our Company is computed as Net worth (excluding Non-controlling Interest) at the end of the year / Weighted average number of Equity Shares outstanding during the year as per Restated Financial Statements. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue post balance sheet date.

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

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

The trading price of Equity Shares could decline due to factors mentioned in “Risk Factors” on page 30 and you may lose all or part of your investments.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 30, 135, 257, and 201, respectively, to have a more informed view.

## STATEMENT OF SPECIAL DIRECT TAX BENEFITS

To,  
The Board of Directors  
**Deltatech Gaming Limited**  
(Formerly known as Gaussian Networks Private Limited)  
4th Floor, 148, Jessore Road, Block A,  
South-East Corner,  
Kolkata – 700 074,  
West Bengal, India.

**Sub: Statement of Possible Special Tax Benefits available to M/s. Deltatech Gaming Limited (formerly known as Gaussian Networks Private Limited) (“Company” or “Issuer”) and the shareholders of the Company under the applicable Direct Tax Laws in India prepared to comply with the requirements of the clause 9(L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”).**

1. This report is issued in accordance with the terms of our engagement letter dated 01 February 2022.
2. The accompanying Statement of Possible Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as “the Statement”) under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022 (hereinafter referred to as the “Indian Income Tax Regulations”), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

### Management’s Responsibility

3. The preparation of the Statement as of the date of our report which is to be included in the DRHP is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 16 June 2022 for the purpose set out in paragraph 12 below.
4. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### Auditor’s Responsibility

5. Our work has been carried out in accordance with Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 (‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available as of the date of our report to the Company and the shareholders of the Company, in accordance with the Indian Income Tax Regulations as at the date of our report.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.
8. Basis the information provided by the Management of the Company, we have been given to understand that the Company does not have any subsidiary as on the date of signing this report. Accordingly, this Statement does not contain any special tax benefits in respect of material subsidiary.
9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

### **Inherent Limitations**

10. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive and also do not cover any tax benefits generally available to all companies under the Direct Tax laws in India.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. 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 Offer.

Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. Our views are based on the existing provisions of the Indian Income Tax Regulations and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

### **Opinion**

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as at 16 June 2022, to the Company and its shareholders, in accordance with the Indian Income Tax Regulations.

Considering the matter referred to in paragraph 10 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

### **Restriction on Use**

12. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Huned Contractor**

Partner

Membership No.: 41456

UDIN: 22041456ALAWOV8307

Date: June 16, 2022

Place: Mumbai

**STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS OF INDIA**

**A. Direct Taxation**

We have outlined hereunder certain possible special tax benefits which may be available to Deltatech Gaming Limited (formerly known as Gaussian Networks Private Limited) (the “Company”) and its shareholders under the Income-tax Act, 1961 (read with Income Tax Rules, Circulars, Notifications) as amended by the Finance Act, 2022 (hereafter referred to as “Indian Income Tax Regulations”):

**I. Special direct tax benefits available to the Company**

(1) As per section 115BAA of the Income-tax Act, 1961 (“the Act”), the Company has an option to pay income tax at a reduced tax rate of 22% (plus surcharge @ 10% and health and education cess @ 4%) subject to satisfaction of certain conditions specified in the Section with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). Such option once exercised shall apply to subsequent assessment years.

Under this option, the Company will not be allowed to claim any of the following deductions / exemptions under the Act:

- a) Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- b) Deduction under clause (ia) of sub-section (1) of Section 32 (Additional depreciation);
- c) Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- d) Deduction under sub-clause (ii) or sub-clause (ia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of Section 35 (Expenditure on scientific research);
- e) Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- f) Deduction under Section 35CCD (Expenditure on skill development);
- g) Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA or Section 80M;
- h) Set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause a) to g) above;
- i) Set-off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause a) to g) above.

Further, it has been clarified vide Circular No. 29 / 2019 dated 2 October 2019 and as specified under sub-section (5A) of Section 115JB of the Act, that if a Company opts for concessional income tax rate under Section 115BAA of the Act, then the provisions of Section 115JB relating to Minimum Alternate Tax (“MAT”) shall not be applicable.

The Company has opted for special tax regime under Section 115BAA of the Act and therefore is eligible for a reduced tax rate of 25.168% (including applicable surcharge and health and education cess) subject to fulfilment of above conditions. Further, it shall be noted that since the option of paying under lower tax is exercised, it cannot be subsequently withdrawn for the same or any other previous year.

(2) With respect to dividend receivable by the Company from its subsidiary and payment of dividend by the Company to its Shareholders, it is pertinent to note the following points:

- a) As per Section 194 of the Act, the Principal Officer of the Company, before paying any dividend to a resident shareholder, shall deduct tax at the rate of 10%. However, the provisions of Section 194 of the Act are not applicable to following class of shareholders:
  - i. An individual shareholder to whom dividend paid or payable in a financial year does not exceed INR 5,000; Further, such dividend shall be paid by the Company by any mode other than cash;

- ii. The Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), in respect of any shares owned by it or in which it has full beneficial interest;
  - iii. The General Insurance Corporation of India (“Corporation”) or to any of the four companies (“Companies”), formed by virtue of the schemes framed under sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), in respect of any shares owned by the Corporation or such Companies or in which the Corporation or such Companies has full beneficial interest;
  - iv. Any other insurer in respect of any shares owned by it or in which it has full beneficial interest.
- b) As per Section 195 of the Act read with rates for deduction of tax at source as provided in Part II of First Schedule of Finance Act, 2021, dividend payable by a company to a non-resident shareholder shall be subject to deduction of tax at the rate of 20% (plus surcharge and cess). Such tax is required to be withheld by the company while making payment of dividend, subject to the provisions of the respective Double Tax Avoidance Agreement (tax treaty), as applicable. Accordingly, in case the Company decides to distribute dividend to a non-resident shareholder, the Company shall be liable to withhold appropriate taxes.
- (3) As per Section 80JJAA of the Act, where a company is subject to tax audit under Section 44AB of the Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.  
The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of Section 80JJAA of the Act. In addition, the Company is required to submit the prescribed form with the Income-tax authorities within the specified due date.
- (4) In accordance with and subject to fulfilment of conditions as laid out under Section 35D of the Act, the Company may be entitled to amortize preliminary expenditure, being specific expenditure incurred in connection with the issue for public subscription or in connection with expenditure as prescribed under Section 35D of the Act, subject to the limit specified in Section 35D of the Act (Maximum 5% of the cost of project or where the assessee is an Indian company, 5% of the capital employed in the business of the company at the option of such company). The deduction is allowable for an amount equal to one fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.

## **II. Special Tax Benefits available to the Material Subsidiaries of the Company**

The Company does not have any subsidiaries as on date of signing this report.

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

- (1) Dividend income is taxable for the shareholders in their hands as per the applicable tax rates. However, in case of a domestic corporate shareholder, deduction under Section 80M of the Act would be available subject to fulfilment of conditions mentioned in Section 80M of the Act (as mentioned above). Further, in case of shareholders who are Individuals, Hindu Undivided Family, Association of Persons and Body of Individuals (whether incorporated or not) and every Artificial Juridical Person, surcharge would be restricted to 15%, irrespective of the amount of dividend received during the year.

The shareholders would also be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them.

- (2) As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share for which securities transaction tax (“STT”) is paid at the time of acquisition and sale, shall be taxed at 10% (without indexation) plus applicable surcharge and cess of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 1,00,000/- in a year.

Further, the Finance Act 2022 has restricted surcharge to 15% in respect of long-term capital gain arising from any capital asset.

- (3) As per Section 111A of the Act, short-term capital gains arising from transfer of listed equity shares shall be taxable at the rate of 15% (plus applicable surcharge and cess) subject to fulfilment of the prescribed conditions under the Act.
- (4) As per Section 90(2) of the Act, non-resident shareholders will be eligible to take the benefit of beneficial provisions under the respective Double Taxation Avoidance Agreement (“DTAA”), If any applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits.
- (5) Further, any income by way of capital gains payable to non-residents may be subject to withholding tax in accordance with the provisions of the Act or under the relevant DTAA, whichever is beneficial to such non-resident unless such non-resident has obtained a lower withholding tax certificate from the tax authorities.
- (6) The non-resident shareholders can also avail credit of withholding taxes or any taxes paid by them directly to the Indian Revenue Authorities, subject to DTAA provisions and local laws of the country in which such shareholder is resident.
- (7) In cases where the gains arising on the transfer of shares of the company are included as business income of a shareholder as ‘Profits and Gains of Business or Profession’ and Securities Transaction Tax (“STT”) is paid on such transfer, the shareholders are entitled to a deduction of such STT from the business income as per the provisions of Section 36(1)(xv) of the Act.

**Notes:**

1. These special direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Income Tax Regulation. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
2. The special direct tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are proposed to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.
4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
  - i. the Company or its shareholders will continue to obtain these benefits in future;
  - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
  - iii. the revenue authorities/courts will concur with the view expressed herein.
5. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.
6. In respect of non-resident shareholders, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.
7. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on behalf of **Deltatech Gaming Limited** (formerly known as Gaussian Networks Private Limited)

**Hardik Dhebar**  
**Executive Director and Chief Financial Officer (CFO)**

Place: Mumbai  
Date: June 16, 2022

## STATEMENT OF SPECIAL INDIRECT TAX BENEFITS

To,  
The Board of Directors  
**Deltatech Gaming Limited**  
(Formerly known as Gaussian Networks Private Limited)  
4<sup>th</sup> floor, 148, Jessore Road, Block A,  
South-East Corner, Kolkata – 700 074,  
West Bengal, India.

**Sub: Statement of Possible Special Tax Benefits available to Deltatech Gaming Limited (Formerly known as Gaussian Networks Private Limited) (“Company” or “Issuer”) and the shareholders of the Company prepared to comply with the requirements of the clause 9(L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations').**

1. This report is issued in accordance with the terms of our engagement letter dated 01 February 2022.
2. The accompanying Statement of Possible Special Indirect Tax Benefits available to the Company and its Shareholders identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter referred to as “the Statement”), under the Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications and schemes), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications and schemes), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), Goods and Services Tax (Compensation to States) Act, 2017 (read with Goods and Services Tax (Compensation to States) circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications and schemes) (together referred to as “Indian Indirect Tax Regulations”) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

### Management’s Responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the DRHP is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 16 June 2022 for the purpose set out in paragraph 11 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### Auditor’s Responsibility

4. Our work has been carried out in accordance with the Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the ‘SEBI ICDR Regulations’) and the Companies Act 2013 (the ‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders in accordance with Indian Indirect Tax Regulations as at the date of our report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.
7. It is imperative to note that we have relied upon a representation from the Management of the Company with respect to the special tax benefits and confirmation that it has no material subsidiary as on the date of signing

report.

8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

### **Inherent Limitations**

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive and also do not cover any general tax benefits available to the Company.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. 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 Offer.

Further, we give no assurance that the revenue authorities/ courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Indirect Tax Regulations and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

### **Opinion**

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special indirect tax benefits available as on the date of signing of this report, to the Company and its shareholders, in accordance with the Indian Indirect Tax Regulations

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

### **Restriction on Use**

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India, the stock exchanges where the equity shares of the Company are proposed to be listed in connection with the Offer, as the case may be. Accordingly, this report should not be reproduced or used for any other purpose without our prior written consent.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Huned Contractor**

Partner

Membership No.: 41456

**UDIN:** 22041456ALAWME5207

Date: June 16, 2022

Place: Mumbai

## **STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE INDIRECT TAX REGULATIONS IN INDIA**

Benefits available to Deltatech Gaming Limited (formerly known as Gaussian Networks Private Limited) ('the Company') and the Shareholders of the Company under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017, Custom Act, 1962, Customs Tariff Act, 1975 as amended, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy [2015-20]) are as under (collectively referred as "Indirect Tax Regulations").

### **1. Special Tax Benefits available to the Company**

The Company is engaged in conducting online gaming through its online portal to consumer based in India, which attract GST at the prescribed rates. The Company avails eligible input tax credit and utilizes the same as per the prescribed GST law.

Apart from the above, none of any special Indirect tax benefits are available to the Company under the Indirect Tax Regulations in India.

### **2. Special Tax Benefits available to the Material Subsidiaries of the Company**

The Company does not have any subsidiaries as on date of signing this report.

### **3. Special Tax Benefits available to the Shareholders of the Company**

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

#### **Note:**

1. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.
3. The Statement has been prepared on the basis that the shares of the Company are proposed to be listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
  - i. The Company or its shareholders will continue to obtain these benefits in future;
  - ii. The conditions prescribed for availing the benefits have been / would be met with; and
  - iii. The revenue authorities / courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

#### **For and on behalf of Deltatech Gaming Limited (formerly known as Gaussian Networks Private Limited)**

Hardik Dhebar

Executive Director and Chief Financial Officer (CFO)

Place: Mumbai

Date: June 16, 2022

## SECTION IV – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

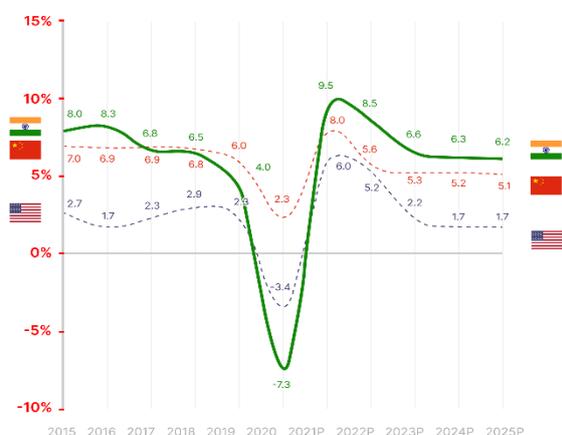
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#### Macro-economic Attractiveness of India

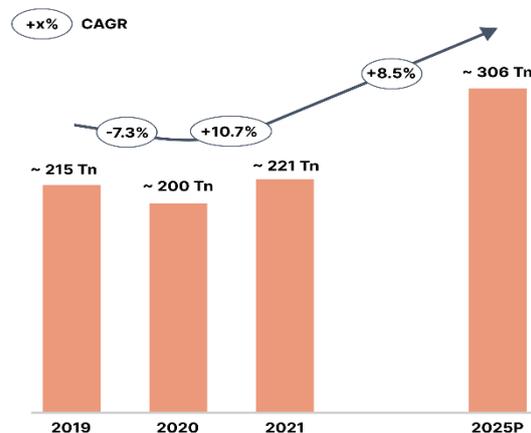
##### Overview of the Indian economy

With a gross domestic product (“GDP”) of approximately INR 221 trillion (~US\$2.9 trillion) in CY2021, India is the sixth-largest economy according to the World Economic Outlook (“WEO”) database. India witnessed an annualized GDP growth of more than 7% from CY2015 to CY2019 and has consistently been one of the fastest-growing economies.

**Real GDP growth - India, US, China**  
Year-on-year growth (%), 2015 - 2025P



**GDP (current prices) - India**  
In INR Trillion(Tn), 2019-2021 and 2025P



**Real GDP and GDP at Current Prices**

Note(s): 1. We have avoided showing FY data for all interim years to ensure readability

Source(s): IMF, WEO Oct 21', CEBR

The period of sustained economic growth was interrupted by the COVID-19 pandemic. The first wave of the COVID-19 pandemic severely impacted economic activities in CY2020. India witnessed one of the most stringent nationwide lockdowns globally, resulting in its GDP contraction by 7.3% in CY2020. However, India recovered strongly in CY2021 and grew by approximately 10.7% due to a resurgence in the services sector, complete recovery in manufacturing, and continued expansion in the agriculture sector. The Indian economy has since been on a sustained recovery path. India’s GDP is projected to grow at ~8.5% from CY2021 making it an INR 306 trillion economy by CY2025. As per ‘The Centre for Economics and Business Research’, India is projected to become the third-largest economy in the world by CY2031.

##### Multiple government initiatives have been driving the growth of GDP

The key government policies and reforms that have been driving the growth are mentioned in detail below:

### Digital India Initiative

- The government has enrolled more than 1.2 billion Indians in its biometric digital identity program, Aadhaar, and brought more than 10 million businesses onto a common digital platform through a goods and services tax.
- Competitive offerings by telecommunication firms have turbocharged internet subscriptions and data consumption, which has helped bridge a digital divide.

### Ease of Doing Business

- India's rank as per World Bank's Ease of Doing Business (EoDB) report improved from 142 in CY2014 to 63 in CY2020 due to consistent, focused efforts of the government of India.
- India improved on ease of doing business after implementing regulatory reforms with efforts focused primarily on the areas of starting a business, dealing with construction permits, and cross-border trading.
- Key initiatives like the state and district reform action plan, in which government identifies key reforms for improving EoDB and formulates an action plan for the states to follow, have contributed to rising improvement in EoDB.

### Start-Up India Program

- Launched in 2016, the initiative is intended to build a stronger ecosystem for nurturing India's start-up culture that would further drive India's economic growth, support entrepreneurship, and enable large scale employment opportunities.

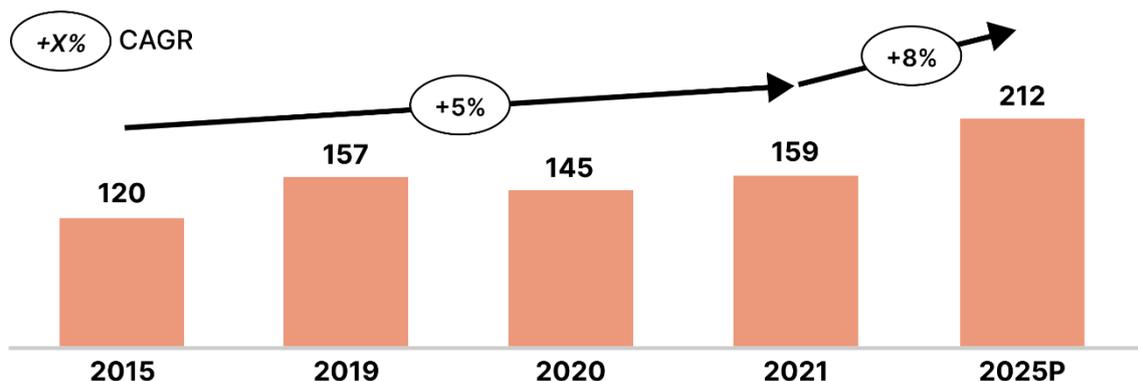
### Foreign Direct Investment

- FDI policy provisions have been progressively liberalized and simplified across various sectors in the recent past to make India an attractive investment destination.
- FDI policy reforms have resulted in increased FDI inflows in the country, which year after year is setting up new records.

India's GDP per capita has shown sustained growth and crossed the widely regarded inflection point of US\$ 2000 (INR 1,50,000) in 2019

### Per Capita GDP– India

*Per Capita GDP in Current Prices, In '000 INR; CY2015-2025*

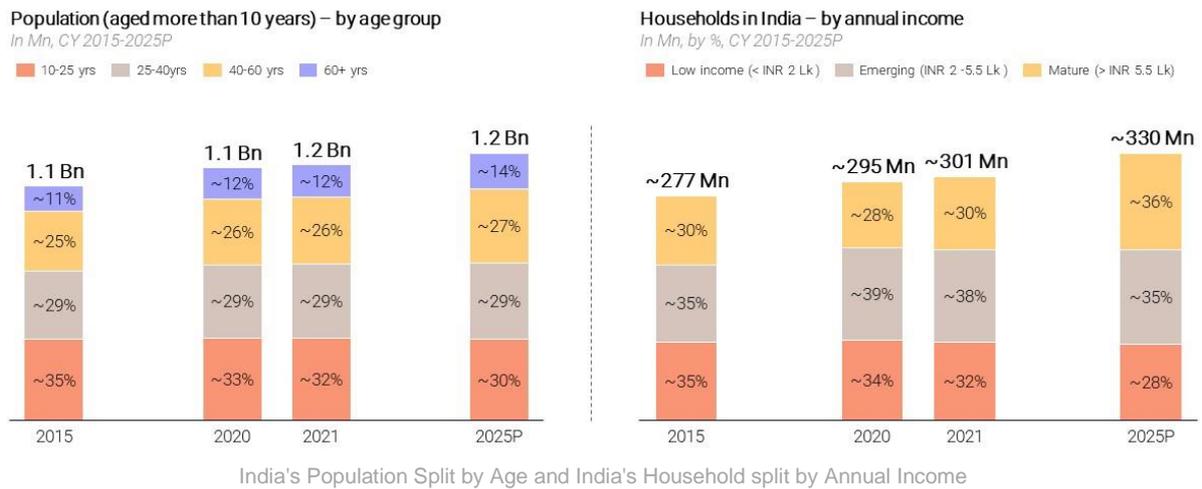


Per Capita GDP Consumption in India at Current Prices

Source(s): IMF, World bank

GDP per capita has consistently grown during pre-COVID years at a constant growth rate of 5%. COVID-19 induced lockdowns resulted in a reduction on Indian economy, leading to a drop in GDP per capita in 2020. However, Indian economy is expected to show exponential growth in consumer expenditure after surpassing the US\$ 2000 (INR 1,50,000) GDP/capita, traditionally seen as an inflection point for any economy - e.g., China's exponential growth since 2006; According to World Bank, Households and NPISH's' Final consumption expenditure for China nearly doubled from 2007 to 2014.

**The rising consumption shall grow due to India's favorable demographic dividend.**



Note(s): 1. Reference date- 1st July of respective years; 2. % total might not add to 100% due to rounding-off error.  
 Source(s): World Bank Databases, RedSeer Analysis

India is amongst the youngest nations in the world, with an average age of ~29 years, as of 2021, resulting in a young and tech-savvy population with a higher propensity to adopt new trends. Population aged 0-12 years account for ~22% of the India's population making India home to largest child population in the world. Millennials (population born between 1981 and 1996) and Generation Z (population born between 1997 and 2012) are driving the digital adoption and consumption growth in India as they spend significant time online and exhibit higher consumerism behavior.

The emerging and mature income households in India accounted for ~68% of households in India in CY2021 and are projected to become ~72% of total households in India by 2027. These household segments are expected to drive the consumption in the future

**COVID-19 lockdown led consumer internet market to dip due to restriction on movement of goods, but quickly bounced back and led to a 53% YOY growth to reach ~ INR 10,125 Bn in 2021**

India's consumer internet<sup>1</sup> market experienced a 'V-shaped' recovery in gross transaction value ("GTV") terms through the course of CY2020. The consumer internet market dropped 90% from pre-COVID GTV in April 2020. The drop was due to both supply-side (vehicle unavailability for transporting shipments) and demand-side (Govt. enforced decline in demand constraints. Demand for non-essential category were impacted to due COVID-19 lockdowns as only essential products were allowed to be delivered online) constraints. However, it recovered steadily month on month and completely recovered to pre COVID levels by December 2020.

The India consumer internet GTV was ~INR 10,125 billion in CY2021 and crossed triple digits GTV for the first time. It is eventually projected to reach INR 40,000-45,000 billion by CY2027, growing at a CAGR of 26-28%.

<sup>1</sup> Consumer internet refers to online retail of mobile, electronics, fashion, grocery and other sectors like Food Tech, Fintech (ex-payments), eHealth, Bill Payments and Recharges, Stay, mobility, EdTech, Classifieds etc

Owing to the large scale and population coupled with the high growth rate of the economy Indian market is on track to its strong recovery from the shocks of COVID-19 led lockdown. With the growth of income levels across various strata of the society, spending on non-essential leisure categories such as entertainment and gaming is also rising. These sectors are expected to grow rapidly as India matures as an entertainment consumption market compared to global peers.

### **India Digital Acceleration and Potential**

India's digital landscape is changing rapidly with several enabling factors driving growth of Internet economy

#### **Increasing access to internet**

- The Indian internet user base has shown sustained growth in the last 5 years, from ~370 Mn users in 2016 to 700-750 Mn users in FY 2022.
- The rise in internet adoption has been majorly driven by growing access to fast internet at low cost. The average cost of data in India was INR 52/GB against a global average of INR 307/GB in 2021.
- Development of optical-fiber infrastructure, primarily driven by rise in investment, is supporting the exponential growth in data demand.

#### **Increasing smartphone affordability**

- Around 41% of India's population owned a smartphone in FY2022 and the penetration is expected to increase to 60% in near future.
- Decline in average selling price of smart phones and increased adoption in rural and vernacular users has boosted the smartphone penetration.
- OEMs are now targeting sub-INR 7,500 users, and the average cost of smartphones is reducing, which has led to the increased penetration.

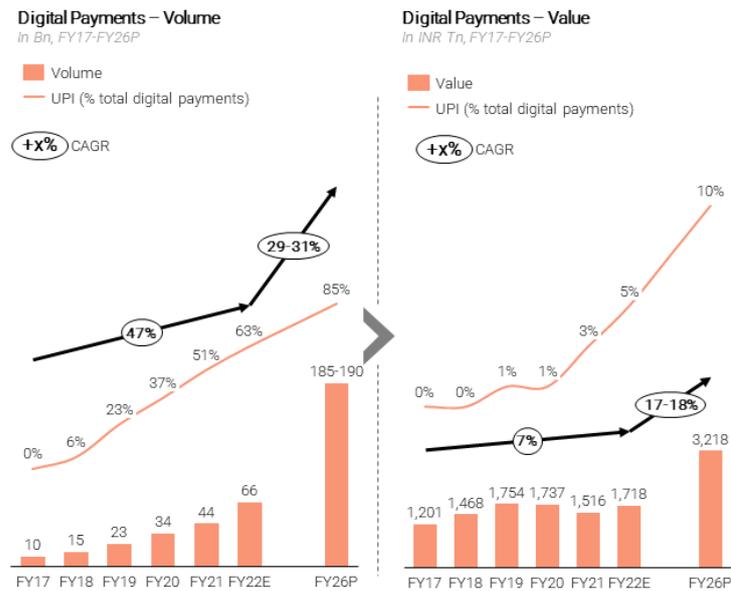
#### **Favorable government policies & initiatives**

- Digital India Initiative has brought millions of Indians under the digital ecosystem which has helped bridge a digital divide.
- Other government initiatives such as Start-up India Program, Aadhar has enabled the growth of internet economy.

#### **Increasing focus on 5G infrastructure**

- India is expected to be one of the early adopters of 5G connectivity with mobile operators expected to conduct 5G trials in India in the coming months across both rural and semi-urban settings in addition to urban areas.
- The Government of India is planning to chalk out a roadmap towards a 5G India.

Furthermore, the disruptive digital infrastructure and growing smartphone penetration is driving exponential growth in digital payments in India.



India's Digital Payments by Volume and Value

*Note(s): Digital payments here include all categories classified by RBI including ECS, PPI, Card Payments, NACH, IMPS, UPI, NEFT and RTGS*

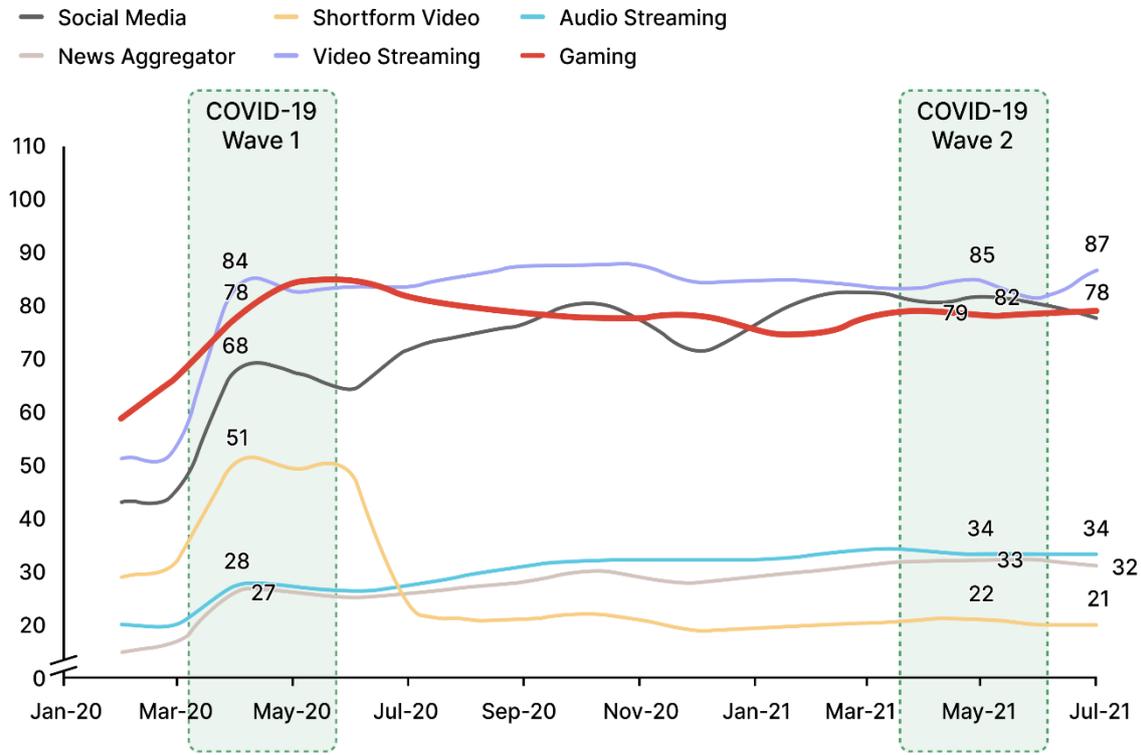
*Source(s): Reserve Bank of India, RedSeer Analysis, IAMAI*

- Digital payments volume in India is currently at 66 Mn and is expected grow at a CAGR of 29-31% to reach 185-190 Mn by FY2026. The growth in volume is expected to be driven by improvements in mobile payments infrastructure which increases consumer trust and adoption, increase in smartphone penetration due to greater affordability, increasing penetration of digital banking products such as UPI, payment wallets, BNPL, etc. especially in underpenetrated rural India where 16% of users access the internet for digital transactions as compared to nearly 45% of urban users.
- Despite the growth in volume, the UPI transactions are expected to contribute only 10% of total digital payments by value as majority of the transactions through UPI are expected to be low value.

Time spent on digital media spiked amid COVID-19 lockdown as users stayed home during lockdown

**Time Spent per DAU – Digital Media Channels**

In Mins, Jan '20- Jul '21



Time Spent per Daily Active Users on Digital Media Channels in India

Note(s): Time spent indicates total time/day/DAU across all Digital Media channels viz; Social Media, Audio Streaming, Video Streaming, ShortForm Video, and News Aggregators

Source(s): RedSeer Analysis

- COVID-19 lockdowns & social distancing encouraged the growth of users exploring social & multiplayer games. Time spent on gaming increased significantly during the first wave and active users spent around 78 mins per day on an average.
- Time spent on gaming remained high beyond the first wave as users developed a habit and saw gaming as an alternate source of entertainment.
- Gaming has become an integral part, as users are spending as much time gaming as they are on social media or video streaming platforms.

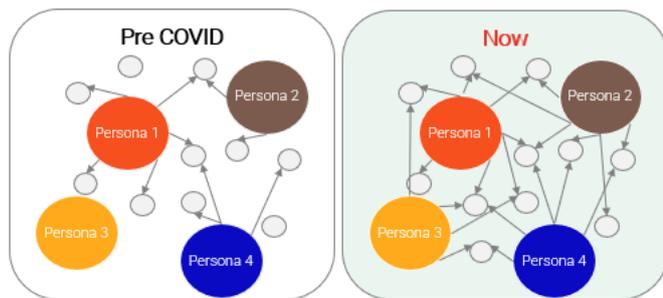
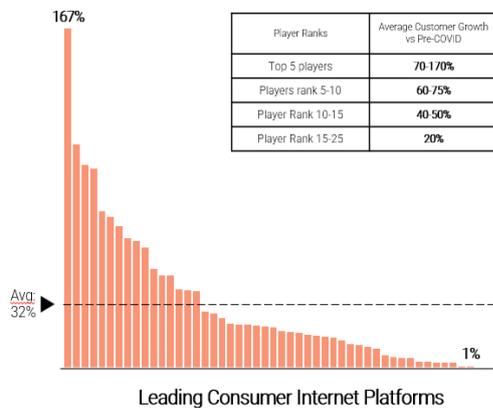
COVID-19 lockdowns led to a strong new-user growth across digital categories - Lockdown catapulted the digital penetration of India by several years in all categories of internet businesses

Users have rapidly adopted various forms of e-commerce and digital services at an unprecedented rate during the COVID-19 lockdowns. Almost all sectors on consumer internet have witnessed multi-fold growth in userbase and user engagement.

This maybe visualized in the form that, while in the pre-COVID lockdown era, a typical user or persona interacted with 2-4 sectors of consumer internet services or players, while post-COVID this would be 4-6 sectors per persona.

Overall, this was manifested by the growth of long tail segments in e-commerce where customers are comfortable buying products and services across sectors such as electronics, fashion, gaming etc.; increasing customer adoption of online channels across categories, especially long tail segments like gaming, media & entertainment etc.; and led to a rise in time spent on online channels across sectors, especially in Gaming, Media & Entertainment etc.

Growth in new users – by consumer internet players  
During COVID, For ~50 players; ~8000 consumer surveys



Users jumped across all sectors and players via cross sector user movement

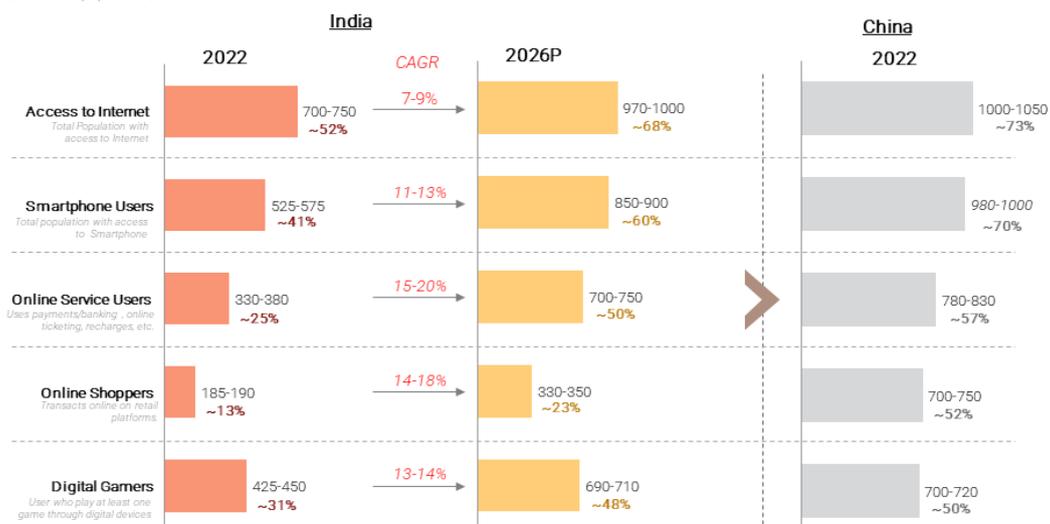
Growth in users of consumer internet players

Source(s): RedSeer Research

Overall, the rising smartphone userbase has created a massive pool of internet users in India.

India's digital growth story is expected to remain robust due to key factors such as low-cost smart phones provided by local as well as global brands, and low-cost reliable broadband internet (4G and 5G connections), along with key government initiatives like Jan Dhan, Aadhar, UPI, etc., These growth factors are expected to drive the rise in total internet users from 700-750 Mn in FY 2022 to 970-1,000 Mn in FY 2026. Majority of the internet users are from tier 2+ cities and are below 24 years old. These user cohorts are expected to dominate the digital ecosystem and drive the growth in the future.

Digital Services Adoption in India  
Mn, % of total population; FY 2022-26P



Digital Service Adoption in India

Note(s): Users here indicate an estimated number of unique individuals; and estimated based on various public sources and databases

Source(s): RedSeer Analysis

COVID-19 induced wave of digital adoption, supported by the development of digital payment infrastructure, will drive the growth in online service users and online shoppers in the next few years.

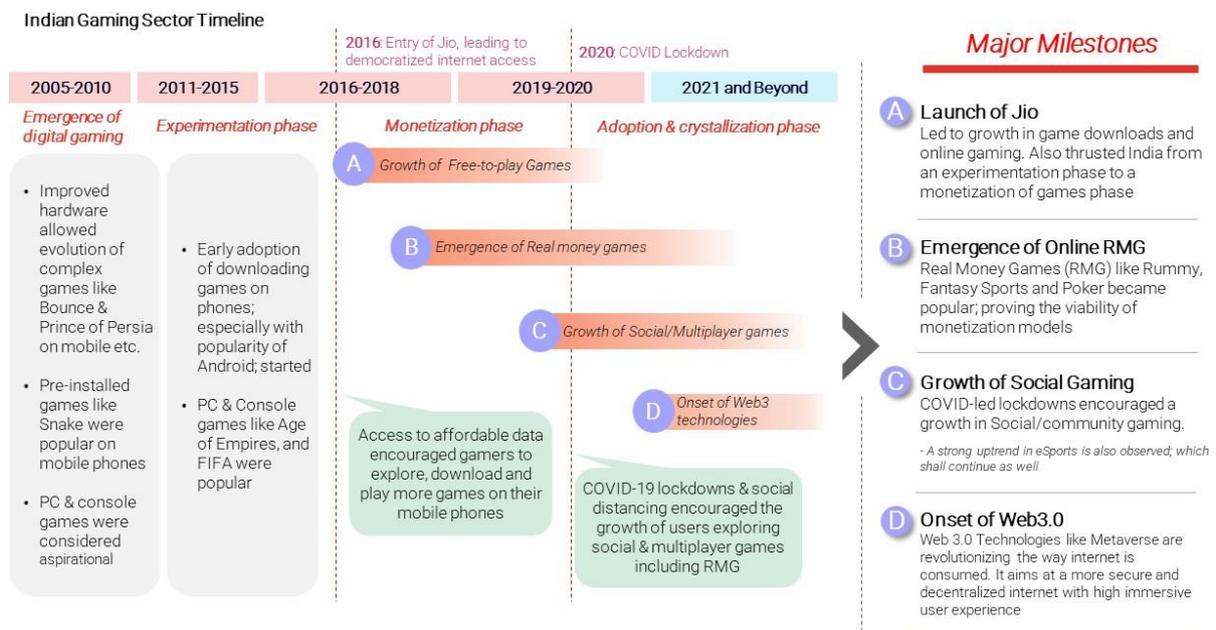
Rising access to internet and smartphone, increasing familiarity with online platforms and digital payment methods, and COVID-19 induced rise in adoption of gaming platforms are expected to drive the growth of digital gamers from 425-450 Mn in FY 2022 to 690-710 Mn in FY 2026.

**Digital gaming in India has witnessed several inflection points triggering growth in new users, user spending and ecosystem development**

- **Emergence of Digital Gaming (Early 2000’s):** India witnessed the emergence of digital gaming market during 2005-2010, as improved hardware allowed evolution of complex games on mobile like Bounce and Prince of Persia. Through the next five years, early adoption of downloading games on phones, especially with popularity of Android, started.
- **Experimentation & Monetization:** Entry of Jio (2016), increased the access to affordable data and encouraged gamers to explore, download and play more games on their phone, leading to growth in game downloads and online gaming. This also boosted the monetization through games as development of digital payment infrastructure, like UPI, increased the propensity of users to pay and employ usage of real money on online gaming platforms.

With the advent of COVID in 2020, users started viewing online gaming as an alternative form of entertainment, leading to development of new formats of gaming such as social/community gaming.

- **Digital Immersive Era (Post 2020):** In the coming years, Web3.0 technologies like metaverse will revolutionize the way internet and online gaming is consumed as it aims at a more secure and decentralized internet with high immersive user experience. India’s evolving gaming market is driven by an entrepreneurial ecosystem; characterized by aggressive, young companies with rapid growth.



Timeline of Indian Gaming Sector

Source(s): RedSeer Research

Indian Gaming Market has emerged into a structure of two major categories: Real Money Games and Non-Real Money Games. These categories constitute several segments based on the game characteristics.

India online gaming market is broadly divided into Real Money Games (RMG) and Non-Real Money Games (Non-RMG). RMG refers to games based on skill with an option to play with real money. Non-RMG includes games where there is no real money involved.

**Real Money Games (RMG):**

Rummy was the first game offered as Real-money-game; when it was first launched in India. The exponential growth in popularity of these games among Indian consumers led to the expansion of the business, as well as the emergence of new online card games like Poker. RMG gaming has undergone continuous evolution as a result of the introduction of new offerings; the most recent addition to the genre is fantasy sport (especially Daily Fantasy Sports (DFS)). The RMG industry continues to be well-liked and growing as a prominent gaming area.

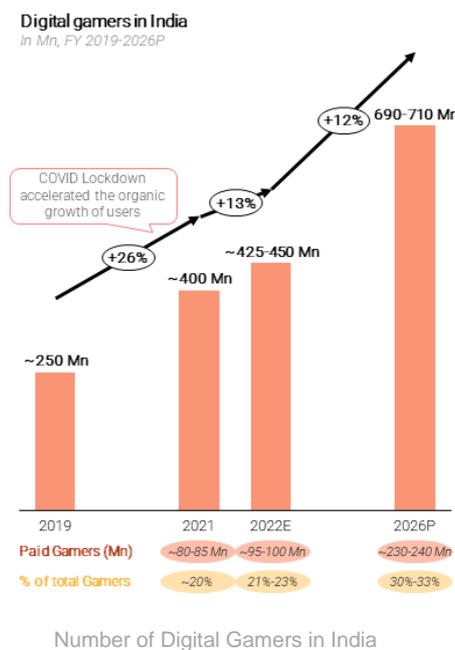
Currently, Rummy, Poker and Fantasy are the leading games in the RMG category. RMGs are offered to users through SGP and MGP. SGP are single player games offering only one game on their platform whereas MGP means multi-player games which offer a bouquet of games to the users on a single platform. RMG platforms majorly earn through commission & rake rates while other revenue streams such as In-app purchasing, virtual tipping and merchandising have a minimal contribution.

**Non-Real Money Games (Non-RMG):**

Non-RMG is divided into hyper casual & casual, and mid & hard-core games based on learning curve and difficulty level. Hyper casual & casual games have simple mechanics which are very easy to pick up and have multiple, very-short session times, while Mid- & Hard-core games are complex, detailed and offer multi-player experiences with high difficulty levels to master. Non-RMG games majorly earn through advertising on platforms while In-App purchases, to get an additional skill, gameplay sessions, hints, and often to remove ads, is on the rise.

With an estimated ~400 Mn online gamers in 2020, India is the world’s 2nd largest gaming market by userbase; and is expected to have 690-710 Mn gamers in next 4-5 years.

Digital gamers in India are projected to grow at CAGR of 12% to reach 690-710 Mn in FY 2026 from 425-450 Mn in FY 2022. The growth is expected to be driven by mix a systemic, demand-side and supply-side growth drivers, which are mentioned below.



Source(s): RedSeer Analysis

**1) Systemic growth drivers**

Improved access to internet, regulatory support coupled with recent boost due to COVID-19 lockdown has led to growth of Gaming in India:

- Reducing internet & smartphone costs is improving access to internet and enabling more users to come online.
- COVID-19 lockdown led to a boost in adoption of gaming & digital services and increased the usage. Game downloads have increased by 50% from January 2020 to December 2021.
- Rising investors focus on gaming sector (500% increase in funding over the past 4 years) have helped gaming companies to improve their products and achieve scale.

## 2) Demand side growth drivers

Evolutions in user behavior have led to increased time & money spent on games in India, as gaming is becoming an acceptable form of entertainment:

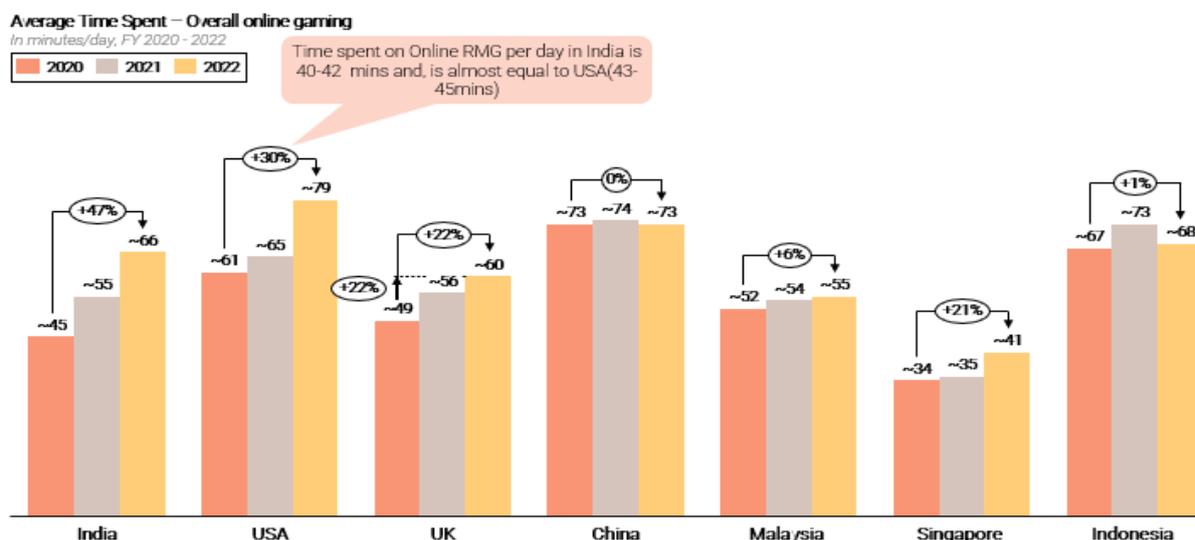
- COVID-19 induced cultural shift towards accepting games as a form of entertainment and social activity, instead of a pass-time, which has increased user base and usage of online games. This increased adoption has further boosted acceptance due to network effect.
- Development of robust digital payment infrastructure and increasing familiarity of digital payment platforms have digital transaction volumes have grown at a CAGR of 47% between FY 2017-2022. The past year also saw a jump in monetization conversions in gaming, as New Paying Users in gaming grew from ~40% in FY 2020 to ~50% FY 2021.
- Development of games with vernacular and India centric content, supported by rising internet and smartphone penetration have increased the user base in lower tier cities, with 32% of all gamers coming from Tier-2+ cities.
- Women gamers are on the rise, in both Metro and Tier -1 cities, due to a rise in adoption of smartphones and digital services among women, especially during the pandemic, with share of women gamers forming 20-30% of the overall games.

## 3) Supply side growth drivers

Gaming companies are developing ‘better’ games and deliver a greater experience to users. Entire supplier ecosystem has also evolved significantly to support this:

- Development of user-friendly features, vernacular and India centric games, and new game titles has improved game quality & relevance.
- Affordable smartphones and development of gaming-specific smartphones, and growth in cloud gaming are expected to drive demand.
- Rise in implementation of real-time cheating and financial fraud detection algorithms have ensured a fair gameplay experience to all players and increased,
- consumer trust in the platform.

Growth in time spent by online gamers in India is faster than in other countries



Note(s): Time spent indicates total time/day/DAU; Time spent for USA, UK, etc. includes time spent on PC/Console gaming as well.

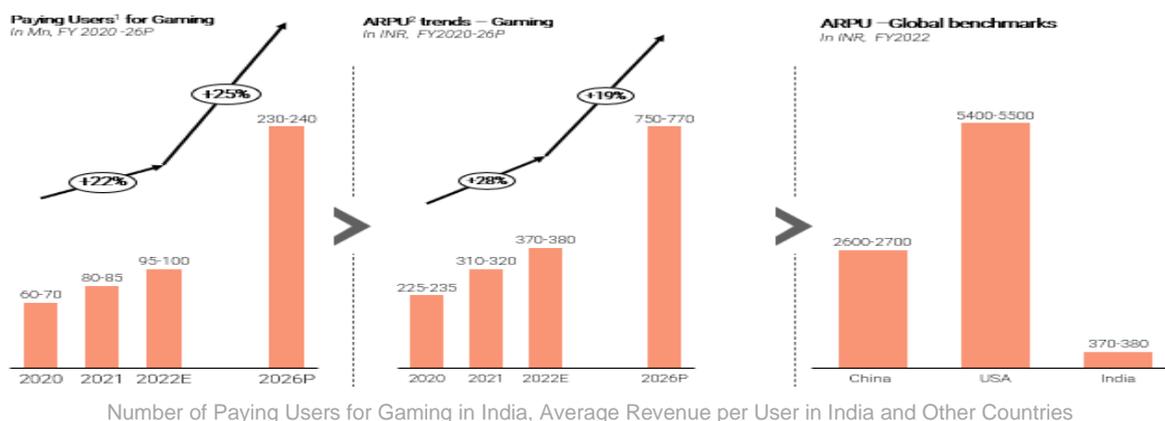
Source(s): Datareportal databases and Redseer Research

COVID-19 has played a major role in increasing the average time spent by online gamers across the countries. India witnessed a high growth of 47% between 2020 and 2022 when compared to that of other major countries as the average time spent on internet gaming in India has gradually increased from 45 minutes per DAU in FY 2020 to 66 minutes per DAU in FY 2022.

In addition to spending more time online, India is expected to witness more new paying users and increased spending from existing users.

Paying users across RMG and Non-RMG sectors are expected to increase from 95-100 Mn in FY 2022 to 230-240 Mn in FY 2026 at CAGR of 25%. Even though APRU is less when compared with that of other countries, it is expected to grow at 20% in the next 4-5 years to reach INR 750-770 by FY 2026.

Growing digital sophistication with higher adoption of digital payments and other digital services have increased the consumers’ willingness to pay.

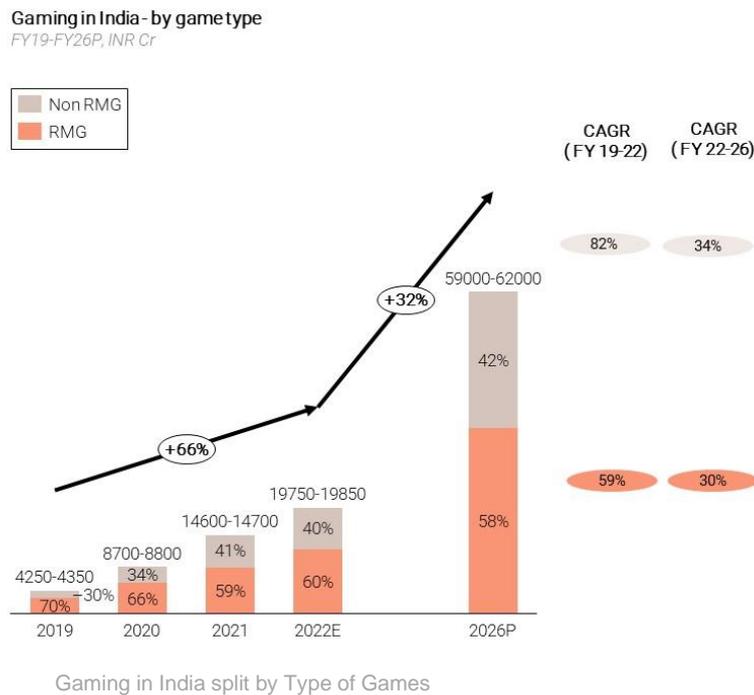


Note(s):

- 1) Paying users includes users who use real money, perform In-App Purchases, Subscriptions etc.
- 2) ARPU refers to average revenue per overall user, excluding Advertisement revenue.

Source(s): RedSeer Research

**Real-money games dominate the market by revenue and will continue to occupy majority of the market share in the next few years**



Source(s): RedSeer Analysis

Overall gaming market in India was valued between INR 149,000– 150,000 Mn in FY 2021 and between INR 201,000- 202,000 Mn in FY2022. The industry is expected to grow at a CAGR of 32% and reach INR 600,000 - 630,000 Mn at the end of FY2026.

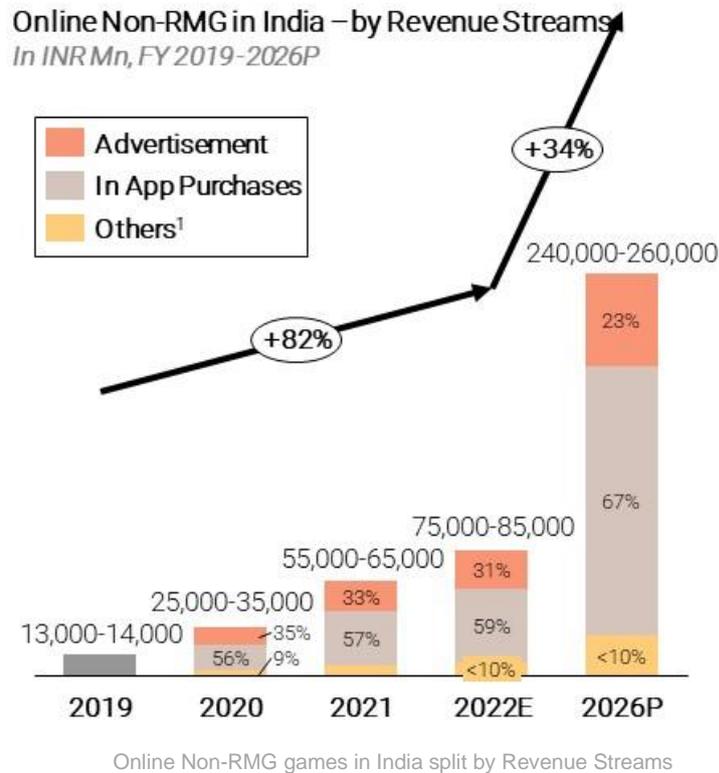
Non-RMG gaming segments are expected to grow rapidly, driven by the recent growth in revenue streams such as In-app purchases and subscriptions etc.; majorly accelerated by the rise in the number of casual, non-RMG gamers during the COVID-19 lockdowns in India.

While casual games attract the largest number of users and have been crucial in growing the mobile gaming culture in India, while real money gaming attracts the highest paying users in mobile gaming. As a result, real money games have been the largest revenue source for India’s gaming sector. This segment is expected to grow at 30% CAGR with growing expectation of regulatory clarity. Rise in propensity to pay among gamers and increase in ARPU will drive the growth of RMG games in the future.

This anticipated growth in the market size of the online gaming industry and real money gaming is driven by certain favorable macro-economic factors, such as the rise in the usage of smartphones, geographic penetration of internet access to an increasing number of locations across India, including remote areas, and adoption of digital payment instruments, such as the United Payments Interface, digital wallets, etc. The Indian internet user base has shown sustained growth in the last five years, from nearly 300 million users in 2016 to nearly 720 million users in 2022. Further, the decline in the average selling price of smart phones and increased adoption in rural and vernacular users have boosted smartphone penetration substantially.

## Deep dive on gaming in India

Online Non-RMG segments revenue is majorly driven by advertisement revenues and In App Purchases



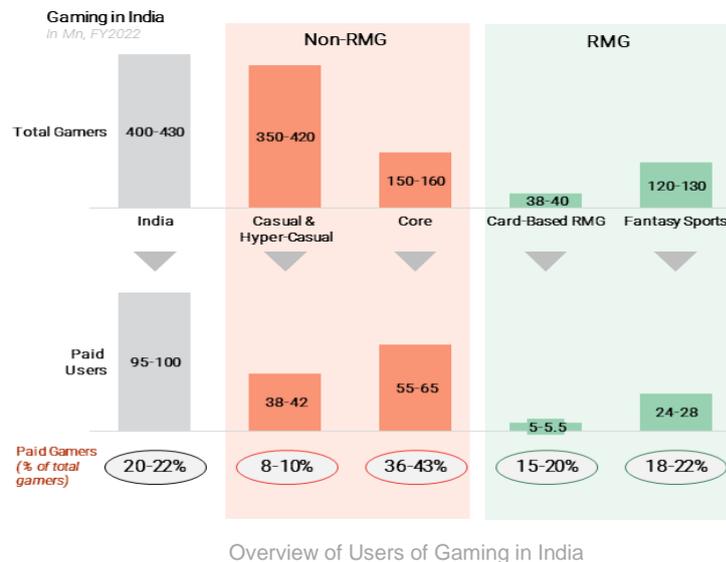
*Note(s): Others include sponsorship, Subscription, Loot box and merchandise.*

*Source(s): Public Industry Articles & reports, RedSeer research*

The Non RMG market is projected to grow from INR 75,000-85,000 Mn in FY2022 to INR 240,000-260,000 Mn in FY 2026 at a CAGR of 34%. The Non-RMG market, in terms of revenue streams, is majorly dominated by In-App Purchases and advertisement revenues. Advertisement revenues refers to the revenues from advertisements in the form of banners, reward videos, interstitial ads, etc. while In-App Purchases includes the purchases to get additional skill, gameplay sessions, hints, and often to remove ads.

Rise in In-App Purchases is expected to drive the growth of the non-RMG market in the future. Unlike other mature markets, revenues through advertisement are still significant in India as advertisers are increasingly targeting online gamers and a relatively low proportion of paying users. New innovations like rewarded advertisements, which provide an opportunity for users to watch a video or engage with a playable ad in exchange for a reward within the app, enable high clickthrough rates and will drive the growth in monetization.

Non-RMG games attract the largest number of players and have been crucial in growing the gaming culture in India, while RMG attracts the highest paying users

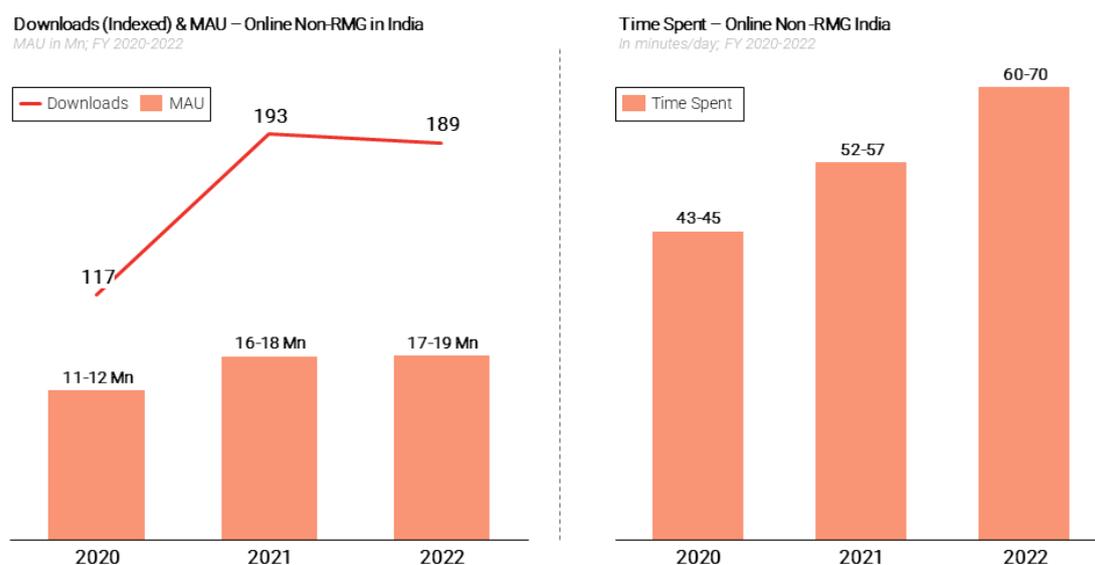


Source(s): RedSeer Analysis

The Non-RMG market has two major categories in terms of game types - Casual and Hyper-casual, and core games. Casual and Hyper casual games offer a quick and easy means to pass time and have become a popular entry point for India’s first-time mobile gamers. As a result, this segment has the highest number of overall users, i.e. 350-420 Mn, with very low paid user conversion rate (8-10%). With the development of robust infrastructure & multiple new game titles, Core games have become popular in India. Currently, there are around 150-160 Mn core users with very high conversion of paid gamers (36-43%)/

Even though real money games have limited number of total gamers and paid users when compared with those of non-RMG segments, the amount spent per user is far higher, leading to higher revenue contribution.

Online Non RMG in India has been growing across various key performance indicators such as MAU, downloads and time spent – and is expected to continue growing



Downloads, Monthly Active Users and Time Spent by Users of Online Non-RMG Segment in India

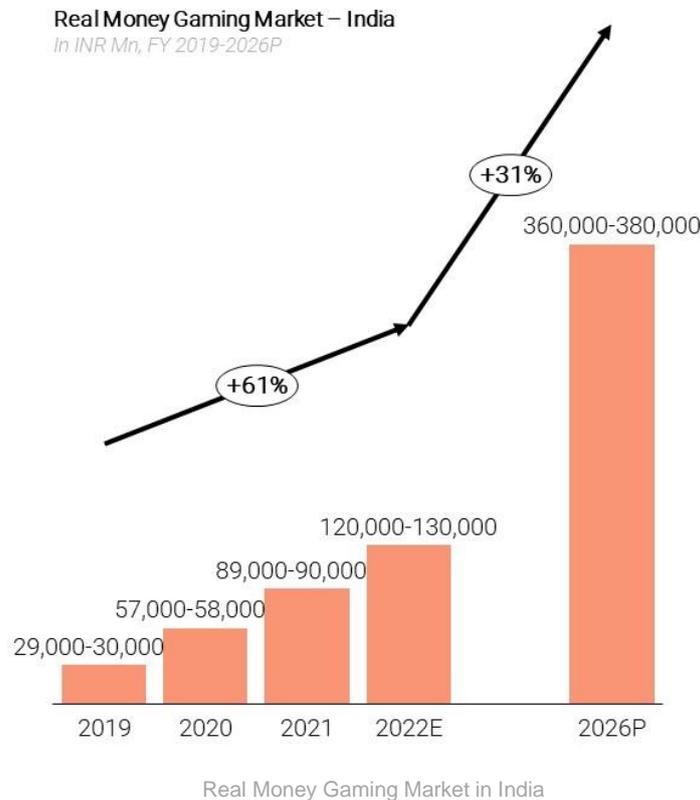
Note(s): Time spent indicates total time/day/DAU; MAU are average MAUs of top 5 casual games, (Candy Crush, Subway Surfers, etc.).

Source(s): RedSeer Analysis

After COVID-19, people across demographics and social strata have begun adopting gaming as a means of entertainment and socializing, as during COVID-19 people were having a lot of free time and limited physical social interactions. Virtual social interactions replaced the physical interaction time between family and friends during COVID-19 induced lockdowns, manifesting into a strong interest in multiplayer games with a social element to them. This COVID-19 induced change in behavior has led to rise in new casual non-RMG gamers. Moreover, average time spent on gaming has increased from 43-45 mins per day in 2020 to 60-70 mins per day and number of downloads increased from 11-12 Mn in FY 2020 to 17-19 Mn in FY 2022.

These new casual users often start with exploring free, casual games. With the introduction of Hyper-casual games, a portion of already gaming users who started with Casual games moved towards simpler Hyper-casual games. As a natural progression, some gamers mature into serious core gamers and players start paying for the games including RMG & non-RMG games.

Online RMG in India has enjoyed a strong ~61% growth and is expected to continue at ~31% for the next 4-5 years; due to several growth drivers such as:



Source(s): RedSeer Analysis

The RMG market is expected to increase from INR 120,000-130,000 Mn in FY2022 to INR 360,000-380,000 Mn in FY2026 at CAGR of 30%. The growth of RMG market is driven by multiple factors which are mentioned below:

### 1) Improved digital payment infrastructure

Real money gaming platforms have benefitted from integrating the fast-evolving digital payment gateways on their platforms, by making transacting on these platforms quick and simple.

## 2) Increased propensity to pay

Real money gaming market has seen an increase in paying users. This trend will continue as income levels rise in India.

## 3) COVID-19 Impact

Government imposed lockdown forced people indoors. As a result, people started playing real money games, which were an important part of their social lives, online.

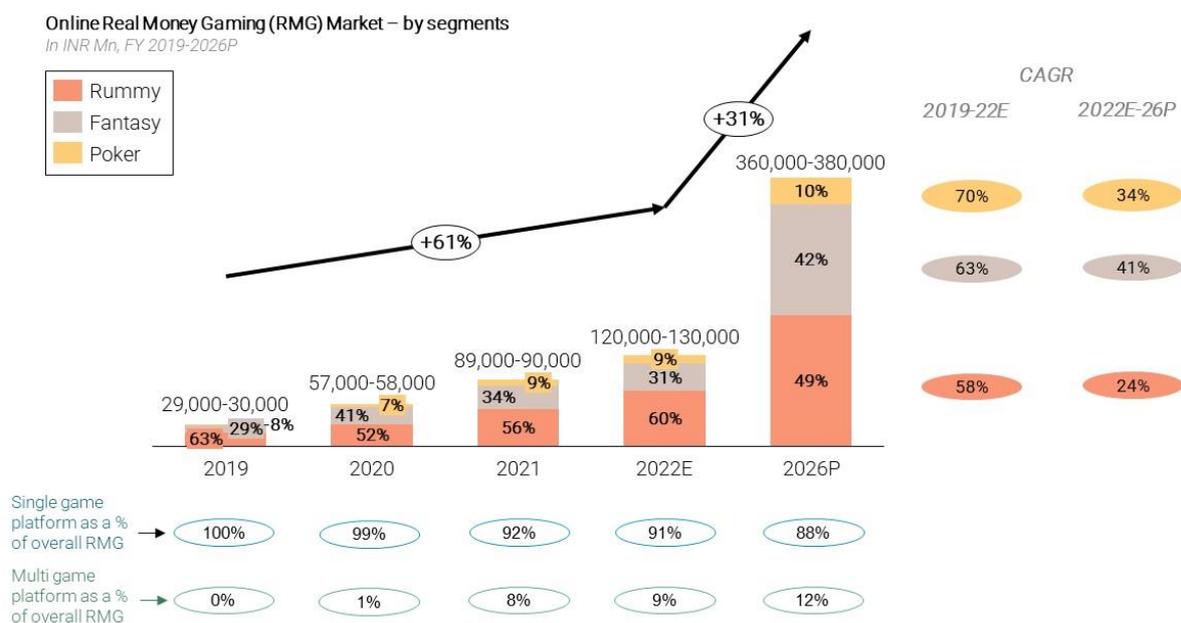
## 4) Adoption of blockchain technology

As blockchain technology develops, real money gaming can benefit from increased level of trust these technologies provide. Additionally, these technologies are now opening up new revenue streams in terms of NFTs.

## 5) Development of a favourable regulatory environment

Regulatory challenges for the sector are improving as states remove blanket bans on RMG. (e.g., Madras High Court struck down the Tamil Nadu Gaming and Police Laws (Amendment) Act of 2021, which bans playing of online betting games like rummy and poker with stakes).

Online RMG market is segmented into 3 game types (Online Rummy, Poker & Fantasy Sports) and by platforms into Single game (>91%) & Multi game (~9%) - collectively growing at a CAGR of ~61% for the last 3 years.



Online Real Money Gaming Market split by Segments

Note(s): Only major categories under RMG are included.

Source(s): RedSeer Research

Rummy, Fantasy and Poker are the major games under RMG sector. Rummy is currently the largest segment and is expected to dominate the RMG market in the future due to rising number of new rummy users from north India and increasing propensity to pay of existing users. Rummy market is expected to increase from INR 74,000-75,000 Mn in FY2022 to INR 177,000-178,000 Mn in FY2026 at CAGR of 24%.

Poker has the least penetration when compared to rummy and fantasy, indicating a very high potential for growth in the coming years. Poker has the highest user retention rate and highest revenue per user among the three games considered here. Poker market is expected to grow from INR 11,000-12,000 Mn in FY2022 to INR 35,000-38,000 Mn in FY2026.

Fantasy segment is heavily driven by cricket with limited contribution from other games. Online Fantasy games were heavily affected by COVID-19 induced lockdowns as no games were played during that period. However, Fantasy games are expected to recover and grow from INR 38,000-39,000 Mn in FY2022 to INR 150,000-160,000 Mn in FY2026. Increasing popularity of other sports leagues and rising user willingness to pay cash will drive the growth of the market in the future.

#### Industry Evolution towards MGP Platform: Advantages and Potential Growth Drivers for MGP

While Single Game Platforms (SGP) currently dominate the market with (~90%) market share; the upcoming format of Multigame platforms (MGP) may get popular in the future. MGPs offer a wider variety of games to users; and are therefore able to attract gamers from a wider set of interests and abilities. It should conceptually also be able to retain them more by keeping them entertained and engaged for a longer time due to the wide array of game offerings. Furthermore, with the addition of a large number of new casual gamers, and rising popularity of social & multiplayer games, an organic growth of platforms with broader offerings may be expected, as well. Gradually as these casual gamers evolve and mature, their spending is also expected to increase; which shall benefit the earning capability of gaming platforms, especially Multigaming platforms (MGP); due to their nature of design.

The expansion of MGP can also be attributed to the following factors, which are promoting various gaming companies towards expanding in the space:

**1) Greater Variety of Game Types:** MGPs provide a vast selection of games on their platforms; across game genres and types. This provides the companies to offer and trial with a large selection or assortment, thereby increasing the chances of a successful gaming title.

**2) Greater Audience Reach:** Another core benefit of MGP platforms is its potential to attract a larger and more diverse user base. The large variety of options available to users on MGP systems attracts users from varying ages, geographies, and preferences to join the same platform to play games, as there is something for everyone.

**3) Increased User Stickiness:** Apart from more users joining the platform, users also tend to play longer when compared with SGPs, due to the variety of options available. It is observed that on an SGP, users often churn out due to boredom or as new game types gain popularity, but on an MGP, the user can transition to another game on the same platform, allowing him or her to remain on the platform for a longer period of time.

**4) Options for Developers:** Independent developers are also increasingly choosing to host their games on MGP platforms, due to its advantages in terms of user base and user retention. This is an intriguing and a rewarding idea for the majority of game creators who host their games on app stores directly.

**5) Distributed Costs:** From a financial standpoint, MGPs may be able to reduce their marketing and advertisement costs per user compared to SGPs. In the case of MGPs, marketing and advertising expenditures are incurred at the platform level, whereas in the case of SGPs, they are incurred at the game level, following the principle of economies of scope. This further helps gaming businesses.

**6) Synergies on the MGP Platform:** MGP platform has a double advantage compared to SGPs. They are able to attract users through offering diverse casual gamers and are able to convert them into paying users by also offering them games from RMG category on the same platform. This allows MGPs to leverage advantages of all game genres, while simultaneously reducing costs; and thus is gaining popularity amongst Indian & global gaming companies.

In its current state, MGP is growing at ~40%; which is the highest across various segments of RMG; and is expected to be ~12% of the market by 2026. While, the relative share appears low, in absolute terms this translates to nearly INR 43,000 Mn (viz. ~4x in 5 years) by 2026. This explains the observed interest amongst gaming companies to explore and grow as Multigaming Platforms.

Overall, there is a positive outlook for real-money games both for the present & future scenarios; with expected growth rates of 25-40% across different formats and platforms.

**Online Poker draws the highest ARPU across RMG ecosystem; despite having a lower familiarity compared to Rummy and Fantasy Sports in India**

Real Money Gaming Market in India – Key Characteristics & Performance Indicators  
Descriptive; FY2022

Type of Platform	Online Rummy		Online Poker		Fantasy Sports	
	Single Game	Multi game	Single Game	Multi game	Single Game	Multi game
Description	Players try to form sets and sequences of card		2 or more people bet on the value of the hands dealt to them		Create an online team of real sportsmen & win based on their actual performance	
Familiarity (within India)						
ARPU (post rake/month, INR)	3000-4500	2625-4125	9750-11,250	1275-1425	150-300	52.5-67.5
Rake rate (%)	8%-15%	8%-15%	3%-5%	3%-5%	15%-20%	15-17%
MACU (Mn)	~1.5-1.8 Mn	0.07-0.1Mn	~0.05-0.06 Mn	0.1-0.2 Mn	~11-13 Mn	1-1.2 Mn
Examples	RummyCulture, RummyCircle	MPL, WinZo	Adda52, Poker Baazi	MPL, WinZo	Dream11, Ballebaazi	MPL, WinZo

Key Characteristics and Performance Indicators of Real Money Gaming Market in India

Note(s):

- 1) Player & game examples are for reference and not in any order or preference.
- 2) Benchmarks are based on empirical observations and may not be a true representation of actual data.

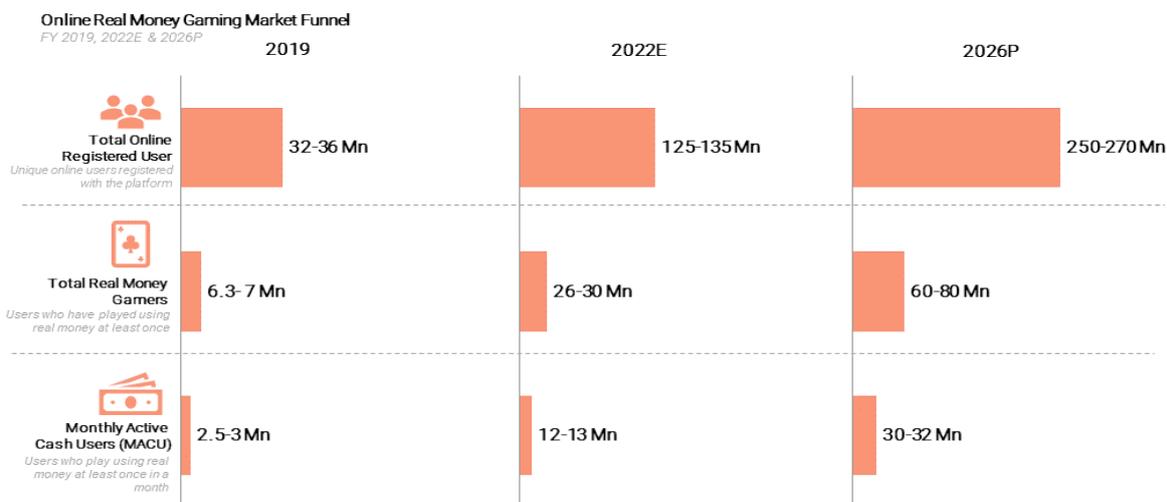
Source(s): RedSeer Research and Public Media articles

Even though Single game poker platforms have the lowest MACU, these platforms have the highest ARPU indicating the prevalence of mature players with high willingness to spend a large amount of money. Fantasy Game platforms have the highest number of users with the lowest ARPU as it is dominated by casual users who follow cricket.

Rummy is very popular in southern part of India and, has a balanced mix of MACU, ARPU and retention rate when compared with other segments.

Across the games, Multi Game Platforms (MGP) have lower ARPU when compared with Single Game Platforms (SGP) as generally Casual gamers, comprising of beginners and amateurs, typically prefer MGP while mature professional players prefer SGP platforms.

RMG witnesses a MACU of 12-13 Mn of the total 26-30 Mn real money gamers and it is expected to reach 60-80 Mn real money gamers in the upcoming years



Online Real Money Gaming Market Funnel

Note(s):

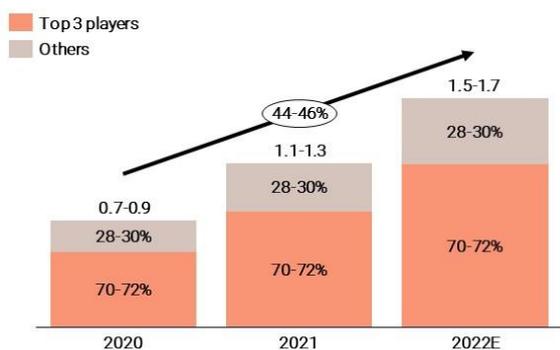
- 1) Player & game examples are for reference and not in any order or preference.
- 2) Benchmarks are based on empirical observations and may not be a true representation of actual data.

Source(s): RedSeer Analysis

In the next few years, the number of Real money gamers and Monthly Active Cash Users is expected to increase exponentially due to increasing propensity to pay, and development of seamless payment process through robust digital payment infrastructure.

RMG market in India follows a consolidation pattern allowing market leaders to capture the growing GMV

Online RMG Market in India - Competition Intensity  
Market share in %, FY 2020 -2022E



Games	Competition Intensity (% share of top players – FY22E)
Online Poker	85-90%
Fantasy	90-95%
Online Rummy	90-95%

Competition Intensity in Online Real Money Gaming Market in India

Note(s): Top 3 players include Rummy culture, Dream 11 and Rummy circle.

Source(s): RedSeer Analysis

Largest 3 players of the Indian RMG segment (by revenue) occupy roughly 70-72% of the total market indicating a strong consolidation in the Indian RMG market. Furthermore, sub-segments such as online poker,

online rummy and online fantasy also showcase strong presence of incumbents with almost 85-90% (varying) occupied by the leaders of the respective sub-segments.

Globally, this segment has witnessed high rate of mergers and acquisitions amongst players with an intention to further consolidate the market, grow the user base and often leverage cross-game activity. (Cross-game activity refers to leaders in a subsegment acquiring players across other games/subsegments to increase the engagement and the number of active users on their platforms.)

## **Policies and Regulatory Framework for Gaming in India**

### Regulatory Market Environment Overview

From a regulatory standpoint, online games are broadly divided into ‘Games-Of-Skill’ and ‘Games-Of-Chance’. Games-of-skill includes those games in which success substantially depends upon the superior knowledge, training, experience of the player while in games-of-chance, the outcomes are completely uncertain and based on luck.

As of April 2022, different states maintain separate and multiple state gambling laws (Example- The Telangana Gaming Act 1974, Assam Game and Betting Act 1970 etc.) and have their own understanding on gambling which has led to multiple inconsistencies.

Games are considered as skill-based when there is preponderance of skill over chance even though they may include stakes and real money. High Courts use this dominant factor test laid out by the Supreme Court to distinguish between games-of-skill and games-of-chance.

**While multiple states have considered Rummy, Poker and Fantasy games to be games-of-skill various states have legislations which do not exempt games of skill. Please see a list below:**

#### **1)Telangana**

Telangana has a blanket ban on games-of-skill which have part- elements of chance and does not consider them as ‘skill-games’. It has banned these games in both offline and online channels. However, as of April 2022, the state is in the process of drafting a new regulation to regulate games-of-skill.

#### **2) Andhra Pradesh**

Andhra Pradesh's government has taken a stance similar to that of its neighboring state, Telangana, in that it has banned any forms of games that involve real money and made the play of such games as illegal.

#### **3) Assam**

Assam stand is very clear on real money games. It says all the games which include money’s worth on the happening or determination of an unascertained event are banned- both offline and online.

#### **4) Odisha**

The Odisha Act does not permit any play or game for money with the reason stating that mostly poor people will suffer financially. It has banned these games in both offline and online channels.

#### **5) Tamil Nadu**

Tamil Nadu banned online gaming with stakes in November 2020 but the provision was struck down by the Madras high court in August 2021, which held that the amendment to the Tamil Nadu Gaming Act was in violation of the Constitution. As of June 2022, the government has set up a committee to give recommendations for the promulgation of an ordinance to regulate online gaming.

**The states which have regulated online gaming are listed below**

#### **1) Sikkim**

Sikkim is one of the states where offline and online gaming is legal. Casinos and online games & sports games are under the administrative control of the Directorate of Sikkim State Lotteries and is governed by the Sikkim Online Gaming (Regulation) Act, 2008 and the Sikkim Online Gaming (Regulation) Amendments Act, 2009.

## **2) Nagaland**

Though Nagaland has formed a law which legalizes online skill gaming but due to enormous annual fees, no online player has showed interest in serving this region.

## **3) Meghalaya**

Through the Meghalaya Regulation of Gaming Act, 2021, the state of Meghalaya has decided to implement a license-based system for regulating gaming and gambling inside its borders. The Act seeks to regulate both "games of skill" and "games of chance" involving the betting or wagering of money or the value of money.

**Gaming companies have taken self-regulatory steps to promote responsible gaming in India. Some of the steps are mentioned below.**

### **1) Self-Regulatory bodies**

All India Gaming Federation (AIGF) is a not-for-profit organisation, the oldest and only apex self-regulatory body whose self-regulatory charter includes all online skill gaming in India.

AIGFs objectives include creating awareness, about the socio-economic benefits of the online skill gaming industry through reports, research, surveys, events and seminars

### **2) Restrictions to Avoid Misuse of Platform**

These restrictions are aimed to avoid money laundering, minors playing in the industry, single user having multiple accounts, and gamers playing in these states. All India Gaming Federation (AIGF) has formulated a chart to regulate all online RMG games-of-skill like poker, rummy, fantasy, among other games.

### **3) Features Given to Limit Money Spend**

Self-Exclusion – Player can lock their account for 48 hrs to 6 months, or even permanently.

Set Deposit Limits – Daily and monthly deposit limits can be placed on the players.

### **4) Precautionary Measures**

Companies do not advertise in the banned states. Also not prefer to advertise on regional platforms or in small tier cities to discourage social and economic weaker sections. Some rummy players even call users if they exceeded their daily spend limits.

Gaming market in India is expected to develop strongly with clearer regulatory framework, better policies around gaming & more recognized industry associations. Exclusion of 'games-of-skills' as gambling from all state laws, introduction of a central unified policy to reduce the uncertainty, recognition of an industry association to help the gaming industry and ensure companies follow best practices, identifying scientific mechanism to identify games-of-skill, among others are some of the key market expectations regarding the regulatory market.

## **Competitive Landscape**

### Competitive Landscape – Overview

The Pure-play poker industry is a nascent sector in India and is alone estimated to be valued over INR 5,600 Mn at the end of FY 2022. It has several players such Adda52, Pokerbaazi, SpartanPoker etc. There are also players like MPL & WinZO which offer online poker on their multi-game platforms.

Deltatech Gaming Limited, which operates Adda52, is one of the earliest companies in the RMG segment in India. Adda52 is India's first online poker platform offering multiple poker variants with a super-gaming experience for its users by combining simple and attractive designs and engaging features. Deltatech Gaming

Limited has consistently retained over 34.5% market in Online Poker for over 7 years till Fiscal 2021. Since its debut, Deltatech Gaming Limited has outperformed its direct competitors in terms of operating revenue, as of 31<sup>st</sup> March 2021. Adda52 is India's number 1 pure-play poker platform in terms of revenue. The company's ability to remain a market leader in its field of operations despite new entries in the same category and competition from peers in other segments is indicative of the high brand loyalty of its customers.

As Adda52 is purely a pure-play poker platform, it only accepts poker enthusiasts, making it a niche participant in the RMG market. This feature allows them to attract customers who are not true beginners in the game. On their site, professionals and experts have a similar experience to playing in an actual casino. They have assured minimal pain points for clients by providing a high-quality user experience, several poker variations that appeal to diverse users, nearly all payment methods for the smooth processing of transactions, and an RNG-certified gaming ecosystem that ensures fair play.

#### Global Benchmarking and Advantage to Indian Companies

Poker is significantly more popular in international markets; although very few multinational online poker companies are currently operating in India in the real-money gaming sector. This may be mostly due to regulatory uncertainties in the past, which discouraged large foreign businesses from entering the nascent, but highly lucrative Indian market. This has allowed Indian companies to seize the market despite the uncertainties. Indian companies, like Deltatech Gaming Limited, hold a significant advantage as the regulations become clearer and recent rulings stress the distinctions between games-of-skill and games-of-chance.

As a category pioneer in India, Deltatech Gaming Limited has a large user base in India and controls more than 34.5% of the market share for over 7 years till Fiscal 2021. (A category pioneer can be understood as an organization which innovates in the form of a new product or a service to the marketplace or which develops a new space within a particular market). Deltatech Gaming Limited's EBITDA has also increased at a CAGR of 6.5% from FY 2019 to FY 2021 to reach INR 282 Mn and is the highest amongst its peers in the pure play poker segment of the gaming industry in absolute terms.

Due to the recent judgements which resolved some uncertainties of the real money gaming industry's regulatory environment, the company can gain a major advantage in terms of recruiting players and users to its platform. Observing organizations that operate in more stable marketplaces and determining how they have developed over the past several years is one method for determining how a business can expand in the future. Benchmarking is one of the techniques which can be used to gauge Adda52's potential for future growth.

Competitor benchmarking – Cash Spend Analysis  
 FY2018-2022, Advertising cost as a % of operating revenue

	2022	2021	2020	2019	2018
Deltatech Gaming Ltd. (Adda52)	62%	58%	45%	51%	28%
Nazara Technologies Ltd. (Nodwin, Sportskeeda)	32%	50%	54%	15%	24%
Galactus Funware Technology Pvt Ltd. (Rummyculture)	N/A	86%	953%	N/A	N/A
Tictok Skill Games Pvt. Ltd. (WinZO)	N/A	42%	29%	N/A	N/A
Sporta Technologies Pvt. Ltd. (Dream11)	N/A	49%	45%	171%	349%
Super Group (SGHC) Limited (Betway)	N/A	27%	27%	41%	N/A
Entain Plc. (PartyCasino)	N/A	15%	15%	14%	14%

Competitor Benchmarking – Cash Spend Analysis

Note(s):

- 1) The financial year ending for Super Group (SGHC) Limited and Entain Plc is 31<sup>st</sup> December whereas for others is 31<sup>st</sup> March.
- 2) Information for the players have been sourced from the MCA and annual reports, as available.
- 3) Ratios for Nazara Technologies Ltd, Super Group (SGHC) Limited and Entain Plc are calculated at consolidated level whereas others at standalone level
- 4) Brand names included beside the company name are for ease of reference and are not exhaustive

Source(s): Annual Report, MCA filings, RedSeer Analysis

Currently Deltatech Gaming Limited spends around 58% of its operating revenue towards advertisement. This is higher when we compare it with other global players who have been in the industry for around 8-10 years more. The company currently focuses on customer acquisition which is one of the reasons for the increased ratio on comparison with global peers. As more and more users join the platform, the company is likely to reduce its dependency on marketing expenses for customer acquisition which would eventually reduce the cost-factors of the company.

Deltatech Gaming Limited is one of the companies that followed the global trend of declining operating cash flow from FY 2020 to FY 2021. This is due to the fact that greater advertising and other marketing expenditures boost client acquisition. With the shift in user behavior from offline to online activities, online real-money gaming companies were given with an opportunity to capture new clients seeking enjoyment within the confines of their homes. This decline is transient, as seen by the increase in cash flow in the years preceding COVID-19.

India is a very young market compared to other regions where these multinational corporations operate. Consequently, there are a great number of prospective clients who can join RMG platforms. Although the scale at which Indian enterprises operate is minor in comparison to global giants, there is room for growth and potential for companies such as Deltatech Gaming Limited, which has defined pure-play poker in India, in the domestic market.

## Appendix

### Competitor Benchmarking: Revenue from Operations

Competitor benchmarking – Revenue from Operations  
In INR Mn, FY2018-2022, Revenue from Operations

	2022	2021	2020	2019	2018
Deltatech Gaming Limited (Adda52)	1,372	1,554	1,316	1,095	820
Nazara Technologies Ltd. (Nodwin, Sportskeeda)	6,217	4,542	2,475	1,672	1,705
Junglee Games India Pvt Ltd (Junglee Rummy)	N/A	5,915	3,347	1,863	887
Gameskraft Technologies Pvt. Ltd (Rummyculture)	N/A	N/A	4,281	568	14
Quadrific Media Pvt Ltd (Spartan Poker)	N/A	691	614	482	532
Baazi Networks Pvt Ltd (Pokerbaazi)	N/A	445	441	280	143
Sporta Technologies Pvt Ltd (Dream11)	N/A	25,516	20,704	7,754	2,250
Halaplay Technologies Pvt Ltd	N/A	124	397	223	25
Tictok Skill Games Pvt Ltd (WinZO)	N/A	1,035	267	39	8
Myteam11 Fantasy Sports Pvt Ltd (My Team 11)	N/A	544	253	85	11
Galactus Funware Technology Pvt Ltd. (MPL)	N/A	3,786	182	0	
Flutter Entertainment Plc (SportsBet, Pokerstars)	N/A	613,499	419,888	192,445	170,631
Super Group (SGHC) Limited (Betway)	N/A	1,153,822	768,783	375,399	N/A
Entain Plc (PartyCasino)	N/A	389,269	338,810	321,770	267,340
Evolution AB (publ) (Netent)	N/A	933,760	475,089	288,427	197,885

Competitor Benchmarking – Revenue from Operations

Note(s):

- 1) The financial year ending for Flutter Entertainment Plc, Super Group (SGHC) Limited, Entain Plc and Evolution AB (publ) are 31<sup>st</sup> December whereas for others are 31<sup>st</sup> March.
- 2) Information for the players have been sourced from the MCA and annual reports as available.
- 3) The amounts have been converted into INR Mn at average RBI reference exchange rates from January to December for the respective years for necessary players for comparison purposes only.
- 4) Amounts for Nazara Technologies Ltd, Flutter Entertainment Plc, Super Group (SGHC) Ltd, Entain Plc and Evolution AB (publ) are at consolidated level whereas others are at standalone level
- 5) Brand names included beside the company name are for ease of reference and are not exhaustive

Source(s): Annual Report, MCA filings, Investor Presentations

The table exhibits the revenue from operations of Deltatech Gaming Limited and other companies from the online RMG industry.

## Competitor Benchmarking: Operating Expenses as a percentage of Revenue from Operations

Competitor benchmarking – Operating Expenses Analysis  
FY2018-2022, Operating Expenses as a % of Revenue from Operations

	2022	2021	2020	2019	2018
Deltatech Gaming Limited (Adda52)	104%	86%	70%	80%	63%
Nazara Technologies Ltd. (Nodwin, Sportskeeda)	92%	99%	115%	103%	76%
Junglee Games India Pvt Ltd (Junglee Rummy)	N/A	92%	74%	89%	97%
Gameskraft Technologies Pvt. Ltd (Rummyculture)	N/A	N/A	30%	46%	71%
Quadrific Media Pvt Ltd (Spartan Poker)	N/A	96%	96%	101%	81%
Baazi Networks Pvt Ltd (Pokerbaazi)	N/A	97%	95%	94%	97%
Sporta Technologies Pvt Ltd (Dream11)	N/A	86%	90%	120%	N/A
Halaplay Technologies Pvt Ltd	N/A	109%	189%	229%	N/A
Tictok Skill Games Pvt Ltd (WinZO)	N/A	151%	202%	228%	450%
Myteam11 Fantasy Sports Pvt Ltd (My Team 11)	N/A	113%	122%	124%	100%
Galactus Funware Technology Pvt Ltd. (MPL)	N/A	166%	1746%	N/A	N/A
Flutter Entertainment Plc (SportsBet, Pokerstars)	N/A	101%	98%	93%	89%
Super Group (SGHC) Limited (Betway)	N/A	85%	86%	88%	N/A
Entain Plc (PartyCasino)	N/A	91%	90%	105%	98%
Evolution AB (publ) (Netent)	N/A	39%	47%	57%	64%

### Competitor Benchmarking – Operating expenses analysis

Note(s): 1) The financial year ending for Flutter Entertainment Plc, Super Group (SGHC) Limited, Entain Plc and Evolution AB (publ) are 31<sup>st</sup> December whereas for others are 31<sup>st</sup> March.

2) Information for the players have been sourced from the MCA and annual reports as available.

3) Percentages for Nazara Technologies Ltd, Flutter Entertainment Plc, Super Group (SGHC) Ltd, Entain Plc and Evolution AB (publ) are at consolidated level whereas others are at standalone level

4) Brand names included beside the company name are for ease of reference and are not exhaustive

Source(s): Annual Report, MCA filings, Investor Presentations

## OUR BUSINESS

Unless otherwise stated, references in this section to “we”, “our” or “us” (including in the context of any financial information) are to our Company. To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 30, 110, 257 and 201, respectively, as well as the financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, please refer to “Definitions and Abbreviations” on page 1 for certain terms used in this section. The industry information contained in this section is derived from the RedSeer Report.

Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements, and also the section titled “Risk Factors” on page 30 for a discussion of certain factors that may affect our business, financial condition or results of operations. We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Consolidated Statements or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Our financial year ends on March 31 of every year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year.

### Overview

We are a digitally native, technology led gaming platform, delivering a gamer-centric gaming experience across our various offerings. We are one of the earliest companies in the real money gaming segment in India and Adda52 is India’s first online poker platform offering multiple poker variants. [Source: RedSeer Report]. We have been considered as a ‘category pioneer’ in India having a large gamer base and have had more than 34.5% of market share for over seven years till Fiscal 2021. [Source: RedSeer Report].

We offer real money gaming through our platforms, Adda52.com - offering poker **adda52** (“Adda52”) and Adda.games - offering multi-games **addagames** (“Adda.games”), which will include our rummy offering, Adda52Rummy (“Adda52Rummy”)<sup>1</sup>.

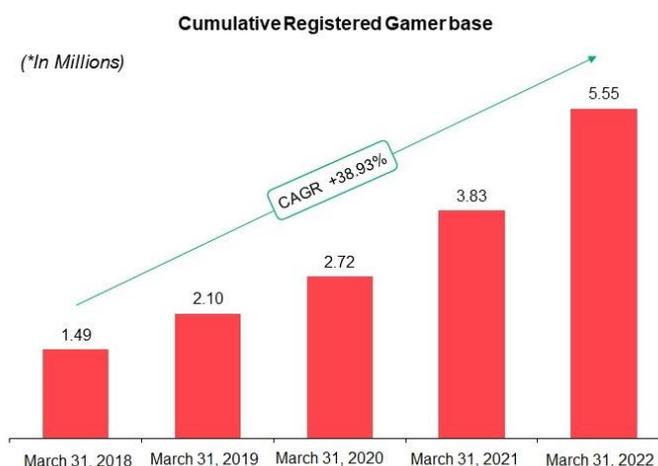
Our core competencies have been our investment in building our own in-house platforms and developing data intelligence capabilities. We believe that we offer a robust and seamless omni-channel digital offering, with fully integrated online play, through mobile, web and desktop versions, coupled with our offline capabilities.



We believe that our historical traction and gamer-first philosophy places us in an advantageous position to capture the opportunity for real money gaming. We aim to be the platform-of-choice for real money gaming gamers across the country. Our gaming platforms have witnessed a substantial increase in the number of registrations of gamers.

<sup>1</sup> While Adda52Rummy is currently offered through a separate platform, for the growth of rummy, we intend to merge Adda52Rummy into Adda.games in the near future.

The increase in the number of cumulative registered gamer base as on March 31, 2022, as highlighted below, implies a three-fold jump in the number of cumulative registered gamer base over the period.

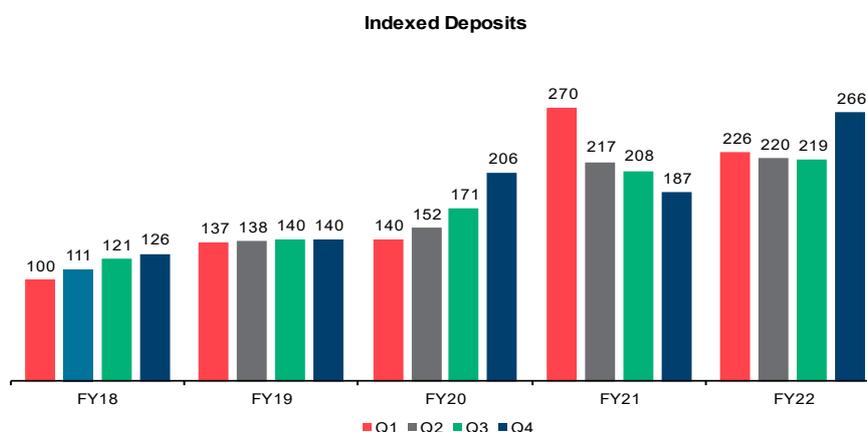


i) There may be overlap of gamers between the platforms as the number of total registered gamers base is cumulative for all platforms.

ii) The increase in the cumulative registered gamer base for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.

iii) The increase in the cumulative registered gamer base for Fiscal 2022 was on account of the acquisition of 'Faboom' and the subsequent launch of Adda.games. For further details in relation to the acquisition of 'Faboom', please see, "History and certain corporate matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation on page 169.

The increase in the cumulative registered gamer base increases the network liquidity on our platforms which helps in increasing Deposits over a period of time. An increase in the Deposits is an indication of a gamer spending more time on our platforms and engaging in higher number of games resulting in increase in our income from operations. Our increase in Deposits since the first quarter of Fiscal 2018, on an indexed basis, is highlighted below:



i) Deposits refer to the money that a gamer brings on the platform(s) to play games.

ii) The quarterly indexed base (100) = Sum of the Deposits on all platforms for the first quarter of Fiscal 2018 ("Deposit Base Index").

iii) The indexed Deposits disclosed for the quarters above have been calculated as the total Deposits for such quarter divided by Deposit Base Index.

iv) Adda.games has been operational from April 2021.

We have, over the years, invested in building our in-house platforms and continue to evolve them. We believe investment in our gaming platform and offerings is essential to our business improvement, growth opportunities for onboarding of new gamers, and retention of our existing gamers, by leveraging adjacencies like game variants, promotions, etc. We believe that our platforms, developed by our engineers, are built on a distributed and scalable architecture, that provides a flexible, secure and uninterrupted playing experience to our gamers. We believe our agile development methodology provides us with the necessary speed for innovation. Our gamer data pools, and insights into gamer preferences has allowed us to drive innovations and relevance, leading to positive engagement for our gamers.

In line with our growth strategy, in April 2021, we acquired multi-gaming technology under the brand 'Faboom' and re-branded it as the Adda.games platform, thereby expanding our footprint in the gaming industry.

Adda.games acts as a comprehensive gaming platform, providing gamers with a unique and diversified portfolio of real money games in a single destination. Our in-house technology team works in conjunction with third-party developers to create relevant, interactive and engaging games. Through Adda.games, we host different games, such as, rummy, poker, fantasy cricket and casual real money games like call break.

## Our Offerings

We offer products and services across real money gaming. Our two main platforms are Adda52 – our online poker platform and Adda.games – our multi-gaming platform. Our offerings are built on our in-house technology platform and are intended to operate at scale.

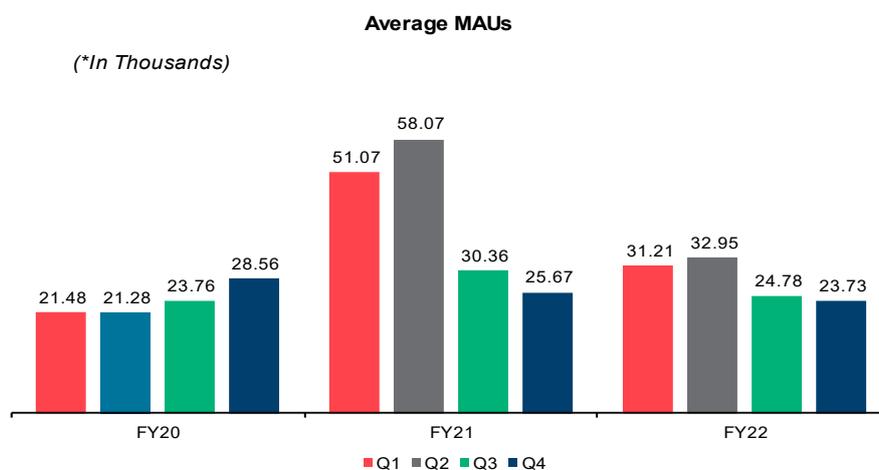
### Adda52:

We believe that Adda52 is our flagship platform where we host poker, which enables us to attract, engage and retain our gamers, and has created recall value. This is attributable to, amongst others, (a) easy-to-use mobile apps, desktop apps and websites, (b) various poker formats, such as Cash games, Tournaments, Sit n’ Go, etc., which cater to varied gamer needs; (c) engagement tools, such as, leaderboards and contests, that make a gamer’s journey on our platform even more engaging; and (d) multiple features such as multi–tabling option, chat room, viewing options, viz., gamer statistics, game history, etc.

Our Company’s ability to remain a market leader in its field of operations despite new entries in the same category and competition from peers in other segments is indicative of the high brand loyalty of our gamers [Source: RedSeer Report].

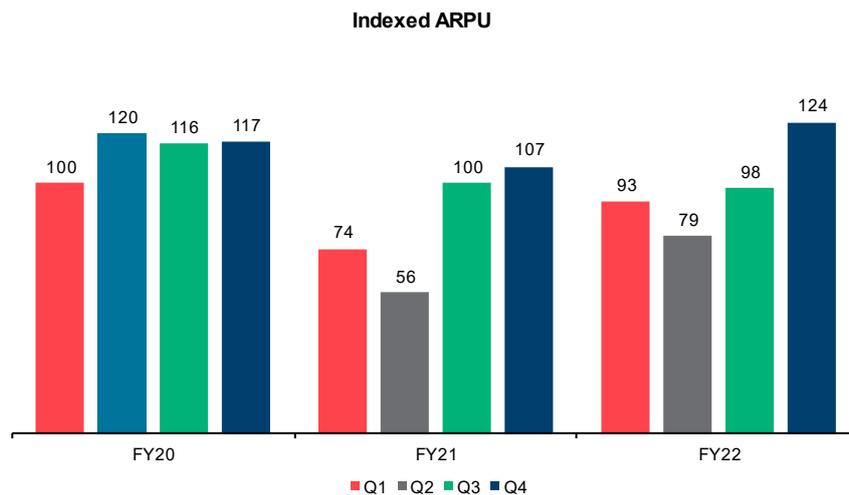
As on March 31, 2021, Adda52 was India’s no. 1 pure-play poker platform, in terms of revenue. [Source: RedSeer Report]. We believe that our record of leadership in our poker offering, through our platform, Adda52, has created a strong brand recall which has translated into a consistent number of active gamers on our platform which has also helped Adda52 become synonymous with online poker and emerge as a ‘category pioneer’.

The quarterly average Monthly Active Users (“MAU”) for Adda52 for Fiscals 2022, 2021 and 2020, were as follows:



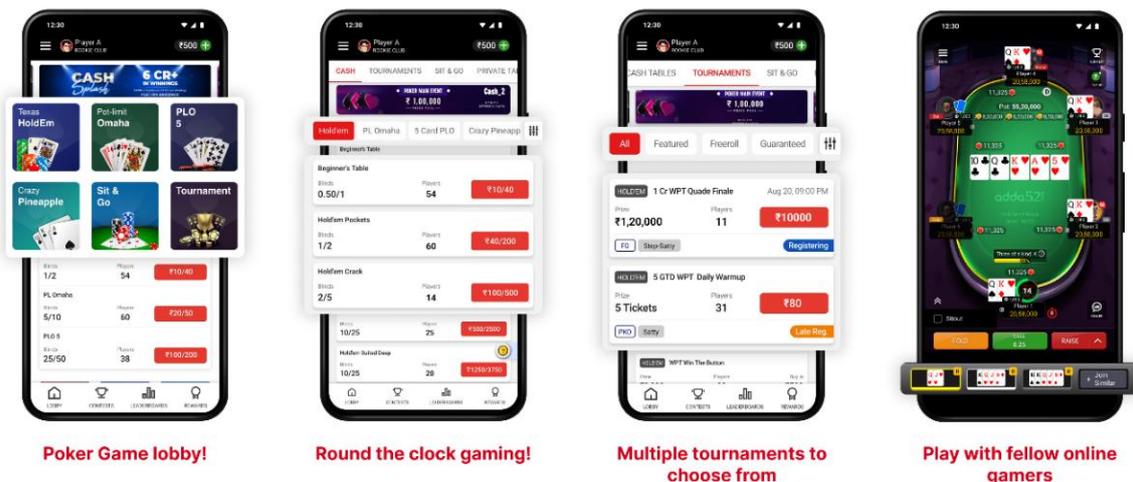
- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter.
- iii) The disproportionate increase in the average MAU for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.

Our indexed quarterly Average Revenue Per Gamer (ARPU) for Adda52 for Fiscals 2022, 2021 and 2020, was as follows:



- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2020. (“Adda52 Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda52 Base Index.
- iv) There was a spike in the active gamers in the first quarter of Fiscal 2021 due to the various lockdowns imposed on account of the COVID – 19 pandemic.
- v) During the second quarter of Fiscal 2021, the number of active gamers had amplified due to the COVID - 19 impact along with an OTT advertisement campaign run by the Company. This resulted in an increase in the number of active gamers, which resulted in lower ARPU.

**Adda52 application walkthrough**



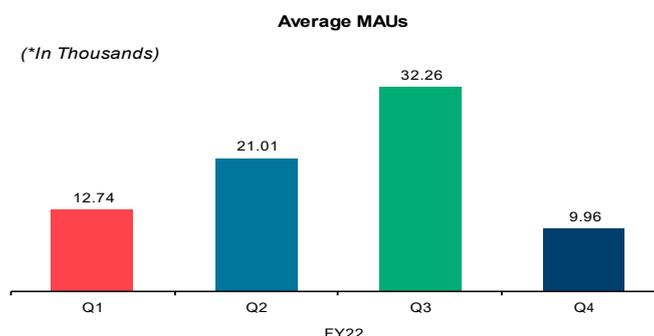
**Adda52 desktop walkthrough**



*Adda.games:*

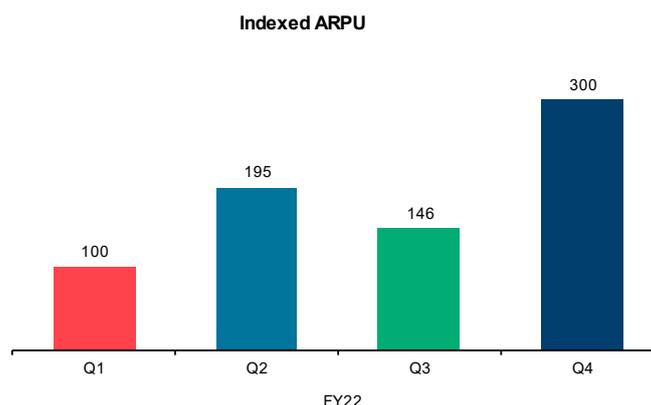
In April 2021, we acquired multi-gaming technology under the brand ‘Faboom’ and re-branded it as the Adda.games platform, which features multi-player real money games, such as rummy, poker, fantasy cricket and casual and hyper casual real money games, like call break, to expand our offerings, along with certain engagement tools, such as, leaderboards and contests that make the gamer’s journey on our platform even more engaging. Since the launch of Adda.games, we have maintained an increasing number of gamers on our platform.

For Adda.games, our quarterly average MAUs for Fiscal 2022 were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter.
- iii) Towards the end of the second quarter and during the third quarter, the Average MAUs were high on account of a busy sports calendar which gave rise to higher gamer traffic.

Our indexed quarterly ARPUs for Fiscal 2022 for Adda.games were as follows:



- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2022. (“Adda.Games Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda.Games Base Index.
- iv) The increase in the second quarter, was on account of the launch of high ARPU games on Adda.games, such as, poker and rummy.
- v) Numerous promotional activities pertaining to acquisition of gamers were undertaken by us through traditional and non-traditional channels during the first and second quarters of Fiscal 2022, leading to an increase in the MAUs, which translated to lower ARPUs. The decrease in the third quarter, was on account of the cricket season where we witnessed more gamers on our platforms, resulting in increased number of games played.
- vi) The increase in the fourth quarter, was on account of the introduction of personalized promotions and contests for the gamers on our platform.

While Adda52Rummy is currently offered through a separate platform, for the growth of rummy, we intend to merge Adda52Rummy into Adda.games in the near future.

For Adda52Rummy, our quarterly average MAUs were as follows:

Quarter \ Fiscal	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2020	3,781	2,465	2,492	4,077
2021	14,342	17,045	9,839	13,051
2022	30,728	24,546	3,235	2,961

- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and

excludes gamers who have played only practice games.

ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter of a Fiscal.

iii) The increase in the average MAUs for the first and second quarters of Fiscal 2021, was on account of COVID-19 induced lockdowns and restrictions.

iv) The increase in the average MAUs for the fourth quarter of Fiscal 2021 and the first and second quarters of Fiscal 2022 was on account of numerous promotional activities pertaining to acquisition of gamers, which were undertaken through traditional and non-traditional channels.

v) The decrease in the average MAUs for the third quarter of Fiscal 2022 was on account of normalisation post easing of the COVID-19 lockdown restrictions.

Our indexed quarterly ARPUs for Adda52Rummy were:

Quarter Fiscal	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2020	100	132	156	135
2021	67	40	63	45
2022	24	27	100	163

i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.

ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2020. ("Adda52Rummy Base Index").

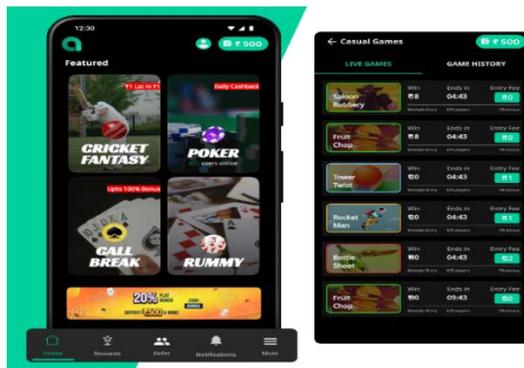
iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda52Rummy Base Index.

iv) The COVID-19 lockdowns and restrictions in the first and second quarters of Fiscal 2021, led to an increase in the MAUs, which translated to lower ARPUs.

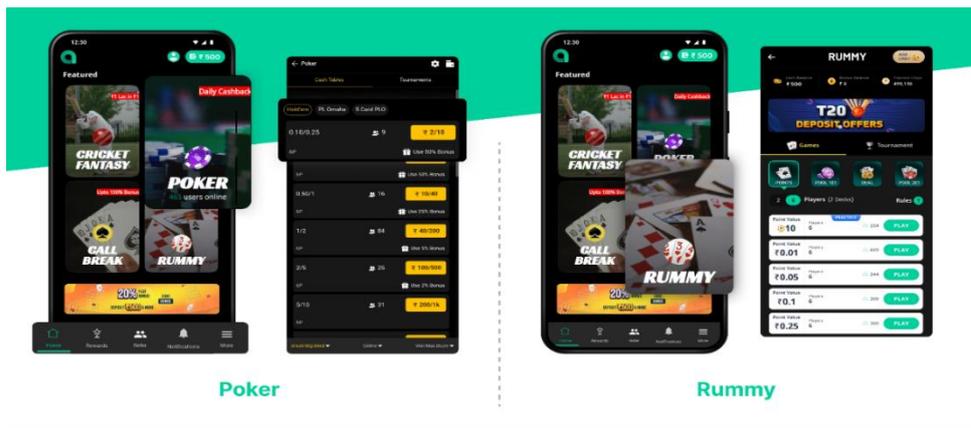
v) Numerous promotional activities pertaining to acquisition of gamers were undertaken by us through traditional and non-traditional channels during the fourth quarter of Fiscal 2021, and the first and second quarters of Fiscal 2022, leading to an increase in the MAUs, which translated to lower ARPUs.

vi) For the third quarter of Fiscal 2022, the normalisation post easing of the COVID-19 lockdown restrictions led to a decrease in the average MAUs translating to higher ARPUs.

### Adda.games application walkthrough

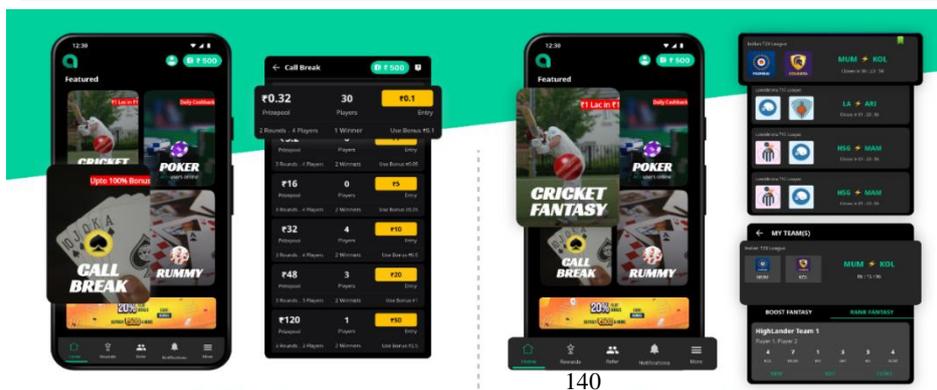


Multiple games to choose and play!



Poker

Rummy



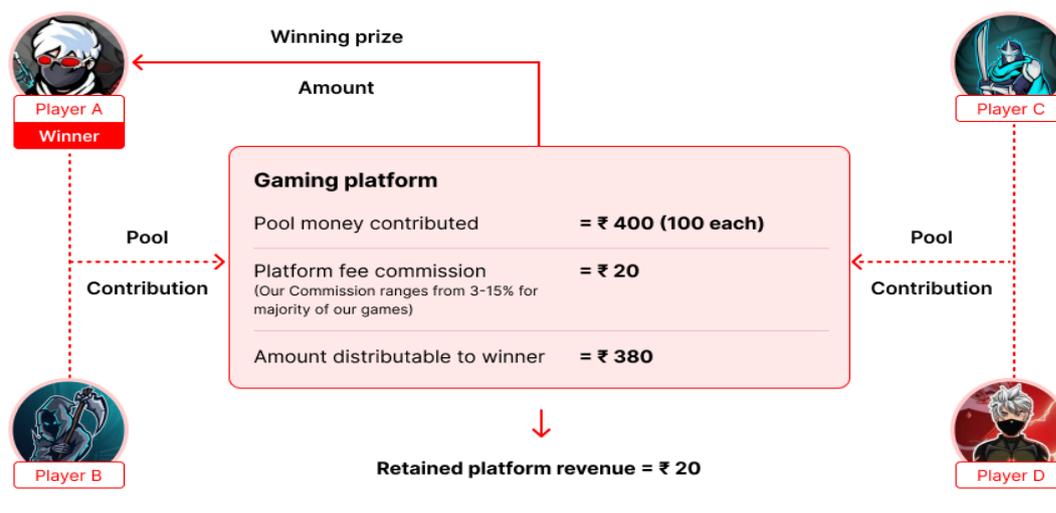
Call Break

Fantasy Cricket

## Revenue model

### Monetization workflow

Platform fee-based games (along with prize winnings):



Player A/B/C/D deposit money in a virtual account > Online platform holds the money as a fiduciary > Entire sum is transferred to the winner (excl. the platform fees)

\* Platform fee commission - Includes all taxes and levies

### The operating model broadly comprises the following:

Deposits are received through authorized payment gateways and kept in a bank account. The gaming platform has no right over the Deposits and are treated as actionable claims since the amount is refundable to the gamers. Of the amount deposited on the platform, the gamer pools the money into a gameplay (known as gamer contribution to the prize pool). A portion of the prize pool is deducted in the form of platform commission. The commission fee is considered as the consideration for facilitating gameplays by the gaming platform. The remaining prize pool (net of commission fee) is treated as a winning prize pool or 'pot'. The gamers play against each other on the platforms. The online platform is merely a facilitator of games, with no participation of its own in any game. Winnings are credited to the game winner(s)' accounts. The entire prize pool amount is distributed to the game winner(s), and such gamer is free to withdraw the winnings to his / her bank account or to further use it for gameplays. This acts as our core monetization model with commission percentages ranging from 3%-15% for majority of our games across all our platforms.

### Our Market Opportunity

Overall gaming market in India was valued between ₹ 149,000 - 150,000 million in Fiscal 2021 and between ₹ 201,000 - ₹ 202,000 million in Fiscal 2022. The industry is expected to grow at a CAGR of 32% and reach ₹ 600,000 - ₹ 630,000 million at the end of Fiscal 2026. While casual games attract the largest number of gamers and have been crucial in growing the mobile gaming culture in India, real money gaming attracts the highest paying gamers in mobile gaming. As a result, real money games have been the largest revenue source for India's gaming. This segment is expected to grow at 30% CAGR with growing expectation of regulatory clarity. Rise in propensity to pay among gamers and increase in ARPU will drive the growth of RMG games in the future. [Source: RedSeer Report]

While Single Game Platforms ("SGP") currently dominate the market with (~90%) market share; the upcoming format of Multigame platforms ("MGP") may get popular in the future. MGPs offer a wider variety of games to users; and is therefore able to attract gamers from a wider set of interests and abilities. It should conceptually also be able to retain them more by keeping them entertained and engaged for a longer time due to the wide array of game offerings. Furthermore, with the addition of a large number of new casual gamers, and rising popularity of social & multiplayer games, an organic growth of platforms with broader offering may be expected, as well. Gradually as these casual gamers evolve and mature, their spending is also expected to increase; which shall benefit the earning capability of gaming platforms, especially MGP; due to their nature of design. [Source: RedSeer Report]

In its current state, MGP is growing at ~40%; which is the highest across various segments of real money gaming; and is expected to be ~12% of the market by 2026. While, the relative share appears low, in absolute terms this translates to nearly ₹ 43,000 million (viz. ~4x in 5 years) by 2026. This explains the observed interest amongst gaming companies to explore and grow as Multi Gaming Platforms. [Source: RedSeer Report]

#### *Our Market Opportunity - Our initiatives*

With a view to seize market opportunities, we have taken certain initiatives across multiple fronts. We acquired multi-gaming technology under the brand 'Faboom', thereby expanding our footprint in the gaming industry. We constantly update and upgrade our variants on Adda52 to attract new gamers and to enhance the experience of the gamers, as it is published in-house and has end-to-end IP with product feature controls. For Adda.games, we enter into partnerships with multiple third-party developers in India and abroad, and it is a platform for real money gaming publishers, where we publish in-house games as well as third-party games. We also purchase codebases to further the bouquet of games offered. In our constant endeavour to improve and upgrade our offerings, we enter into partnerships for affiliate marketing, website and cloud services, software maintenance, content marketing, improving and maintaining the technology standards, etc. On Adda.games, we either enter into fixed fee contracts with game developers, where game developers are paid a fee per month, per game, or we enter into revenue sharing arrangements, where game developers are paid part of the commission on a slab basis.

Pursuant to the Scheme of Amalgamation dated June 8, 2017, between Gauss Networks Private Limited and our Promoter, the business undertaking of our Company was transferred to our Promoter, Delta Corp Limited, which is a listed company. Post this Scheme of Amalgamation, we witnessed organic growth in line with our goal to remain self-sustainable. We benefit from the strong parentage of our Promoter which helps us in utilizing its infrastructure resources, enabling us to seamlessly integrate our offerings into the offline offerings our Promoter.

On April 1, 2022, we entered into a revenue sharing agreement with our Promoter ("**Revenue Sharing Agreement**"), pursuant to which we are responsible for marketing and promoting poker card games at one of the poker rooms, named 'Adda52 Live', in one of our Promoter's casinos, 'Deltin Royale', ("**Casino**"). We are also required to, amongst other things, organise and run poker tournaments and other poker related festivals at least thrice a year at the Casino on mutually agreeable terms, including satellites, organise online tournaments to promote the 'Deltin' brand and promote 'Adda52 Live' to our entire database. In terms of this Revenue Sharing Agreement, we are entitled to 50% of the net revenue generated from poker games at 'Adda52 Live', which is calculated as the Gross Gaming Revenue generated by the Casino reduced by ₹ 7.50 million for every month (attributable to the monthly expenses of our Promoter). Further, we are required to pay to our Promoter 30% of the revenue generated from every tournament / festival / event that is organized, promoted, marketed, managed, operated and run by us on the Casino.

#### **Our Strengths**

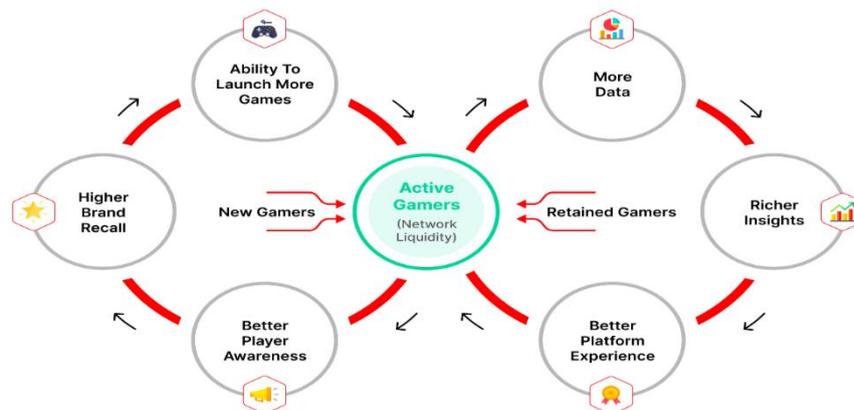
##### *Category pioneer with more than a decade of experience and market leadership by revenue.*

We believe our historical and current position in the pure-play poker platform provides us a strong foundation for continued growth and has also enabled Adda52 to be considered as a 'category pioneer'. We believe that our business model, coupled with our pan-India gamer base, has given us a competitive advantage and a higher network liquidity. This has helped us capture more than 34.5% of the market share for over seven years till Fiscal 2021. [Source: RedSeer Report]

Our poker offerings require network liquidity<sup>2</sup>, as it is a synchronous multi-player game, and we believe that this acts as a significant entry barrier for new entrants in the real money gaming business. The gamers compete against each other on Adda52, and we charge commission on the gamer contribution to the prize pool, which is eventually recognized as part of our gross revenue (including applicable taxes).

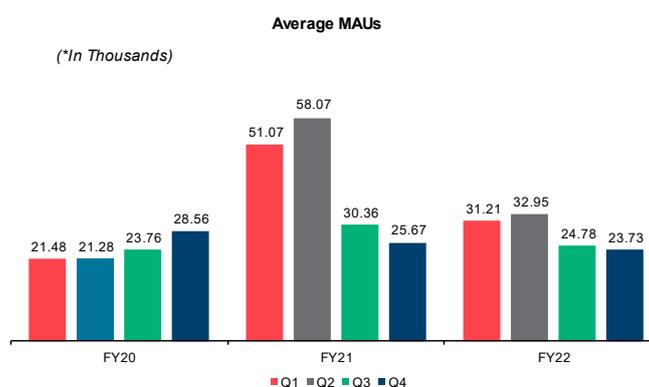
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<sup>2</sup> Network liquidity refers to the availability of multiple playing gamers at a given point of time.



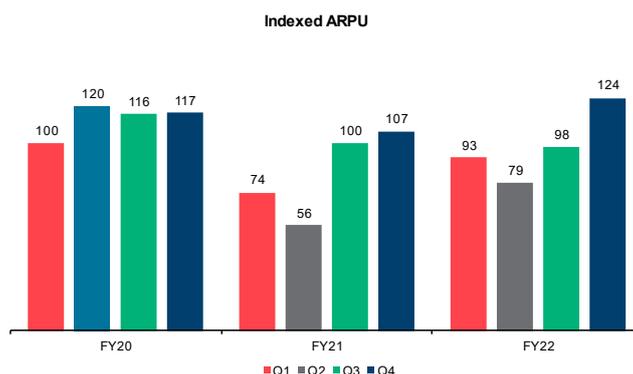
We believe that that our presence in the poker gaming business has provided us insight on preference of the large addressable market of gamers across India.

The quarterly average Monthly Active Users (“MAU”) for Adda52 for Fiscals 2022, 2021 and 2020, were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter.
- iii) The disproportionate increase in the average MAU for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.

Our indexed quarterly Average Revenue Per Gamer (ARPU) for Adda52, for Fiscals 2022, 2021 and 2020, was as follows:



- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2020. (“Adda52 Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda52 Base Index.
- iv) There was a spike in the active gamers in the first quarter of Fiscal 2021 due to the various lockdowns imposed on account of the COVID – 19 pandemic.
- v) During the second quarter of Fiscal 2021, the number of active gamers had amplified due to the COVID - 19 impact along with an OTT advertisement campaign run by the Company. This resulted in an increase in the number of active gamers, which resulted in lower ARPU.

We believe that we have successfully leveraged our leadership position, through Adda52, to expand into Adda.games, which has enhanced our cross-selling opportunities, as well as increased our gamer base.

In the online gaming industry, the new paying gamers grew from 40% in Fiscal 2020 to 50% in Fiscal 2021. [Source: RedSeer Report]. Due to the increasing number of new gamers coupled with our leadership position and our ability to attract new gamers, we have consistently high average MAUs on Adda52. The average MAU for the four quarters for Fiscal 2022 was 31,210, 32,951, 24,781 and 23,737. Our in-house technology platform facilitates us to be an online real money gaming provider with fully integrated offline play and simultaneously also ensures what we believe to be fair game play on our platforms. It also helps us to tailor-make the experience of our gamers after analyzing the gamer pattern.

We believe we are well-positioned against our competitors that operate in India and only in a single segment of gaming, as our presence in multiple game genres and a diverse cohort of gamers not only provides us with insights of heterogeneous consumer segments, but also offers us economies of scale, resulting in operating leverage.

***Our in-house technology and ability to leverage gamer data.***

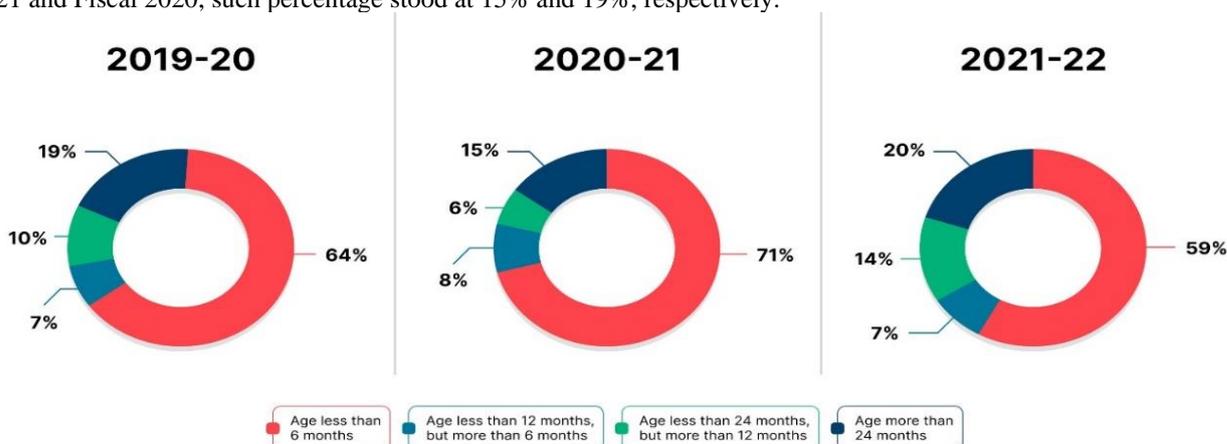
Our data analytics capabilities, powered by scalable data engineering, allows us to consume a large number of data points and leverage such technology by tracking the gamer preferences and the data from the games played by the gamers, such as, the preferred game of the gamers, the preferred variant, the range of buy-in and the frequency of playing the games of such gamers, to further enhance our offerings on our platforms. This has helped us understand our gamers and enables us to cater to their requirements, thereby monetizing our offerings, which in turn has helped in maintaining positive EBITDA. This has also enabled us to retain gamers on our platform.

The chart below reflects the indexed growth in the annual contribution of commission by the active gamers in that gamer cohort for Adda52, with each cohort representing new gamers who played their first game on our platform in a given Fiscal. For example, the cohort for Fiscal 2020, which includes all new gamers who played their first game on Adda52 in Fiscal 2020 and continue to play in Fiscal 2022, has collectively increased their gameplay and subsequent contribution of commission by 18.91 times as compared to Fiscal 2020.

Cohort	Y1	Y2	Y3
Fiscal 2020	1.00x	12.65x	18.91x
Fiscal 2021	1.00x	15.64x	
Fiscal 2022	1.00x		

- i) A cohort represents all the new gamers who played their first game on our platform in a given Fiscal.
- ii) For any given cohort, the indexed base (1.00x) = First Fiscal’s contribution of commission by that cohort (“Indexed Contribution by Cohorts”).
- iii) For subsequent Fiscals, the indexed values are calculated as the contribution of commission for the respective Fiscal divided by the Indexed Contribution by Cohorts.

We believe that we have been able to successfully retain our gamers. In any given month, we have consistently retained gamers aged more than 24 months, on our flagship platform – Adda52. The age of a gamer on the platforms is calculated as the age of such a gamer in terms of months from their first gameplay. For Fiscal 2022, on an average, 20% of the total active gamers were on our platforms with age more than 24 months. For Fiscal 2021 and Fiscal 2020, such percentage stood at 15% and 19%, respectively.



- i) The age of a gamer in any given month is calculated from the first gameplay month to the respective month in consideration for the Fiscal. (“Gamer Age”)
- ii) The gamer retention percentages for a particular month has been calculated as the sum of the active gamers in the relevant periods presented above (which represents the different categories of Gamer Age, i.e. less than six months, greater than six months but less than 12 months, greater than 12 months but less than 24 months and more than 24 months) divided by the MAU of the particular month. (“Gamer Retention”)
- iii) The percentages presented for Fiscals 2022, 2021 and 2020 are the monthly averages of the Gamer Retention.

We have, over the years, on a continuous basis, invested in building our in-house platform. We believe that our in-house platform, developed by our engineers, is built on distributed and scalable architecture that provides a flexible, secure and uninterrupted playing experience to our gamers. We believe our agile development methodology provides us with the necessary speed for innovation. Our gamer data pool, and insights into gamer preferences has allowed us to drive innovations and relevance, leading to positive engagement for our gamers. We have also acquired the multi-gaming technology under the brand 'Faboom' and re-branded it as the Adda.games platform which hosts a bouquet of multi-player real money games and have further developed and continue to develop to create new variants and tournaments as per the preference of the gamer.

Our platforms are ably supported by our technology team, which consists of approximately 1/3<sup>rd</sup> of our total employees and serves the core of our IP for both, Adda52 and Adda.games. We continue to evolve partnerships and alliances with developers, building a developer ecosystem and at the same time strengthen our core capabilities – game technology. We continuously build and acquire technologies for new offerings, wherein we have started collaborating with third-party developers on different models, such as, fixed fee basis, revenue-share basis, etc.

***Demonstrated capabilities of building a real money gaming business with consistent positive operating cash flows and EBIDTA.***

We are India's first online poker platform, offering multiple poker variants, which provides its gamers a super gaming experience with attractive and simple designs and engaging features. [Source: RedSeer Report] Adda52 provides fully integrated online play to its gamers and is supported by an in-house technology platform. As on March 31, 2021, Adda52 is India's no. 1 pure-play poker platform in terms of revenue. [Source: Redseer Report].

In line with our goal to remain self-sustainable, we have not relied on any external investments since our Promoter, Delta Corp Limited, acquired 100% of our shareholding. The increase in the number of our cumulative registered gamer base from 2.72 million in Fiscal 2020 to 5.55 million in Fiscal 2022 has helped increase the network liquidity on our platform which has translated in consistent generation of positive operating cash flows and EBIDTA. While our cash generated from operations for Fiscals 2022, 2021 and 2020 was ₹ 48.74 million, ₹ 241.26 million and ₹ 433.31 million, respectively, our EBITDA for such period was ₹ 34.89 million, ₹ 282.50 million and ₹ 427.22 million, respectively.

***Strength of the 'DELTIN' brand and strong parentage of our Promoter, Delta Corp Limited, a leading company in the gaming industry in India***

In Fiscal 2017, our Promoter, Delta Corp Limited, acquired 100% of our shareholding pursuant to the Scheme of arrangement. Our Promoter has an established track record of being involved in the casino gaming industry in India and is the only listed company engaged in the casino gaming industry in India having a presence in the offshore casino gaming space. Our Promoter along with its subsidiaries, currently owns and operate casinos in India in the states of Goa and Sikkim. We seek to leverage our Promoter's capabilities, technical know-how and benefit from their in-depth understanding of the gaming industry in India. We believe that the 'DELTIN' brand is the first integrated gaming and hospitality brand in India, and we benefit from the strong parentage of our Promoter. The parentage of our Promoter also helps us in attracting talent, exploring potential business opportunities and accessing capital.

Our Promoter's presence in the offshore casino gaming space has helped us to build aspirational value around our live poker tournaments. The destination of such live poker tournaments allows us to provide an immersive poker tournament experience to the gamers which includes a five star stay, live entertainment and a physical destination for our poker tournaments. In the past, we have run multiple promotions / campaigns where, for instance, a gamer plays the first part of a tournament online and, based on whether such gamer qualifies in the top rung of such tournament, such gamer gets to play the final table in person at the Adda52 poker room at our Promoter's casino. We believe that live tournaments for all real money games have an aspirational value for the gamers as they get to physically interact with fellow gamers and build-up audience. We endeavor to seamlessly integrate our offerings with the offline casino infrastructure of our Promoter to enhance cross-sell opportunities, which enables us to increase our omni-channel presence across various offerings. For details, see, "- Our Market Opportunity - Our initiatives" on page 142.

As our Promoter increases its physical footprint of live casinos, we believe that Adda52 and Adda.games will be able to consequently provide varied locational flavours. We believe that the 'DELTIN' brand provides us with a competitive advantage, particularly in attracting gamers. Live poker rooms in the casinos enable our team members to interact with gamers and introduce the concept of online poker. Similarly, for Adda.games, all such casino walk-ins are potential gamers, and this infrastructure for introducing the online gaming concept also extends to such gamers.

Our Promoter’s offline presence helps in trust building, physical presence as a brand that has always helped gamers, and we believe that Adda52 and Adda.games are now synonymous with Delta Corp Limited. We believe that we further benefit from Delta Corp Limited’s presence and the trust infrastructure created by them in the Indian organised gaming and entertainment industry to continuously hone our strategies for ensuring better engagement with our gamers and thereby improve overall gamer experience and encourage brand loyalty. We believe that our presence in the online gaming sector, coupled with that of Delta Corp Limited’s presence across the electronic and live gaming industry, will result in the brand ‘DELTIN’ being recognised as a leading brand, synonymous with a presence across multiple formats in the gaming and hospitality industry.

***Experienced management team with a proven track record.***

Our Board comprises of Directors with substantial experience in managing, advising and investing in technology companies. Our Directors and KMPs have experience in the various industries and have been responsible in augmenting relationships with various stakeholders which has helped our Company expand and has contributed to the growth trajectory of our Company. We have a seasoned professional leadership team, consisting of our Chief Executive Officer, Chief Finance Officer and the Key Managerial Personnel, each of whom have considerable experience in the field of technology, building consumer brands, e-commerce and real money gaming businesses. Our Chief Executive Officer has over 19 years of experience across consumer businesses, corporate strategy and investment banking, and our Chief Financial Officer has over 24 years of experience in finance and treasury operations. They are supported by experienced senior managers who have extensive industry knowledge and have been associated with us as well as with leading multinational companies in India and outside India for a long period of time.

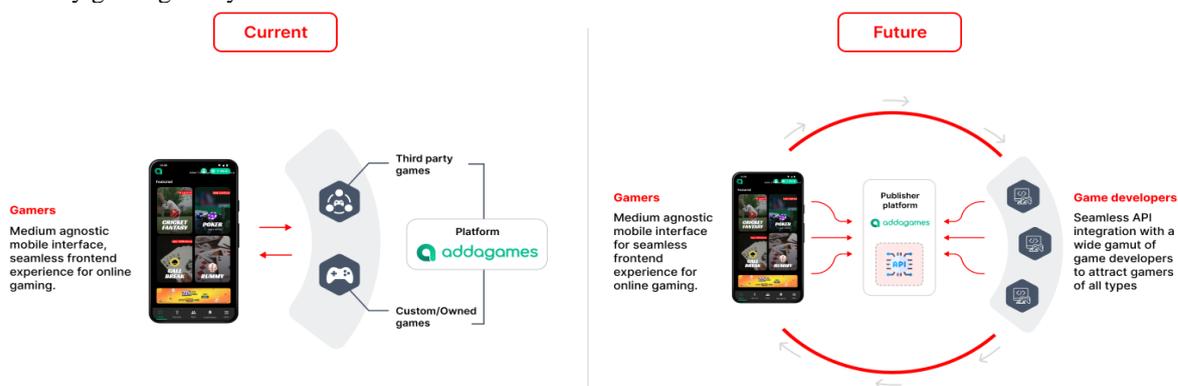
We believe that our management team has demonstrated entrepreneurial abilities and have developed and executed a focused strategy to grow our business, enabling us to strengthen our market position and deliver robust financial performance. We believe that the industry knowledge, vision and leadership of our executive leadership team, combined with their extensive experience, provide us with a competitive advantage and are instrumental in enabling us to attract high-quality talent, drive implementation of our strategy and achieve of our long-term objective of delivering sustainable growth across our businesses. For further details, see “Our Management” on page 171.

**Our Strategies**

***Continue to elevate the gamer experience by investing in products, technology and data science***

We believe that investment in our platforms and offerings is essential to capitalize our growth opportunities and improve effectiveness of our gamer retention activities and, therefore, we have, over the years, invested in building our in-house platforms and we continue to evolve them. We intend to continue growing our existing technological capabilities and expanding our domain expertise by identifying sectors with growth potential and recruiting industry experts in such sectors who can add value to our products and solutions and help us enhance gamer experience on our platforms. We plan to expand our technology team as we believe our investments in infrastructure will allow us to extend our technology leadership and provide gamers with a seamless experience along with the latest infrastructure.

We intend to invest in technology and plan to open Adda.games to game developers, and create a publisher ecosystem, where developers partner with us to jointly monetize our offerings. We believe that our proposed open system for third party developers will uniquely position us as a real money gaming digital arcade for our gamers. We will continue to look for further investments in infrastructure which will further extend our potential in the real money gaming ecosystem.



For Adda.games, we plan to have a mix of different games which would be conducive to different gamer pools and will also require mature core technology and data intelligence to drive gamer experience. We believe that such a mixed bouquet will enable us to attract a higher wallet share from real-money gamers.

For our existing platforms, we plan to invest in our product development and engineering capabilities to offer an enhanced gamer experience through, amongst others, (a) building a gamification framework which reacts to gamer actions across the formats in real-time and incentivizes them to improve product retention; (b) upgrading and automating the testing frameworks to further reduce the release time and ensure a performant product shipped to a gamer; (c) to keep up with security trends, continuously upgrading and investing in our security framework to ensure the platform is safeguarded from cyber threats; (d) building a recommendation delivery engine, which feeds on data capabilities, such as artificial learning and machine learning, in order to provide hyper-personalization; (e) creating a gamer service cloud to capture all gamer feedback, analyze and understand their sentiments, reacting in order to increase the gamer happiness quotient; (f) engineering development towards technology empowerment and automation of internal processes to business functions; and (g) creating an interactive learning framework on our platforms through which any gamer, upon request and subscribing to such framework can understand the games and their variants as courses, seek expert help and monitor his/her progress in the game.

We intend to also continue to build our data infrastructure to enhance our artificial intelligence capabilities to improve the experience of our gamers by providing more personalized experiences. Specifically, we intend to develop our data science capabilities through, amongst others, (a) architecting big data systems to store and process real-time gamer click stream and events data for analytics and business intelligence; (b) building predictive models using machine learning to optimize churn, retention, *etc.*; (c) to augment fair gameplay capabilities, by integration of predictive systems; and (d) engineering a real-time monitoring and alerting engine to work as a real-time intelligence feed to business. We believe that such enhancements will help us with hyper-customization and will help in improving our retention rates even further.

#### ***Strengthening and expanding the Adda52 ecosystem.***

We intend to maintain our record of leadership in our poker offering by exploring inorganic acquisitions and continue to increase our registered gamer base and focus on increasing the retention of our gamers. This will help us in improving the network liquidity on our platform. We plan to popularise poker across the country, specifically in Tier-II and Tier-III cities where we see increased interest, by hosting promotional activities through traditional and non-traditional channels, thereby widening the gamer funnel for Adda52.

We further intend to build on our brand visibility and gamer engagement through marketing and business promotional activities for Adda52 towards acquisition of new gamers and retention of existing gamers for building our gaming platforms. By using our gamer data pools and insights into gamer preferences, we intend to engage with gamers through targeted personalized campaigns and develop new and suitable poker variants.

We intend to continue to build our offline capabilities through the live poker rooms in our Promoter's casinos leveraging the strong parentage of our Promoters and continue to establish Adda52 as a lifestyle brand.

#### ***Enhancing and scaling Adda.games.***

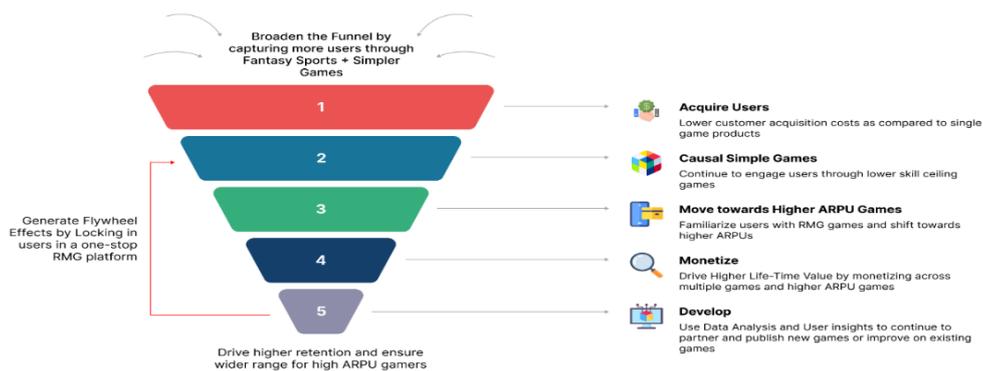
We intend to leverage our in-house technology and our infrastructure coupled with the affordable smartphone penetration and tailwinds in internet access in India to innovate and introduce various games to capture a higher wallet share from real money gamers. While Adda52Rummy is currently offered through a separate platform, for the growth of rummy, we intend to merge Adda52Rummy into Adda.games in the near future.

#### ***Growth pivot for Adda.games***

We intend to increase the Adda.games footprint by increasing gamer engagement to take place through casual games where the learning curve of such games is faster, paired with cost-effective acquisition through performance marketing coupled with the brand campaigns and brand ambassadors on popular game variants like Fantasy Cricket. The multi-game offering enables conversion of gamers on the platform facilitating choice of games, and we intend to use popular game formats, such as fantasy cricket, to act as a funnel and acquire more gamers at a lower cost and introduce our gamers to, and offer, high ARPU games, such as poker and rummy, which we believe will increase their time spent on our platforms and drive monetisation. We further intend to increase retention through data intelligence and gamer insights, thereby improving existing games and gamer flows and at the same time introducing and publishing more games on the platform by launching a developer

ecosystem, as articulated in our technology strategy.

### Our growth pivot: adda.games



**Pursue strategic investments and acquisition opportunities for multi-gaming platforms and launching new games.**

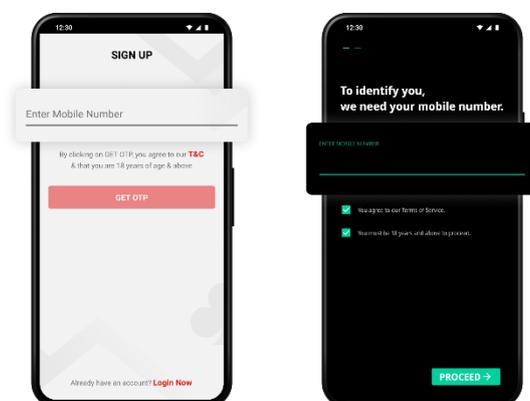
In line with our growth strategy, we intend to continue pursuing strategic investment and acquisition opportunities, including investing in multi-gaming platforms, to grow our gamer base, deepen our market penetration and further expand our offerings and products into complementary categories and new markets. Globally, the real money gaming segment has witnessed high rate of mergers and acquisitions amongst players with an intention to further consolidate the market, grow the gamer base and often leverage cross-game activity. [Source: RedSeer Report]. India’s evolving gaming market is driven by an entrepreneurial ecosystem; characterized by aggressive, young companies with rapid growth. [Source: RedSeer Report] We intend to continue our expansion plans through inorganic growth opportunities in underserved markets and geographies that complement our existing operations.

Some of the key factors we would continue to look for in investee companies would include large total addressable market clear use cases, focused on growth capital, involving low risk capital. Critical considerations would also include visibility of leadership in the addressable verticals and synergies with our business offerings, vision and principles. We also intend to continue leveraging our existing strategic partnerships to enhance our capabilities and market positions across all the business sectors within which we operate.

### Business Offerings

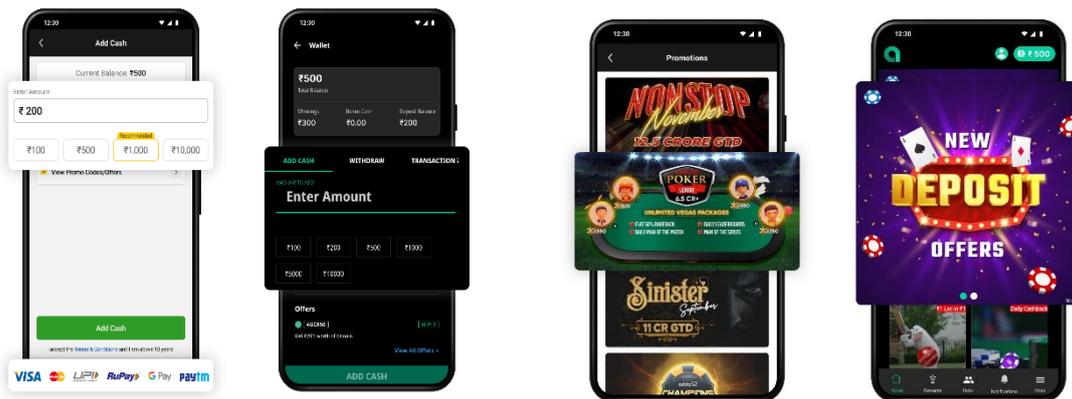
We are a digitally native, technology-led gaming company, delivering a gamer-centric experience across our various offerings. Our core competencies have been our investment in building our own in-house platforms and our data intelligence capabilities. We acquire new gamers through marketing, celebrity-led campaigns, influencer marketing and other promotional activities, and retain existing gamers through reward-based engagement activities, such as leaderboards and challenges.

Our platforms require a simple two-step registration, based on mobile number / OTP verification. Sign-up bonuses are given to gamers with pre-defined validity.



**Register for Free and start playing!**

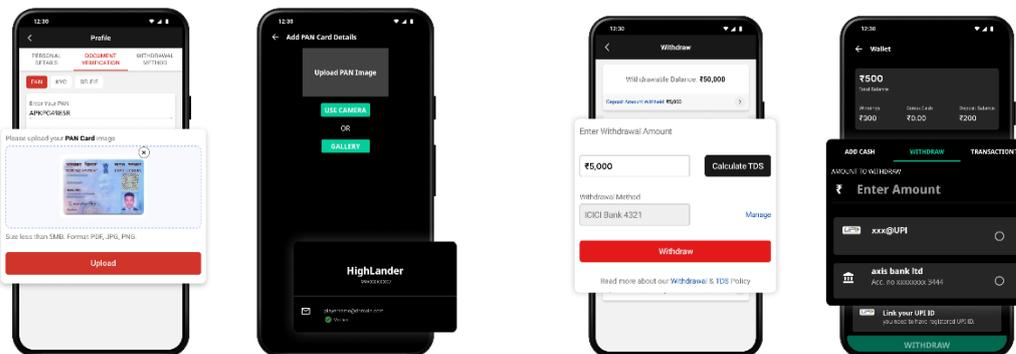
Cash deposits are accompanied by attractive offers and benefits for gamers. Bonuses, free tournament tickets and other give aways form part of cash deposit offers, based on the deposit amount opted for by the gamers. This is enabled by a safe and secure payment ecosystem, powered by reputed payment gateways in the country. Payment channels offered on our platforms are net banking, credit and debit cards, UPI and wallets.



Add money by way of Net Banking, Credit and Debit Cards, UPI and Wallets.

Promotions & Offers!

The withdrawals of winnings are equally simple and secure. All gamers mandatorily need to complete their KYC verification before initiating a withdrawal request. Gamers across different loyalty levels have preset limits on the maximum number of withdrawals and the maximum amount that can be withdrawn *via* each withdrawal request.



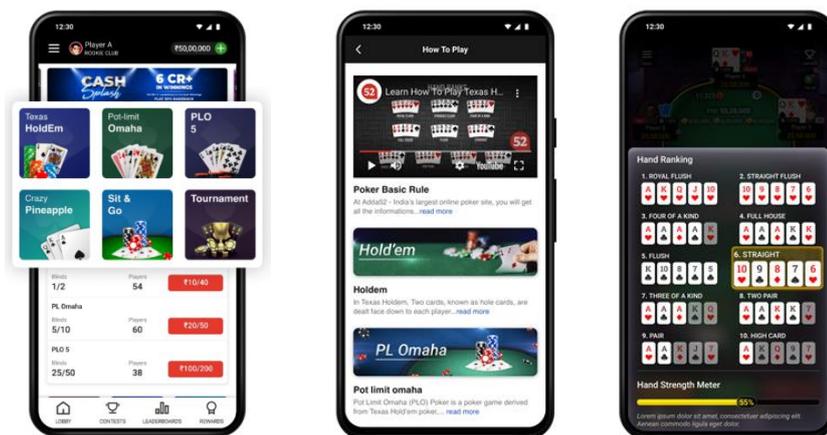
KYC mandatory for withdrawals

Withdraw your winnings when required

We offer various games on our platforms, such as:

**Poker:**

‘Poker’ is a card game in which gamers compete to win the pot. In the first round, all gamers are distributed an equal number of cards randomly, thus giving each gamer an equal and fair opportunity to win the game. As the game progresses and more cards open face up on the table, each gamer assesses the strength of the hand they hold, as opposed to the hand that their opponents are likely to have and, based on such decisions, the gamers take a call on the amount to be contributed to the pool. This further leads to the winner(s) of the pot based on the strength of the hand they hold.



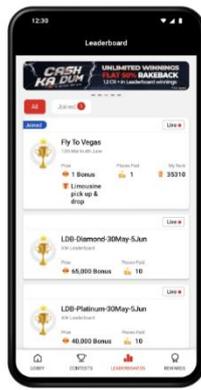
Poker Game lobby!

How to play

Hand ranking



**Game Table**

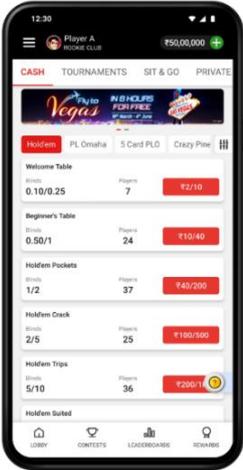
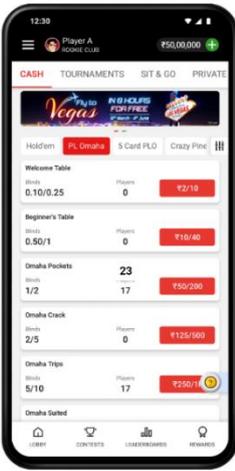


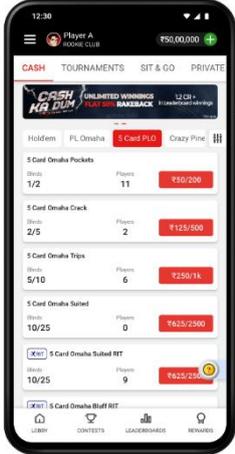
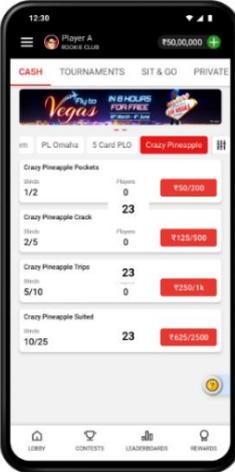
**Leaderboards**



**Leaderboard Rankings**

We host various variants of poker, such as:

Poker variant	Variant details
<p>i) Texas Hold'em Poker:</p> 	<p>In the Texas Hold'em Poker variant, before the game starts, two face-down cards, referred to as hole cards, are distributed to all the gamers. Five community cards are also dealt into play, and, as the game progresses, opened face-up. The game begins before any of the community cards are exposed, and continues throughout the hand. A gamer may use any combination of the seven cards available to make the best possible five-card poker hand, using zero, one, or two of their private hole cards. The player's 'playing hand', is compared against that of each competing player, and the winner (the player with the best five card poker hand available from his two hole cards and the five community cards, based on the best combination of cards as per the hand ranking chart) gets the final pot (with all the contribution of the pool).</p>
<p>ii) Pot Limit Omaha (PLO)</p> 	<p>In the Pot Limit Omaha variant, before the game starts, four hole cards are distributed to all the gamers. Five community cards are also dealt into play, and, as the game progresses, opened face-up. The objective of this game is to make the best five-card poker hand by using exactly three of the community cards, together with exactly two of a gamer's hole cards. The winner gets the final pot (with all the contribution of the pool) based on the best combination of cards as per the hand ranking chart.</p>

Poker variant	Variant details
<p>iii) 5 Card PLO</p> 	<p>In the 5 Card PLO variant, before the game starts, five hole cards are distributed to all the gamers. Five community cards are also dealt into play, and, as the game progresses, opened face-up. The objective of this game is to make the best five-card poker hand by using exactly three of the community cards, together with exactly two of a gamer's hole cards. The winner gets the final pot (with all the contribution of the pool) based on the best combination of cards as per the hand ranking chart.</p>
<p>iv) 5 Crazy Pineapple</p> 	<p>In the 5 Crazy Pineapple variant, before the game starts, three hole cards are distributed to all the gamers. Five community cards are also dealt into play, and, as the game progresses, opened face-up. One of these three hole cards needs to be discarded after the first round. Once this hole card is discarded, each gamer may use any combination of the seven cards available to make the best possible five-card poker hand, using zero, one, or two of their private hole cards. The winner gets the final pot (with all the contribution of the pool) based on the best combination of cards as per the hand ranking chart.</p>

**Monetization:** The gamers contribute money from their wallets on the platform to make a pot. We charge commission from every winning pot. The winner receives the proceeds from the winning pot (less commission). The commission is equal to 'x' % of the pot in each hand, along with applicable taxes, which are collected by the platform from the winning pot amount, with a predefined maximum amount to be deducted. We charge an entry fee from gamers to participate in tournaments. Such entry fees have two components: pot contribution and commission. At the end of each tournament, the winners get prizes from the pot, as per the pre-declared prize structure.

### Rummy

Rummy is a card game that is played with one or multiple decks of cards with a total of two printed 'jokers'. A gamer must make a valid declaration by picking and discarding cards from the two piles of playing cards. One pile is a closed deck, where a gamer is unable to see the card that he is picking, while the other is an open deck that is formed by the cards discarded by the players. To win, the gamers have to group cards in valid sequences<sup>3</sup> and sets<sup>4</sup> and they need to make a minimum number of sequences, out of which, one needs to be a pure sequence<sup>5</sup>. The rest of the cards can be any valid sequence or sets. Without a pure sequence, you cannot make a valid rummy declaration.

<sup>3</sup> A sequence is a group of three or more cards of the same suit, placed in a consecutive order.

<sup>4</sup> A set is a group of three or more cards of the same value but of different suits. When you are forming sets, you can use wild cards and 'jokers'.

<sup>5</sup> A pure sequence in rummy refers to a sequence without the use of any 'joker' or a wild card. When any 'joker' is used to form a sequence, it is called an impure sequence.



**Rummy Lobby**



**Game Table**

We host various variants of rummy, such as:

Rummy variant	Variant details
i) 13 Cards Rummy	
a) 13 Card Points Rummy	
b) 13 Card Pool Rummy	
c) 13 Card Deals Rummy	
ii) 21 Card Points Rummy	

## Monetization:

- Points Rummy:** For Points Rummy, the platform deducts commission ( $x\%$ ) from the winning amount. The winning amount is the sum of all the points of the gamers who have lost  $x$  the points value.
- Deals Rummy and Pool Rummy:** For Deals Rummy and Pool Rummy, the gamers need to pay fixed entry fees to play a game which is used to form the prize pool. The platform deducts fees at the entry level, before the game starts, and the winners receive the remaining amount.

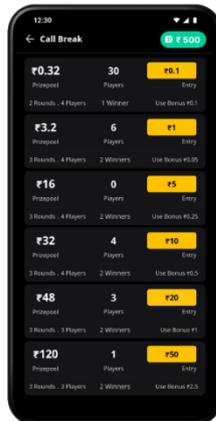
## Call break

Call break is a card game of four or three gamers. In a four-gamer game, each gamer gets 13 cards and in a three-gamer game, each gamer gets 12 random cards, and each suit contains nine cards instead of 13, starting from '6' (minimum) to 'Ace'. At the start of every round, each gamer strategically bids the number of hands he / she expects to win, based on the cards he / she has got and, to win a hand, a gamer plays the highest card of the same suit, or if the gamer does not have the same suit, plays a card from the 'spade' suit. (Spade being considered as the highest suit) and in case he / she does not have the spade suit, any other card of any other suit.

The scoring for this game is based on total hands won. The gamer gets one point for each bid if it is equal to the bid and one point for each bid and 0.1 point for each extra bid, in case the hands won are more than the bid. In case the hands won are less than the bid, the gamer gets a negative point for each bid. At the end of all the rounds, the gamers' ranks are calculated, based on the final score. The gamers with the highest scores win.



Call Break



Call Break Lobby



Call Break Game Table

## Monetization

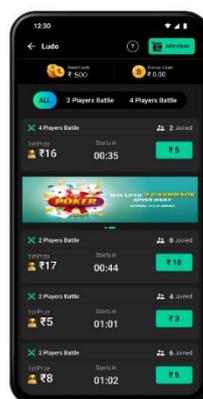
The gamers pay an entry fee to play a game. The entry fee has two components - pot contribution and commission. At the end of each game, the pot is divided amongst the winners, as per the pre-declared prize structure.

## Ludo battle

There is no dice in the game. All tokens are open from the beginning of the game. To start a token's movement, a '6' is not required. Every gamer gets an equal and fixed number of moves but the sequence will be random for each. The move sequence is visible to the gamer upfront. The gamer takes input of his / her sequence and placement of tokens of the opponents to define the strategy to make maximum points and win the game. Once all moves are completed by the gamers, the winner is decided based on the highest points.



Ludo Battle



Games List



Game table

## Monetization

The gamers needs to pay an entry fee to play a game. The platform deducts commission from the fees and the balance contributes to the prize pool to be distributed to the winners.

### Daily Fantasy Sports

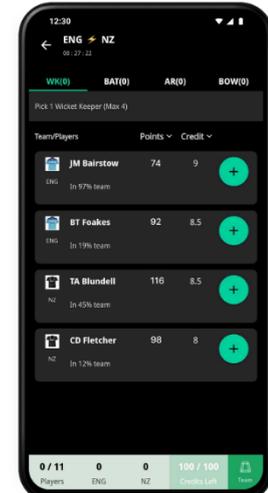
Fantasy cricket is a game where gamers make virtual teams consisting of real cricket players. These teams compete based on the statistical performance of such players in actual cricket matches. The gamers cannot choose more than 'x' players from a single team and there are 100 credits to choose 11 players, and the gamers have to choose the players within such limit of 100 credits. Each virtual team earns points based on the selected players' performances in the real cricket match. Rankings and points are updated and displayed during, and at the end of, each cricket match. After verifying the fantasy scorecard with our live cricket feed, the points and scores are updated after every match, and the gamer with the highest points wins the game.



Cricket Fantasy



Games List



Team Selection

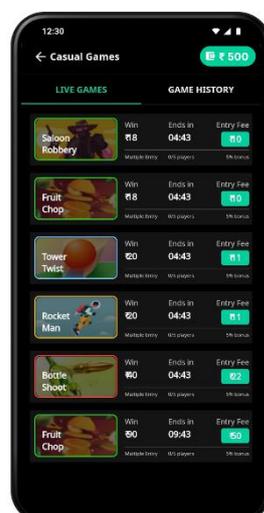
The gamers pay an entry fee to play a contest. The entry fee has two components - pot contribution and commission. At the end of each contest, the pot is divided amongst the winners, as per the pre-declared prize structure.

### Real money casual games

We also host various real money casual games where the gamers pay an entry fee to play a contest. The entry fee has two components - pot contribution and commission. At the end of each contest, the pot is divided amongst the winners, as per the pre-declared prize structure.



WarZone



Games list



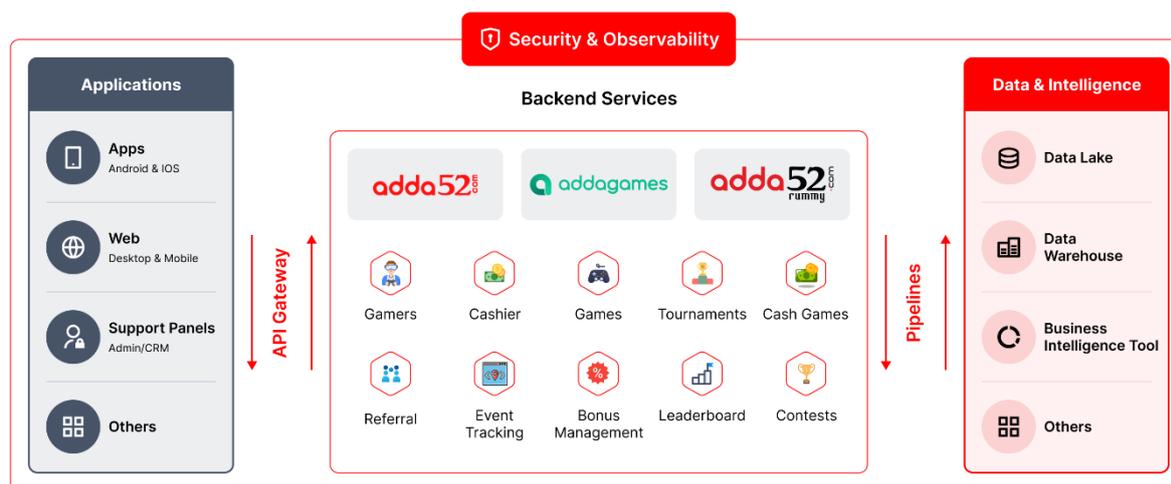
Game room

## Technology landscape

### Introduction

Our technology platform is key to our business growth and strategy. It is custom built, using open-source technologies, to keep up with the ever-growing technology landscape and to cater to the needs and preferences of our gamers and third-party developers on our platforms. The core of our platforms is the architecture itself. We believe that the products built using our distributed architecture are, secure, scalable, to ensure gamers' uninterrupted user experience.

### Deltatech Technology Platform



### Security & Observability

Security is common across the architecture and plays an important role to ensure gamers a safe gaming experience so that their personal data is secure and games are played without tampering. All data exchanges between our clients (as described below) and within the servers are transferred securely using cryptographic protocols and sensitive information is hashed, data transfer is logged and monitored closely by automated anomaly detection tools, which blocks or raises an alert when any malicious pattern in gamer behaviour is sighted.

Our platform is audited periodically by third party specialists to review our security processes and we continuously strive to adapt, so as to keep the platform abreast with the latest security trends and protocols.

We follow an iterative approach for security:

- Prevent - harden and isolate systems to prevent security breaches;
- Defect - prioritize instances of risk and defects, and contain such incidents;
- Respond - investigate incidents, design policy changes and conduct retrospective analysis; and
- Predict - assess risk, anticipate attacks and implement baseline systems.

These security measures help us in ensuring that our systems are never overloaded by unwanted traffic and ensure a smooth real-time gaming experience with minimal downtime.

Observability provides us details of actions taken by the gamers or data exchanges between the servers. All data is logged centrally to monitor, analyze and raise alerts proactively, before an event or incident occurs. Constant observation and flagging of anomalies ensures that our reaction time to any issue is close to real-time, leading to a consistent gameplay experience, which is a critical input in gaining gamer trust.

## **Technology Clients**

Our platform supports multiple technology clients, which are divided into consumer facing clients and internal clients.

- a) Consumer facing clients are used by end users - gamers, across different formats and devices. These clients onboard gamers and allow them to play the games. Adda52 provides gaming experiences across mobile, web and desktop clients. This approach has ensured that we are able to attract and retain gamers across their lifecycle and ensures provision of a gaming experience to gamers, regardless of their device preference. With increased gamer confidence, we have experienced that such gamers typically tend to play on multiple tables simultaneously. In order for a gamer to play on multiple tables simultaneously, our desktop client helps, as the gamer is now playing on a larger screen. As the number of players playing on multiple tables increases, the platform witnesses increased network liquidity.

Adda.games is a mobile first platform, catering to the mobile first generation. However, we believe our strength of operating multiple clients across the access medium will help us to launch Adda.games on different clients faster. We are already extending the poker liquidity across the clients with Adda.games.

- b) Internal clients are used by business operations teams such as CRM, marketing (revenue operations), *etc.*, and these clients help the team to streamline or automate their day-to-day functions. Our frictionless internal clients enable our operational teams to configure campaigns, tournaments, promotional offers, *etc.* without much manual interventions. This approach has helped us in improving our productivity and efficiency, while ensuring that we are able to meet the changing and varied demands of our gamers.

Our technology experience in building and running internal clients for poker are extendable to Adda.games with slight modifications.

## **Scalable and Distributed services architecture:**

Our platform, Adda52, experiences surges in gamers on a regular basis. Specifically, during tournament seasons we see sizeable increases in our concurrent gamers. Our scalable hardware architecture intends to ensure that during these spikes, the gamer experience is uninterrupted. A seamless gaming experience, without any slowdown or downtime, ensures gamer confidence on the platform, providing them with the requisite safety to deploy their time and money on the platform.

The services of our platform are componentized and work in isolation while still communicating with each other to perform the operations needed, thus providing flexibility and scalability without any interdependencies. These services are requirements for all our platforms, thus enabling us to provide a seamless consumer experience across our platforms.

## **Data**

Data is present in every layer or service across the architecture of our platforms and every data point is captured and stored into a data lake. This data is extracted, transposed and loaded into a data warehouse system for further analysis. The data present in the warehouse is then modeled and used for dashboarding, reporting, developing gamer insights and, later, providing recommendations that are more personal to each gamer, thus providing a unique experience.

The insights we gather from our data enable us to operate our network flywheels. We believe our insights helps us to – attract and retain gamers, personalize our promotional offerings, contests and challenges, customize the tournament structures, launch new game variants, launch targeted acquisition and retention campaigns. Data insights also ensure provision of a safe gaming environment, by ensuring that any non-compliant behavior is identified and actioned upon. We believe that, for the gamers, this helps to cross the trust hurdle and leads to stickiness on our platforms.

## **Growth capabilities**

Our growth capabilities across our platforms:

Over the past 10 years, Adda52 has created brand presence through sustained brand activities over television, OTT, outdoors and digital channels. We believe this has helped us generate brand recall and has increased the reach of our games and enabled us to acquire new gamers. Adda.games is following a similar growth strategy of

reach, recall, conversion and retention. Adda.games will rope in celebrities and influencers as brand ambassadors to create brand momentum through TV, OTT and digital channels. This will be supported by sustained performance marketing campaigns via social-media channels in a cost-effective way to drive conversion.

We have access to gamer preferences and data linked to their gameplay, such as variety of games played, variations played, number of games played, buy-in ranges, playing frequency, etc. This helps in developing deep insights and intelligence to understand gamer preferences. These generated gamer preferences and insights are detailed and help us understand:

- the most likely game that the gamer would play next
- the preferred buy-in of the gamer
- the likely deposit amount of the gamer
- the number of games that the gamer would be likely to play?

We deliver these insights through promotions to our gamers. We host a variety of leaderboards that run on our platform on an hourly, daily, weekly and monthly basis. Such variety in leaderboards gives every gamer the flexibility to play according to her / her preferred day and time. The leaderboard prize structure is created in a manner such that it rewards gamers on the basis of their gameplay and to a wider gaming community. We believe that the flexibility and diversity of these leaderboards is the biggest driving force of engagement and retention.

We also endeavour to integrate our offerings into the offline offerings of our Promoter, which creates a mix of online and live experiences. Our Promoter's leadership in the offshore casino gaming space has helped us build aspirational value around our live poker tournaments. The destination of such live poker tournaments allows us to provide an immersive poker tournament experience to the gamers which includes a five star stay, live entertainment and a physical destination for our poker tournaments. In the past, we have run multiple promotions / campaigns where, for instance, a gamer plays the first part of a tournament online and, based on whether such gamer qualifies in the top rung of such tournament, such gamer gets to play the final table in person at the Adda52 poker room at our Promoter's casino. We believe as we grow Adda.games, such offline capabilities will give us an edge over other multi-gaming platforms. We believe that live tournaments for all real money games have an aspirational value for the gamers as they get to physically interact with fellow gamers and build-up audience. We endeavour to seamlessly integrate our offerings with the offline casino infrastructure of our Promoter to enhance cross-sell opportunities, which enables us to increase our omni-channel presence across various offerings.

Adda52 has been successful in retaining gamers for more than 24 months. We believe the main reason for such stickiness is the diversity of game variants, game stakes and promotion flexibility. Based on the generated gamer preferences and insights, gamers are categorised across different segments and the engagement planned for each segment is triggered. We believe we can deliver this experience at scale, which is reflective in our retention outcomes.

All data points captured via various gamer journeys (like registration, login, deposits, gameplay, etc.) are stored in transaction databases, ETL (Extract Transform Load) tools move these data points (via data pipelines) to a data warehouse. The data team builds data models on data warehouses using an online business intelligence tool.

The business intelligence team leverages the dashboards and technology mentioned above (transaction databases, ETL, data warehouse, etc.) to perform complex data analysis for simulations and forecasting to drive key business decisions. A recent example of this was our 'Fly to Vegas' promotions, in this instance our team used the historical playing patterns of the gamers to finalize the Poker Game Points targets. Based on this data, we simulated the number of gamers that would achieve these targets and decided the cost of the promotions and projected the incremental revenue from this promotion, leading to an increase in revenue and retention.

### **Business collaborations**

Except as disclosed in "Our Business – Our Market Opportunity" on page and elsewhere in this section, we do not have any business collaborations for infrastructure, marketing etc.

### **Marketing, Advertisement and Sales Promotion**

We use a combination of digital and traditional marketing initiatives to create awareness of our platforms and offerings. We have historically invested in marketing and business promotional activities to grow our gamer base by acquiring new gamers through (i) online channels, digital brand and performance advertising campaigns, paid search engine marketing, and using other digital marketing tools; (ii) mass media campaigns on offline channels, such as, print, radio, television, cab and taxi brand advertisements; (iii) targeted communication through continuous engagement on social media platforms through celebrities and influencers, and personalized messages;

and (iv) targeted offline campaigns through corporate events and tournaments.

Our advertising media segregates our target audience on the basis of geographies, demographics and interest levels, which we believe helps us garner gamers across India. We occasionally launch celebrity-led campaigns, along with influencer marketing and several other promotional activities. For instance, for Adda52 platform, we launched a campaign with two popular influencers, who, through digital platforms, challenged each other in their respective fields to outperform the other, only to realize that the ‘real’ challenge lies in the ability to develop life skills, which can be achieved by playing a game akin to poker, which requires presence of mind, astute strategy, involvement and thinking. We also launched a campaign wherein, players by playing various games offered on the Adda52 platform, could win an all-expenses paid trip to Las Vegas. The winners and the package offered to them as part of the campaign were predominantly dependent upon their gameplay and performance on our platform. We also undertake below-the-line marketing initiatives to spread awareness of our games through corporate events, tournaments and campaigns such as smartphone campaigns through radio, cab and taxi brand advertisements.

As part of our engagement and retention activities, we engage with our gamers through challenges and daily, weekly and monthly leader boards, through which we offer exciting prizes. For instance, we offer reward-based challenges, wherein our gamer, on completing a pre-specified number of games in a day or on playing the highest number of games in a day, can earn exciting monetary rewards. These engagement tools, powered by our data science capabilities, have helped us deliver MAU growth across our platforms, along with high retention rates over the years. Further, the growth in our MAUs have resulted in increased live players on our platforms, leading to high network liquidity. We aim to continue with these engagement programs, and maintain our leadership positions as well as grow our new games. On account of the above, our gaming platforms have witnessed a substantial increase in the number of registrations of gamers. We have grown our cumulative registered gamer base on our platforms at a CAGR of 38.93% from Fiscal 2018 to Fiscal 2022.

We have run multiple campaigns, some of which are disclosed below:



## Competitors

The pure-play poker industry is at a nascent stage in India and is alone estimated to be valued over ₹ 5,600 million at the end of Fiscal 2022. It has several players such as Adda52, Pokerbaazi, SpartanPoker, etc. There are also players like MPL & WinZO which offer online poker on their multi-game platforms. Amongst these, our Company has consistently retained over 34.5% market-share in online poker for over seven years till Fiscal 2021.

Since its debut, our Company has outperformed its direct competitors in terms of operating revenue. [Source: RedSeer Report]

## Intellectual property

As on the date of this Draft Red Herring Prospectus, our various trademarks, including “Adda52.com”, “adda52live”, “adda52rummy”, “ADDA52MILLIONS”, “POKER TOUR INDIA”, “INDIAN ONLINE POKER TOUR”, “POKER MILLIONAIRE TOUR” “ADDA52LIVE”, “ONLINE POKER NEWS”, “adda52” and “INDIAN ONLINE POKER LEAGUE”, have been registered under classes 9, 35 and 41 in our name. We have applied for the registration of the logo of our Company under classes 9, 16, 25, 35 and 41, which is currently pending. In addition, six other applications for trademark registration of “addagames” under classes 9 and 41 have been filed by us, which are currently pending at various stages.

## Human Resources

As of March 31, 2022, we had 157 employees, as set forth below, by function:

Department	Employees
CEO	1
Technology	51
Product	9
Design	9
Brand	7
Tournament	4
Retention	7
Acquisition and SEO	10
BI	5
Finance and Compliances	13
HR and Admin	4
Information Technology	1
CRM	27
Growth	1
Marketing (Revenue Operations)	7
Company Secretary	1
<b>Total</b>	<b>157</b>

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry. We believe in recruiting qualified and talented personnel that will integrate well with our current workforce and enhance our organisation. We develop and train our employees in order to facilitate the growth of our operations and have instituted programmes for the employees which aid in their personal development and enhances their productivity. We conduct regular events to recognize and award employees based on performance and the impact they have made, irrespective of their designation, department or location. Our Company has adopted a “HR Manual”, which sets out relevant provisions applicable to all the employees of our Company in relation to equal opportunity, code of conduct, working hours, probation, internal players, time and attendance, leaves, compensation and benefits, education assistance, travel and prevention of sexual harassment at work.

## Insurance

Our principal types of insurance coverage include a term life insurance and a health insurance policy for our employees. We believe that our insurance coverage is consistent with industry standards. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See “Risk Factors – An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.” on page 43.

## Corporate Social Responsibility

We have constituted a corporate and social responsibility committee and have adopted and implemented a CSR Policy pursuant to which we carry out CSR activities. These CSR activities are carried out by various social cause organisations undertaking the activities specified under schedule VII of the Companies Act. We contribute/donate to these organisations

We incurred ₹ 6.73 million, ₹ 0.69 million, and ₹ 2.10 million during the Financial Years 2022, 2021 and 2020, respectively, towards corporate social responsibility expenditure.

### **Property**

Our Registered Office, which is located at 4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata, West Bengal – 700 074, India and our Corporate Office, which is located 349, Udyog Vihar, Phase 2, Gurgaon, Haryana - 122015, India, have been taken on lease. Additionally, our Company's office at Goa is also on lease. Typically, the terms of our leases range from 12 months to nine years, and we are required to pay security deposits and specified monthly rentals for the duration of the relevant agreement, subject to periodic adjustments at agreed rates.

## KEY REGULATIONS AND POLICIES

The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company. The information of laws and regulations available in this section has been obtained from publications available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. For details, see “Risk Factors – Our operations in skill-based fantasy and real money games are subject to regulatory uncertainty in India” on page 30.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 294.

The following is an overview of some of the important laws and regulations, which are relevant to the business of our Company.

### ***Gambling Legislations***

Under the Constitution of India, state legislatures have been entrusted with the power to frame laws on betting and gambling. Therefore, whether a particular game amounts to ‘gambling’ or not is required to be assessed in the context of each such state legislation.

#### *Public Gambling Act, 1867*

The Public Gambling Act, 1867 (“**Public Gambling Act**”) is a pre-independence central enactment which has been adopted by the following states/ union territories: (a) Bihar; (b) Chhattisgarh; (c) Haryana; (d) Himachal Pradesh; (e) Jammu & Kashmir; (f) Jharkhand; (g) Ladakh; (h) Lakshadweep; (i) Madhya Pradesh; (j) Manipur; (k) Mizoram; (l) Punjab; (m) Uttarakhand; (n) Uttar Pradesh; and (o) Chandigarh. Section 12 of the Public Gambling Act specifically excludes applicability to any “*game of mere skill*”, wherever played.

#### *State Legislation & Restricted States*

Separate legislations have been enacted by the following states/ union territories to regulate and govern gambling within their respective territories (“**State Acts**”): (a) Andaman & Nicobar Islands; (b) Andhra Pradesh; (c) Arunachal Pradesh; (d) Assam; (e) Dadra and Nagar Haveli; (f) Delhi; (g) Goa; (h) Daman and Diu; (i) Gujarat; (j) Karnataka; (k) Kerala; (l) Maharashtra; (m) Meghalaya; (n) Nagaland; (o) Odisha; (p) Puducherry; (q) Rajasthan; (r) Sikkim; (s) Tamil Nadu; (t) Telangana; (u) Tripura; and (v) West Bengal.

The Public Gambling Act as well as the State Acts prohibit and punish public gambling and the operation of common gaming houses. Most State Acts exempt “*games of skill*” or “*games of mere skill*” from their ambit and hence offering of games by our Company in such states is not prohibited.

However, the State Acts of Telangana, Assam, Andhra Pradesh and Odisha do not include an exception for games of skill, as provided for under the Public Gambling Act. The State Act of Arunachal Pradesh prohibits playing games of skill for money. Accordingly, playing games of skill for money is restricted in such states and our Company does not offer its real money games in these states.

The amendments made in the State Acts of Telangana and Andhra Pradesh to remove the exemption for games of skill are under challenge before courts and an amendment made in the State Act of Karnataka has been set aside by the Karnataka High Court. Further, please see “Risk Factors – Our operations in skill-based fantasy and real money games are subject to regulatory uncertainty in India” and “Outstanding Litigation and Material Developments - Litigation which may have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company” on pages 30 and 288, respectively.

#### *State Legislation & Licensing Requirements*

The gaming laws of Sikkim, Nagaland and Meghalaya prescribe that a license must be obtained for offering

“games of skill” in their respective territories. However, our Company does not offer games in such states and has accordingly not obtained a license under the relevant legislations.

### Scope of Games of Skill

While some states like West Bengal, Meghalaya, Sikkim and Nagaland define or provide illustrations of what constitutes “game of skill” and/ or “online gaming” in their respective State Acts, it is not the case under every State Act. The test usually applied and followed is the test, as laid down by Supreme Court in *K.R. Lakshmanan (Dr) v. State of T.N.* ((1996) 2 SCC 226), which provides that “(i) the competitions where success depends on substantial degree of skill are not ‘gambling’ and (ii) despite there being an element of chance if a game is preponderantly a game of skill it would nevertheless be a game of “mere skill”. We, therefore, hold that the expression “mere skill” would mean substantial degree or preponderance of skill”. This test has been followed by Indian courts to hold that rummy and fantasy sports are games of skill.

### **Guidelines on Online Gaming For Real Money Winnings (“ASCI Guidelines”)**

The ASCI Guidelines, which came into effect on December 15, 2020, are applicable to the content of all advertisements of “Online gaming for real money winnings”.

The ASCI Guidelines provide that: (i) no gaming advertisement may depict any person under the age of 18 years, or who appears to be under the age of 18 years, engaged in playing a game of “Online gaming for real money winnings”, or suggest that such persons can play these games; (ii) advertisements should not present “Online Gaming for Real Money winnings” as an income opportunity or an alternative employment option; and (iii) advertisement should not suggest that a person engaged in gaming activity is in any way more successful as compared to others. The ASCI Guidelines also provide guidelines for disclaimers that should accompany advertisements for “Online Gaming for Real Money winnings” in print, audio and video formats.

### **Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder**

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and ensures that a body corporate failing to protect sensitive personal data is liable to pay damages by way of compensation. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those related to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and damaging computer systems, and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto, among others.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, (“DoIT”) Ministry of Electronics and Information Technology, Government of India, in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third party disclosure

of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediary Rules**”) requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediary Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules further requires the intermediaries to provide for a grievance redressal mechanism and also appoint a nodal officer and a resident grievance officer.

### ***Personal Data Protection Bill, 2019 (“PDP Bill”)***

The PDP Bill was introduced to propose a legal framework for protecting the privacy of individuals in relation to their personal data and for governing the processing of personal data, where such data has been collected, disclosed, shared or otherwise processed within India, as well as any processing of personal data by the Indian Government, Indian companies, Indian citizens or any person or body of persons incorporated or created under Indian law. The PDP Bill defines personal data and sensitive personal data, prescribes rules for collecting, storing and processing of such data and creates rights and obligations of the processors. The PDP Bill states that personal data shall be collected only to the extent that is necessary for the purposes of processing of such personal data. The penalties for contravention of any provisions of the PDP Bill range from five lakh rupees in certain cases to fifteen crore rupees or four per cent of a data fiduciary’s total worldwide turnover in other cases.

The Indian Government has also been mooting legislation governing non-personal data. In September 2019, the Ministry of Electronics and Information Technology, Government of India (“**MoEIT**”) formed a committee of experts (“**NPD Committee**”) to recommend a regulatory regime to govern non-personal data (“**NPD**”). The NPD Committee has released two reports till date, in July 2020 and December 2020, which recommend, among other items, a framework to govern NPD (defined as any data other than personal data), access and sharing of NPD with government and corporations alike and a registration regime and for “data businesses”, being business that collect, process or store data, both personal and non-personal.

Recently, the joint parliamentary committee (“**JPC**”) tabled a report on the PDP Bill before the Parliament of India on December 16, 2021 to submit its general and clause-by-clause recommendation, including a revised version of the PDP Bill (“**2021 Bill**”). While PDP Bill was focused on personal data with limited reference to sharing of NPD, the 2021 Bill has expanded the scope to cover NPD as well, because of which it is now proposed to be called the “Data Protection Bill”, rather than the “Personal Data Protection Bill”. The MoEIT is yet to submit the revised version of the data protection bill before the Parliament.

### ***Consumer Protection Act, 2019 (the “Consumer Protection Act”)***

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. The Act empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. Further, the Consumer Protection Act enables complainants to file complaints in respect of, *inter alia*, goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

### ***Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”)***

The Ministry of Consumer Affairs issued the E-Commerce Rules under the Consumer Protection Act, 2019 on July 23, 2020. The E-Commerce Rules provide a framework to regulate the marketing, sale and purchase of

goods and services online. These rules apply to (a) good/services purchases or sold via digital or electronic network, including digital products; (b) marketplace and inventory e-commerce entities; (c) all e-commerce retailing; and (d) forms of unfair trade practices across all e-commerce models. It specifies the Duties of e-commerce entities, specific duties and liabilities of marketplace e-commerce entities and those of inventory e-commerce entities, and duties of sellers on marketplace. The E-Commerce Rules further requires the e-commerce entity to appoint grievance officer and provide for a grievance redressal mechanism. Any violation of these rules attracts penal action under the Consumer Protection Act, 2019.

## **Intellectual Property Laws**

### ***The Trade Marks Act, 1999 (“Trademarks Act”)***

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks or chemical compounds, among others. Indian law permits the registration of trademarks for both goods and services. It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trade Marks (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

### ***The Copyright Act, 1957***

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. The Copyright Laws prescribe fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

### ***Design Act, 2000***

It is an act to consolidate and amend the law relating to the protection of designs which came into force on May 11, 2001. Design Act (“**Act**”) is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets ‘copyrights in design’ for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design.

## **Tax laws**

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

***Income-tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;***

The Income-tax Act, 1961 (the “**Income Tax Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

***Goods and Service Tax Act, 2017***

The Goods and Services Tax (“**GST**”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“**CGST**”), relevant state’s Goods and Services Act, 2017 (“**SGST**”), Union Territory Goods and Services Act, 2017 (“**UTGST**”), Integrated Goods and Services Act, 2017 (“**IGST**”), Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

***Indian Stamp Act, 1899 and various state-wise legislations made thereunder.***

The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act further provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

**Labour laws**

The following is an indicative list of labour laws which may be applicable to our Company due to the nature of the business activities:

- Shops and Establishments legislations in various states;
- Contract Labour (Regulation and Abolition) Act, 1970;
- The Industrial Employment (Standing Orders) Act, 1946;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Inter State Migrant Workers Act, 1979;
- The Trade Unions Act, 1926;
- Payment of Wages Act, 1936;
- Payment of Bonus Act, 1965;
- Employees’ State Insurance Act, 1948;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- Equal Remuneration Act, 1976;
- Payment of Gratuity Act, 1972;
- Minimum Wages Act, 1948;
- The Maternity Benefit Act, 1961;
- Employee’s Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- (i) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade

Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

- (ii) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board.
- (iii) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.
- (iv) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### **Other Indian laws**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Competition Act, 2002, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, and other applicable statutes promulgated by the relevant Central and State Governments.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as ‘Gaussian Networks Private Limited’, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 10, 2011 issued by the RoC. Pursuant to the Scheme of Amalgamation the business undertaking of our Company was transferred to our Promoter. Subsequently, the name of our Company was changed from ‘Gaussian Networks Private Limited’ to ‘Deltatech Gaming Private Limited’ pursuant to a resolution passed by our Board on March 11, 2022 and by the Shareholders of our Company in an EGM held on March 15, 2022, and a fresh certificate of incorporation was issued by the RoC dated March 24, 2022. Thereafter, pursuant to resolutions passed by our Board and by our Shareholders each dated April 29, 2022, our Company was converted into a public limited company, consequent to which its name was changed to “Deltatech Gaming Limited”, and a fresh certificate of incorporation consequent to such conversion was issued by the RoC on May 10, 2022.

### Details of change in registered office

Effective date of change	Details of Change	Reason(s) for change
August 1, 2012	The Registered Office of our Company was changed from Diamond Chambers, Block II, 8th Floor, Room No 8K 4, Chowringhee Lane, Kolkata – 700 016, West Bengal, India to 4th Floor, 148 Jessore Road, Block A, South East Corner, Kolkata – 700 074, West Bengal, India	Administrative convenience

### Main objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To carry on the business of designing, consulting, developing, marketing, hosting online computer and mobile games and other cellphone and Internet applications and any other media that may be invented in future and ecommerce including, but not limited to receiving payments through payment gateways, credit cards, all other existing payment medium including new medium that may be invented in the future, making payments using both online and offline medium including but not limited to payment gateways, credit card reversal, direct bank transfer, scratch cards, mobile phone payment gateway, hosting websites, hosting all card games, inventing new card games, where users can play among themselves or with any intelligent computer logic controlled program, holding tournaments, holding training and certification, and to carry out any sale, purchase, merchandising, gifting, consulting, leasing, hiring, advertising and marketing required for the same in India and abroad.*
2. *To carry on the business of hosting offline games and other but not limited to seminar, conference, organizing real world tournaments, TV shows with participants from both online and offline media and to carry out any sale, purchase, merchandising, gifting, consulting, leasing, hiring, advertising and marketing required for the same in India and abroad.*
3. *To carry on the business of manufacturing or otherwise dealing in computers, software’s including development of software’s, hardware’s, networking of computers, advisors, consultants and licensing agents in respect of all matters relating to computer hardware, software and computer aided programs, enterprise resource planning, networking, communication network designs and maintenance, web hosting, website designing, hosting and maintenance, portals, peripherals, word processing machines, calculators, computerised systems, telecommunication, network systems, transmission, system converting all media such as fiber copper wireless, satellite and other computer based systems and instruments and their compounds, devices and spare parts and to carry on the research and development in software’s and hardware’s and other allied matters.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

### Amendments to our Memorandum of Association in the last 10 years

Sr. No.	Date of Shareholders’ resolution	Particulars
1	September 6, 2019	Clause 5 of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 400,000 divided into 40,000 equity shares of ₹

Sr. No.	Date of Shareholders' resolution	Particulars
		10 each to ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.
2	September 20, 2019	A new set of Memorandum of Association was adopted by our Company, in substitution of the earlier memorandum of association, in order to comply with the provisions of the Companies Act, 2013.
3	August 3, 2020	Clause 5 of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each to ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each.
4	December 27, 2021	Clause 5 of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each.
5	February 7, 2022	The equity shares of our Company were sub-divided into face value of ₹ 1 per equity share from face value of ₹ 10 per equity share. Accordingly, Clause 5 of the Memorandum of Association was amended to reflect the change in authorised share capital from ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each to 150,000,000 Equity Shares divided into 150,000,000 Equity Shares of ₹ 1 each.
6	March 15, 2022	Clause 1 of our Memorandum of Association was amended to reflect the change of name of our Company from 'Gaussian Networks Private Limited' to 'Deltatech Gaming Private Limited'
7	April 29, 2022	Clause 1 of our Memorandum of Association was amended to reflect the change of name of our Company from 'Deltatech Gaming Private Limited' to 'Deltatech Gaming Limited', pursuant to conversion of our Company from private limited to public limited.

### Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event /milestone
2011	Incorporated our Company and launched our poker platform
2015	Launch of our pro-team under the name 'Team Spades' in relation to the Adda52 gaming platform.
2017	Pursuant to the Scheme of Amalgamation, the entire shareholding of our Company was transferred from Gauss Networks Limited to Delta Corp Limited, by virtue of which, Delta Corp Limited became the promoter of our Company. Crossed 1 million registered gamers
2018	<ul style="list-style-type: none"> <li>Launched first branded offline poker tournament in India.</li> <li>Executed brand ambassador agreement with a renowned cricketer, pursuant to which we launched various digital and social media campaigns.</li> </ul>
2019	Crossed ₹ 1,000 million revenue mark in Financial Year 2018-19
2020	<ul style="list-style-type: none"> <li>Signed agreement with Peerless Media Limited for receiving rights of a renowned brand, for hosting a branded online poker tournaments in India.</li> <li>Launched first branded online poker tournament in India</li> </ul>
2021	Achieved more than 3 million registered gamers <ul style="list-style-type: none"> <li>Acquired multi-gaming technology under the brand and title of 'Faboom' pursuant to the MoU.</li> <li>Launched multi-gaming platform under the name 'Faboom' and later re-branded it to 'Adda.games'</li> </ul>

For details, see "Our Business" on page 135.

### Key awards, accreditations or recognitions

Our Company has received the following awards, accreditations and recognitions:

Year	Awards, Recognitions and Accreditations
2021	We received a certificate of appreciation from CBIC for promptly filing of returns and payment of Goods and Services Tax upto the year ending March 31, 2021
2021	Certificate received from iTech Labs, Australia certifying that it has evaluated the Random Number Generator ("RNG") of our Company and has found it to be compliant with the relevant standards.

### Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants, see "– Major events and milestones" and "Our Business"

on pages 168 and 135 respectively.

#### **Financial or strategic partners**

Our Company does not have any financial or strategic partners as on the date of this Draft Red Herring Prospectus.

#### **Time or cost overruns**

Our Company has not implemented any projects and has, therefore, not experienced any time or cost overruns since incorporation.

#### **Defaults or rescheduling/restructuring of borrowings with financial institutions/banks**

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

#### **Revaluation of assets**

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

#### **Our holding company**

As on the date of this Draft Red Herring Prospectus, Delta Corp Limited, our Promoter is the holding company of our Company. For details, see “*Our Promoter and Promoter Group*” on page 193.

#### **Our subsidiary, associate or joint venture**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary, associate or joint venture.

#### **Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation**

Except as disclosed below, our Company has not undertaken any merger, demerger, amalgamation, material acquisitions or divestments of any business or undertaking:

##### ***Scheme of amalgamation of Gauss Networks Private Limited (“Gauss Networks”) and our Promoter dated June 8, 2017 (“Scheme of Amalgamation”)***

Pursuant to the Scheme of Amalgamation, which was effective from April 1, 2016 (the “**Appointed Date**”) and operative from June 8, 2017 (the “**Effective Date**”), the entire business and whole of the undertaking of Gauss Networks, including its investment in our Company, stood transferred to and vested in our Promoter on a going concern basis, in the manner prescribed therein. The Scheme of Amalgamation was undertaken for integration of operations and for greater financial strength and flexibility for Gauss Networks.

As consideration for the amalgamation of Gauss Networks with our Promoter, pursuant to the Scheme of Arrangement, (i) 43,747, 0.001% non-cumulative optionally convertible preference shares of ₹ 21,667 each fully paid up; and (ii) 37,747, 1% redeemable preference shares of ₹ 21,667 each fully paid-up, of our Promoter were issued and allotted to the erstwhile members of the Gauss Networks.

Further, pursuant to the Scheme of Amalgamation, Gauss Networks stood dissolved, and all the shares held by our Promoter in Gauss Networks were automatically cancelled.

##### ***Share purchase agreement executed amongst our Company, AB Propmart Private Limited (“ABPPL”) and Mind Sports League Private Limited (“Mind Sports”) dated July 23, 2019 (“SPA”)***

Pursuant to the SPA, our Company divested its shareholding in its erstwhile subsidiary, Mind Sports, as ABPPL acquired 526,500 equity shares of ₹ 10 each of Mind Sports held by our Company (“**Sale Shares**”) for a total

consideration of ₹ 5.26 million. Subsequent to this sale, our Company handed over the assets of Mind Sports over which it exercised control and the nominee directors appointed on behalf of our Company, namely, Hardik Dhebar and Anil Malani, resigned from the board of directors of Mind Sports.

Furthermore, in accordance with the terms of the SPA, pursuant to the sale of the Sale Shares, our Company ceased to have any role, responsibilities, rights, liabilities or obligations with respect to Mind Sports.

***Memorandum of understanding dated March 30, 2021 executed amongst GameQube Solutions (“GameQube”), Abhinav Nigam (“Second Party”), Pratik Kumar (“Third Party”) and our Company (the “Agreement”).***

Pursuant to the Agreement, GameQube transferred its brand, ‘Faboom’, including its name, logos, insignia, domain-names and other similar collateral associated with the name and style of ‘Faboom’ along with, amongst other things, social media and advertisement accounts, intellectual property rights, gamer data, business and transaction data and analytics, true, updated, revised and working version of all application source codes and products in relation to Faboom, etc., (collectively, “**Faboom Assets**”) to our Company. The parties to the Agreement, agreed to, amongst other things, (i) execute and bring into effect a transfer deed and assignment agreement for GameQube, the Second Party and the Third Party to convey to our Company the right to freely use the Faboom Assets, for a consideration specified in the Agreement; and (ii) execute employment agreements, which shall take effect from April 1, 2021 between (a) our Company and the Second Party and (b) our Company and the Third Party, for a consideration specified in the Agreement. Lastly, our Company agreed to make a payment in the form of a professional fee to Second Party and the Third Party, towards delivering their business plan to our Company, upon completion of the aforementioned actions.

***Business transfer agreement executed between our Company and Halaplay Technologies Private Limited (“Halaplay”) dated March 1, 2019 (“Business Transfer Agreement”)***

Pursuant to the Business Transfer Agreement, our Company transferred all the rights, title, interests, benefits, rights and obligations, including the moveable assets, website, computer software, employees, intellectual property, employee benefit plans and employee benefit provisions, business records and liabilities in respect of the fantasy gaming business undertaking of our Company to Halaplay, as a going concern on a slump sale basis. As consideration for such transfer, Halaplay issued 10,320 equity shares of face value of ₹ 100 each to our Company.

In addition to the above, our Company, acquired 9,998 common equity shares of face value of ₹ 1 each and 33,164 seed equity shares of face value of ₹ 100 each of Halaplay.

Our Company’s entire shareholding in Halaplay was transferred to our Promoter on September 8, 2021 for a consideration of ₹ 224.62 million. As a result, as on the date of this Draft Red Herring Prospectus, our Company does not hold any shares in Halaplay.

#### **Details of shareholders’ and other agreements**

As of the date of this Draft Red Herring Prospectus, there is no shareholders’ agreement entered into with respect to our Company.

#### **Guarantees given by our Promoter**

As on the date of this Draft Red Herring Prospectus, our Promoter has not given any guarantees to third party.

#### **Key terms of other subsisting material agreements**

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

#### **Other confirmations**

Neither our Promoter nor any of the Key Managerial Personnel, nor Directors nor any other employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors. As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors, including one woman Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><b>Jaydev Mody*</b></p> <p><i>Designation:</i> Non-Executive and Non-Independent Chairman (Additional)</p> <p><i>Date of birth:</i> June 9, 1955</p> <p><i>Address:</i> Flat No. 2, 1<sup>st</sup> Floor West Hill 27, Nepeansea Road, Cumbala Hill, Malabar Hill, Mumbai – 400 006, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since May 16, 2022</p> <p><i>DIN:</i> 00234797</p>	67	<p><i>Indian Companies:</i></p> <p><i>Public limited companies</i></p> <ol style="list-style-type: none"> <li>1. Delta Corp Limited; and</li> <li>2. Delta Manufacturing Limited</li> </ol> <p><i>Private limited companies</i></p> <ol style="list-style-type: none"> <li>1. Aarti Pandit Family Private Limited;</li> <li>2. Aditi Mody Family Private Limited;</li> <li>3. Alibagh Farming and Agriculturist Company Private Limited;</li> <li>4. Anjali Mody Family Private Limited;</li> <li>5. Bayside Properties Private Limited;</li> <li>6. First Eagle Capital Advisors Private Limited;</li> <li>7. Goan Football Club Private Limited;</li> <li>8. Jayem Properties Private Limited;</li> <li>9. J M Livestock Private Limited;</li> <li>10. J M Township and Real Estate Private Limited;</li> <li>11. JZ Mody Family Private Limited;</li> <li>12. Lakeview Mercantile Company Private Limited;</li> <li>13. Myra Mall Management Company Private Limited;</li> <li>14. Outreach Mercantile Company Private Limited; and</li> <li>15. West Star Agro - Realities Private Limited.</li> </ol> <p><i>Company limited by guarantee</i></p> <ol style="list-style-type: none"> <li>1. Royal Western India Turf Club Limited.</li> </ol> <p><i>Foreign Companies</i></p> <ol style="list-style-type: none"> <li>1. Delta Hotels Lanka (Pvt) Ltd;</li> <li>2. Delta Gaming and Entertainment Lanka (Pvt) Ltd;</li> <li>3. Rhine Estates Limited, UK;</li> <li>4. JM Holding Ltd (UAE);</li> <li>5. J M Holding (USA) Inc; and</li> <li>6. J M Holding Lanka (Pvt) Ltd.</li> </ol>

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><b>Shivanandan Pare</b></p> <p><i>Designation:</i> Executive Director and Chief Executive Officer</p> <p><i>Date of birth:</i> April 17, 1974</p> <p><i>Address:</i> Villa No. 63, Prestige Glen Wood, Mandur Village, Mandur, Bengaluru – 560 049, Karnataka, India.</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> Three years with effect from August 19, 2021 till August 18, 2024, not liable to retire by rotation.</p> <p><i>Period of directorship:</i> Director since August 19, 2021</p> <p><i>DIN:</i> 03613410</p>	48	<p><i>Indian Companies:</i></p> <p><i>Private limited company</i></p> <ol style="list-style-type: none"> <li>Tatva Agrotech Private Limited</li> </ol>
<p><b>Ashish Kapadia</b></p> <p><i>Designation:</i> Executive Director</p> <p><i>Date of birth:</i> September 20, 1969</p> <p><i>Address:</i> Flat No. 1, Pentacle Building, 1<sup>st</sup> Floor, Sophia College Lane, Off Peddar Road, Mumbai – 400 026, Maharashtra, India.</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since July 17, 2018</p> <p><i>DIN:</i> 02011632</p>	52	<p><i>Indian Companies:</i></p> <p><i>Public limited company</i></p> <ol style="list-style-type: none"> <li>Delta Corp Limited;</li> <li>Freedom Registry Limited; and</li> <li>Raymond Limited.</li> </ol> <p><i>Private limited company</i></p> <ol style="list-style-type: none"> <li>Deltin Cruises and Entertainment Private Limited;</li> <li>First Eagle Capital Advisors Private Limited;</li> <li>Freedom Aviation Private Limited;</li> <li>Goan Football Club Private Limited;</li> <li>Goodluck Renewable Energy Resources Private Limited;</li> <li>J M Livestock Private Limited;</li> <li>Jayem Properties Private Limited;</li> <li>Myra Mall Management Company Private Limited; and</li> <li>Newplaza Multitrade Private Limited.</li> </ol> <p><i>Foreign Companies</i></p> <ol style="list-style-type: none"> <li>Delta Hotels Lanka (Pvt) Ltd.;</li> <li>JM Holding Lanka (Pvt) Ltd.; and</li> <li>Delta Gaming and Entertainment Lanka (Pvt) Ltd.</li> </ol>

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><b>Hardik Dhebar</b></p> <p><i>Designation:</i> Executive Director and Chief Financial Officer</p> <p><i>Date of birth:</i> September 12, 1974</p> <p><i>Address:</i> 201, Guru Vihar, Off Eksar Road, Next to St. Rock College, Borivali (West) Mumbai – 400 092, Maharashtra, India.</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since July 17, 2018</p> <p><i>DIN:</i> 00046112</p>	47	<p><i>Indian Companies:</i></p> <p><i>Public limited companies</i></p> <ol style="list-style-type: none"> <li>1. ACT Fininvest Limited; and</li> <li>2. Freedom Registry Limited.</li> </ol> <p><i>Private limited companies</i></p> <ol style="list-style-type: none"> <li>1. Aarti Management Consultancy Private Limited;</li> <li>2. Aditi Management Consultancy Private Limited;</li> <li>3. Anjoss Trading Private Limited;</li> <li>4. Dacapo Brokerage India Private Limited;</li> <li>5. Daman Hospitality Private Limited;</li> <li>6. Deltin Cruises and Entertainment Private Limited;</li> <li>7. First Eagle Capital Advisors Private Limited;</li> <li>8. Freedom Aviation Private Limited;</li> <li>9. Goan Football Club Private Limited;</li> <li>10. Marvel Resorts Private Limited;</li> <li>11. Myra Mall Management Company Private Limited;</li> <li>12. Outreach Mercantile Company Private Limited;</li> <li>13. Wild India Camps Private Limited; and</li> <li>14. Forum for Sports and Freedom of Expression.</li> </ol> <p><i>Foreign Companies</i></p> <ol style="list-style-type: none"> <li>1. Delta Hotels Lanka (Pvt) Ltd.;</li> <li>2. JM Holding Lanka (Pvt) Ltd.; and</li> <li>3. Delta Gaming and Entertainment Lanka (Pvt) Ltd.</li> </ol>
<p><b>Tara Subramaniam*</b></p> <p><i>Designation:</i> Independent Director (Additional)</p> <p><i>Date of birth:</i> September 7, 1952</p> <p><i>Address:</i> 1201, 12<sup>th</sup> Floor, Vasukamal, 14<sup>th</sup> Road, Near Agarwal Nursing Home, Bandra West, Mumbai – 400 050, Maharashtra, India</p> <p><i>Occupation:</i> Retired</p> <p><i>Current term:</i> For a period of five years with effect from May 16, 2022</p> <p><i>Period of directorship:</i> Director since May 16, 2022</p> <p><i>DIN:</i> 07654007</p>	69	<p><i>Indian Companies:</i></p> <p><i>Public limited companies</i></p> <ol style="list-style-type: none"> <li>1. JM Financial Home Loans Limited;</li> <li>2. Restaurant Brands Asia Limited; and</li> <li>3. Tips Industries Limited.</li> </ol>

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><b>Chetan Desai*</b></p> <p><i>Designation:</i> Independent Director (Additional)</p> <p><i>Date of birth:</i> January 14, 1951</p> <p><i>Address:</i> 901, Matoshree Kunj, Tanaji Malusare Marg, Vile Parle West, Mumbai – 400 056, Maharashtra, India</p> <p><i>Occupation:</i> Chartered Accountant</p> <p><i>Current term:</i> For a period of five years with effect from May 16, 2022</p> <p><i>Period of directorship:</i> Director since May 16, 2022</p> <p><i>DIN:</i> 03595319</p>	71	<p><i>Indian Companies:</i></p> <p><i>Public limited companies</i></p> <ol style="list-style-type: none"> <li>1. Chemspec Chemicals Limited;</li> <li>2. Crystal Crop Protection Limited;</li> <li>3. Delta Corp Limited;</li> <li>4. Krsnaa Diagnostics Limited;</li> <li>5. Reliance Financial Limited;</li> <li>6. Reliance Securities Limited;</li> <li>7. Sula Vineyards Limited; and</li> <li>8. UTI Retirement Solutions Limited.</li> </ol> <p><i>Private limited companies</i></p> <ol style="list-style-type: none"> <li>1. Brookfield India Infrastructure Manager Private Limited; and</li> </ol> <p><i>Section 8 companies</i></p> <ol style="list-style-type: none"> <li>1. Angel Xpress Foundation;</li> </ol>
<p><b>Javed Tapia*</b></p> <p><i>Designation:</i> Independent Director (Additional)</p> <p><i>Date of birth:</i> August 12, 1966</p> <p><i>Address:</i> 5<sup>th</sup> Floor Ashford Apts 26A, BG Kher Marg, Malabar Hill, Mumbai – 400 006, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years with effect from May 16, 2022</p> <p><i>Period of directorship:</i> Director since May 16, 2022</p> <p><i>DIN:</i> 00056420</p>	55	<p><i>Indian Companies:</i></p> <p><i>Public limited companies</i></p> <ol style="list-style-type: none"> <li>1. Delta Manufacturing Limited</li> </ol> <p><i>Private limited companies</i></p> <ol style="list-style-type: none"> <li>1. Amalfi Realty Private Limited;</li> <li>2. Clover Housing Developments Private Limited;</li> <li>3. Clover Infotech Private Limited;</li> <li>4. Clover Livestock Private Limited;</li> <li>5. Clover Realty and Infrastructure Private Limited;</li> <li>6. Clover Solar Private Limited;</li> <li>7. Clover Technologies Private Limited;</li> <li>8. Clover Transaction Systems Private Limited;</li> <li>9. Corniche Realty Private Limited;</li> <li>10. Data Science Wizards Private Limited;</li> <li>11. Sienna Systems Resources Private Limited; and</li> <li>12. Worthwhile Properties Private Limited.</li> </ol> <p><i>Foreign Companies:</i></p> <ol style="list-style-type: none"> <li>1. Clover Infotech ME DMCC; and</li> <li>2. Rhine Estates Limited, UK.</li> </ol>
<p><b>Pankaj Razdan*</b></p> <p><i>Designation:</i> Independent Director (Additional)</p> <p><i>Date of birth:</i> November 16, 1968</p> <p><i>Address:</i> Flat no. 301 302, Pinnaacle D Dreams, JVPD</p>	53	Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p>Scheme, Juhu, Mumbai – 400 049, Maharashtra, India.</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years with effect from May 16, 2022</p> <p><i>Period of directorship:</i> Director since May 16, 2022</p> <p><i>DIN:</i> 00061240</p>		

*\*The appointment and term of the Director is subject to approval of our Shareholders.*

### **Brief profiles of our Directors**

**Jaydev Mody** is a Non-Executive and Non-Independent Chairman (Additional) on the Board of our Company. He holds a bachelor's degree in arts (special) from University of Bombay. He is one of the promoters and is the non-executive chairman of our Promoter and has been previously associated with the Peninsula group as a managing director and was also associated with Arrow Webtex Limited as a director, which was subsequently merged with our Promoter. He has over 40 years of experience in various businesses, including real estate development, gaming and hospitality, textiles and magnet manufacturing.

**Shivanandan Pare** is an Executive Director and Chief Executive Officer on the Board of our Company. He holds a bachelor's degree of engineering in electronics and communication from Kuvempu University, and a post graduate diploma in business administration from SCMS Cochin School of Business and has completed the senior executive leadership program from Harvard Business School. He has over 19 years of experience across consumer businesses, corporate strategy and investment banking. Prior to joining our Company, he was previously associated with Onkyo India Private Limited as an assistant manager, Meghraj Financial Services (India) Private Limited as a project executive, Aditya Birla Fashion and Retail Limited as the head - new digital business and BigAdda (a division of Reliance BIG Entertainment Private Limited), a part of the Reliance Anil Dhirubhai Ambani group as the chief operating officer.

**Ashish Kapadia** is an Executive Director on the Board of our Company. He holds a bachelor's degree in commerce from Madurai Kamaraj University. He has been associated with our Promoter since 2009, where he serves as the managing director. He has significant experience across sectors such as gaming, hospitality, real estate, paints, textiles, financial services and civil aviation.

**Hardik Dhebar** is an Executive Director and Chief Financial Officer on the Board of our Company. He holds a bachelor's degree in science from University of Bombay and postgraduate diploma in business administration (finance) from Prin L.N. Welingkar Institute of Management Development & Research. He has been associated with our Promoter since May 12, 2008, where he serves as the group chief financial officer. He has over 24 years of experience in finance and treasury operations and was previously associated with Nicholas Piramal India Limited as a senior manager and with Peninsula Group as a general manager – group treasury.

**Tara Subramaniam** is an Independent Director (Additional) on the Board of our Company. She has attended a bachelor's degree course in law from University of Bombay. She has over 37 years of experience in the field of banking, real estate, project finance and business development. Prior to joining our Company, she was associated with JM Financial Group as a managing director, SGE Advisors (India) Private Limited as a director and was employed by Housing Development Finance Corporation Limited. She is also a director on the board of directors of Restaurant Brands Asia Limited (*formerly*, Burger King India Limited) and JM Financial Home Loans Limited. She is also the founder and president of NAREDCO, Mahi.

**Chetan Desai** is an Independent Director (Additional) on the Board of our Company. He is a fellow of the Institute of Chartered Accountants of India. He has over four decades of experience as a chartered accountant and was associated with M/s. Haribhakti & Co. LLP., as a managing partner.

**Javed Tapia** is an Independent Director (Additional) on the Board of our Company. He holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay and a master's degree in business administration from Fuqua School of Business, Duke University. He is the promoter of Clover Infotech Private Limited. He has over 22 years of experience in Information Technology (IT), real

estate development, renewable energy sector and magnet manufacturing.

**Pankaj Razdan** is an Independent Director (Additional) on the Board of our Company. He holds a bachelor's degree in science from University of Poona and a bachelor's degree in science (technology) from Watumull Institute of Electronic Engineering and Computer Technology of University of Bombay. He has significant experience in the securities market, finance and insurance sector. Prior to joining our Company, he was associated with Aditya Birla Money Limited, Aditya Birla Securities Private Limited, Aditya Birla Sun Life AMC Limited, Aditya Birla Sun Life Insurance Company Limited, Edelweiss Securities Limited and ICICI Prudential Asset Management Company Limited.

#### **Details of directorship in companies suspended or delisted**

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

#### **Relationships amongst our Directors and our Directors and Key Managerial Personnel**

None of our Directors are related to each other (as defined in the Companies Act, 2013) or are related to any of our Key Managerial Personnel.

#### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

#### **Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

#### **Borrowing Powers**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on April 6, 2020, our Board is authorised to borrow up to an amount of ₹ 1,000 million, in excess of the aggregate of the paid up capital and free reserves of our Company and for creation of charge/providing security for the sum borrowed on the assets of our Company.

#### **Terms of appointment of our Directors**

##### **a) Terms of employment of our Executive Director**

##### **i) Shivanandan Pare, Executive Director and the Chief Executive Officer**

Shivanandan Pare was appointed as the Executive Director of our Company pursuant to a resolution passed by our Board on July 9, 2021 and a resolution passed by our shareholders' dated August 19, 2021, for a period of three years with effect from August 19, 2021. He was appointed as a Chief Executive Officer of our Company, pursuant to the resolution passed by our Board on January 22, 2021 and was designated as a Key Managerial Personnel of our Company, pursuant to the resolution passed by our Board on May 4, 2022. He is, currently, eligible for the remuneration from our Company in accordance with the Board resolution dated July 9, 2021 and the resolution of our shareholders approved in their AGM held on August 19, 2021. Pursuant to the resolution passed by our Board on May 4, 2022 and the resolution passed by our shareholders in the EGM held on May 5, 2022, the terms of remuneration of our Executive Director and the Chief Executive Officer were revised to the extent of addition of options or appreciation rights as may be granted under the ESOP Plan or the ESARP Plan. The details of the remuneration that he is presently entitled to and the other terms of his employment are enumerated below:

Category		Remuneration (in ₹ million, per month)
Salary	Basic	0.52
	House rent allowance	0.20
	Special allowance	0.18
Perquisites and other benefits	Leave travel allowance	0.04
	Provident fund	0.06
	Gratuity	0.02
	Business promotion expenses	0.01
	Driver's wage reimbursement	0.02
	Fuel reimbursement	0.02
	<b>Total</b>	1.10
Others	Such other allowable / applicable expenses that may be mutually agreed.	
	Performance based incentives subjected to maximum of ₹ 2.00 million per annum, the payout of which will be linked to achievement of agreed milestones as well as 'KRAs' which are fixed mutually.	
	Stock options granted under the ESOP Plan and stock appreciation rights granted under the ESARP Plan from time to time, convertible into Equity Shares as per the stipulations contained in the respective plans.	

**ii) Hardik Dhebar, Executive Director and the Chief Financial Officer**

Hardik Dhebar was re-designated as an Executive Director of our Company pursuant to a resolution passed by our Board on May 4, 2022 and a resolution passed by our Shareholders' dated May 5, 2022, with effect from May 4, 2022 and he is liable to retire by rotation. He is not entitled to receive any remuneration except for reimbursement of any out of pocket expenses incurred in the ordinary course of business, sitting fee for attending meetings of our Board and the committees thereof and any options or appreciation rights as may be granted under the ESOP Plan or the ESARP Plan. He was appointed as a Key Managerial Personnel in the capacity of the Chief Financial Officer of our Company, pursuant to the resolution passed by our Board on May 4, 2022.

**iii) Ashish Kapadia, Executive Director**

Ashish Kapadia was re-designated as an Executive Director of our Company pursuant to a resolution passed by our Board on May 4, 2022 and a resolution passed by our Shareholders' dated May 5, 2022, with effect from May 4, 2022 and is liable to retire by rotation. He is not entitled to receive any remuneration except for reimbursement of any out of pocket expenses incurred in the ordinary course of business, sitting fee for attending meetings of our Board and the committees thereof and any options or appreciation rights granted under the ESOP Plan or the ESARP Plan.

**b) Sitting fees and commission to Non-Executive Directors and Independent Directors**

Pursuant to a resolution of our Board dated May 16, 2022 our Non-Executive Directors are entitled to receive sitting fees of ₹ 0.02 million for attending each meeting of our Board and the Audit Committee constituted of the Board respectively. Further, our Non-Executive Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Pursuant to a resolution of the Board dated May 16, 2022, our Independent Directors are entitled to receive sitting fees of ₹ 0.02 million for attending each meeting of our Board and the Audit Committee constituted of the Board respectively. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director, Whole-time Director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

**Payments or benefits to our Directors**

**a) Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Director for Fiscal 2022:

Sr. No.	Name of the Executive Director	Remuneration for Fiscal 2022 (in ₹ million)
1.	Shivanandan Pare <sup>#</sup>	11.47
2.	Ashish Kapadia*	N.A.
3.	Hardik Dhebar*	N.A.

<sup>#</sup> Shivanandan Pare was appointed on August 19, 2021 as an Executive Director of our Company pursuant to a resolution passed by the Board on July 9, 2021 and a resolution passed by the Shareholders of our Company dated August 19, 2021. He received ₹4.12 million, from April 1, 2021 to August 18, 2021, as remuneration in his capacity as the Chief Executive Officer of our Company and he received ₹7.35 million, from August 19, 2021, as remuneration in his capacity as an Executive Director and the Chief Executive Officer of our Company.

\* Ashish Kapadia and Hardik Dhebar were re-designated as Executive Directors pursuant to a resolution passed by our Board on May 4, 2022 and a resolution passed by our Shareholders in the EGM held on May 5, 2022, respectively. Accordingly, they were not paid any remuneration as Executive Directors for Fiscal 2022.

#### b) Non-Executive Directors and Independent Directors

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors and our Independent Directors for the Fiscal 2022:

Sr. No.	Name of the Director	Designation of Director	Remuneration for Fiscal 2022 (in ₹ million)
1.	Jaydev Mody <sup>#</sup>	Non-Executive and Non-Independent Chairman (Additional)	N.A.
2.	Ashish Kapadia**	Executive Director	Nil
3.	Tara Subramaniam*	Independent Director (Additional)	N.A.
4.	Chetan Desai*	Independent Director (Additional)	N.A.
5.	Javed Tapia*	Independent Director (Additional)	N.A.
6.	Pankaj Razdan*	Independent Director (Additional)	N.A.
7.	Hardik Dhebar**	Executive Director	Nil

<sup>#</sup>Appointed as the Non-Executive and Non-Independent Chairman (Additional) pursuant to a Board resolution dated May 16, 2022.

\*Appointed as an Independent Director (Additional) pursuant to a Board resolution dated May 16, 2022.

\*\* Ashish Kapadia and Hardik Dhebar have been re-designated as Executive Directors pursuant to a resolution passed by our Board on May 4, 2022 and a resolution passed by our Shareholders in the EGM held on May 5, 2022, respectively.

#### Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

#### Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

#### Shareholding of Directors in our Company

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 Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%) <sup>*</sup>
Ashish Kapadia <sup>#</sup>	1,401	Negligible	[•]
Hardik Dhebar <sup>#</sup>	1	Negligible	[•]

<sup>#</sup>Equity Shares are held by Ashish Kapadia and Hardik Dhebar as nominee shareholders of our Promoter, for which our Promoter is the beneficial owner.

\* Subject to finalisation of Basis of Allotment.

## Interest of Directors

All our Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For details regarding the shareholding of our Directors, see “– *Shareholding of Directors in our Company*” on page 178.

Except Jaydev Mody, who is indirectly interested in the promotion or the formation of our Company by virtue of being the promoter of our Promoter, none of our other Directors are interested in the promotion of our Company.

Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For details, see “*Related Party Transactions*” on page 256.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

## Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers.

None of our Directors has been declared a Fugitive Economic Offenders.

## Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Jaydev Mody	Non-Executive and Non-Independent Chairman (Additional)	May 16, 2022	Appointed as the Non-Executive and Non-Independent Chairman (Additional)
Chetan Desai	Independent Director (Additional)	May 16, 2022	Appointed as an Independent Director (Additional)
Javed Tapia	Independent Director (Additional)	May 16, 2022	Appointed as an Independent Director (Additional)
Pankaj Razdan	Independent Director (Additional)	May 16, 2022	Appointed as an Independent Director (Additional)
Tara Subramaniam	Independent Director (Additional)	May 16, 2022	Appointed as an Independent Director (Additional)
Ravinder Kumar Jain	Non-Executive Director	May 16, 2022	Cessation as the Non-Executive Director

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Hardik Dhebar <sup>^</sup>	Non-Executive Director	May 4, 2022	Re-designated as an Executive Director
Ashish Kapadia <sup>^</sup>	Non-Executive Director	May 4, 2022	Re-designated as an Executive Director
Shivanandan Pare	Executive Director	August 19, 2021	Appointed as Executive Director
Ravinder Kumar Jain	Non-Executive Director	June 14, 2021	Appointed as the Non-Executive (Additional) Director

*Note: This table does not include details of regularisations of additional Directors.*

*<sup>^</sup>Hardik Dhebar and Ashish Kapadia were originally appointed as Non-Executive Directors of our Company on July 17, 2018.*

## Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors and one is a woman Director.

### Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

- (a) Audit Committee;
- (b) Nomination, Remuneration and Compensation Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee; and
- (e) Risk Management Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

#### (a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated May 16, 2022. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Tara Subramaniam	Chairperson	Independent Director (Additional)
Javed Tapia	Member	Independent Director (Additional)
Chetan Desai	Member	Independent Director (Additional)
Hardik Dhebar	Member	Executive Director and Chief Financial Officer

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

- (i) The Audit Committee shall have powers, which should include the following:
  - (a) To investigate any activity within its terms of reference;
  - (b) To seek information from any employee of the Company;
  - (c) To obtain outside legal or other professional advice;
  - (d) To secure attendance of outsiders with relevant expertise if it considers necessary; and
  - (e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (ii) The role of the Audit Committee shall include the following:

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- (c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions; and
  - (vii) Qualifications / modified opinion(s) in the draft audit report.
- (e) Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
- (f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k) Scrutiny of inter-corporate loans and investments;
- (l) Valuation of undertakings or assets of the company, wherever it is necessary;
- (m) Evaluation of internal financial controls and risk management systems;
- (n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) Discussion with internal auditors of any significant findings and follow up there on;

- (q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - (r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - (s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - (t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
  - (u) Reviewing the functioning of the whistle blower mechanism;
  - (v) Approval of the appointment of the Chief Financial Officer of the Company (“CFO”) (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
  - (w) Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;
  - (x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
  - (y) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - (z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
  - (aa) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  - (bb) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation *etc.*, on the listed entity and its shareholders; and
  - (cc) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (iii) The Audit Committee shall mandatorily review the following information:
- (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
  - (c) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
  - (d) Internal audit reports relating to internal control weaknesses;
  - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
  - (f) Statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

- ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(g) Review the financial statements, in particular, the investments made by any unlisted subsidiary

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### **(b) Nomination, Remuneration and Compensation Committee**

The Nomination, Remuneration and Compensation committee was constituted by a resolution of our Board dated May 16, 2022. The Nomination, Remuneration and Compensation Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination, Remuneration and Compensation committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Javed Tapia	Chairperson	Independent Director (Additional)
Jaydev Mody	Member	Non-Executive and Non-Independent Chairman (Additional)
Pankaj Razdan	Member	Independent Director (Additional)

The scope and function of the Nomination, Remuneration and Compensation Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination, Remuneration and Compensation Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) For every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination, Remuneration and Compensation Committee may:
    - (i) use the services of an external agencies, if required;
    - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - (iii) consider the time commitments of the candidates.
  - (c) Formulation of criteria for evaluation of performance of independent directors and the Board;
  - (d) Devising a policy on Board diversity;
  - (e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their

appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

- (f) Analysing, monitoring and reviewing various human resource and compensation matters;
- (g) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (h) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
- (i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (l) Construing and interpreting the employee stock option scheme/ and employee stock appreciation plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme/ESARP Plan**”) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Plan/ESARP Plan;
- (m) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended,
 by the Company and its employees, as applicable;
- (n) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination, Remuneration and Compensation.
- (o) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination, Remuneration and Compensation Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination, Remuneration and Compensation shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

**(c) Stakeholders’ Relationship Committee**

The Stakeholders’ Relationship Committee was constituted by a resolution of our Board dated May 16, 2022. The Stakeholders’ Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders’ Relationship Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Jaydev Mody	Chairperson	Non-Executive and Non-Independent Chairman (Additional)
Ashish Kapadia	Member	Executive Director
Javed Tapia	Member	Independent Director (Additional)

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;
- (b) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services; and
- (g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

**(d) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was reconstituted by a resolution of our Board dated May 16, 2022. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Ashish Kapadia	Chairperson	Executive Director
Hardik Dhebar	Member	Executive Director and Chief Financial Officer
Javed Tapia	Member	Independent Director (Additional)

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

- (a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

- (e) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- (f) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

**(e) Risk Management Committee**

The Risk Management Committee was constituted by a resolution of our Board dated May 16, 2022. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Hardik Dhebar	Chairperson	Executive Director and Chief Financial Officer
Shivanandan Pare	Member	Executive Director and Chief Executive Officer
Javed Tapia	Member	Independent Director (Additional)

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

- (1) To formulate a detailed risk management policy, which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Risk Management Committee shall be two members or one third of the members of the committee, whichever is higher, including at least one member of the Board in attendance.

**(f) IPO Committee**

The IPO committee was constituted by a resolution of our Board dated June 15, 2022. The current constitution of the IPO committee is as follows:

Name of Director	Position in the Committee	Designation
Jaydev Mody	Chairperson	Non-Executive and Non-Independent Chairman (Additional)
Ashish Kapadia	Member	Executive Director
Hardik Dhebar	Member	Executive Director and Chief Financial Officer
Javed Tapia	Member	Independent Director (Additional)

The terms of reference of the IPO Committee are as follows:

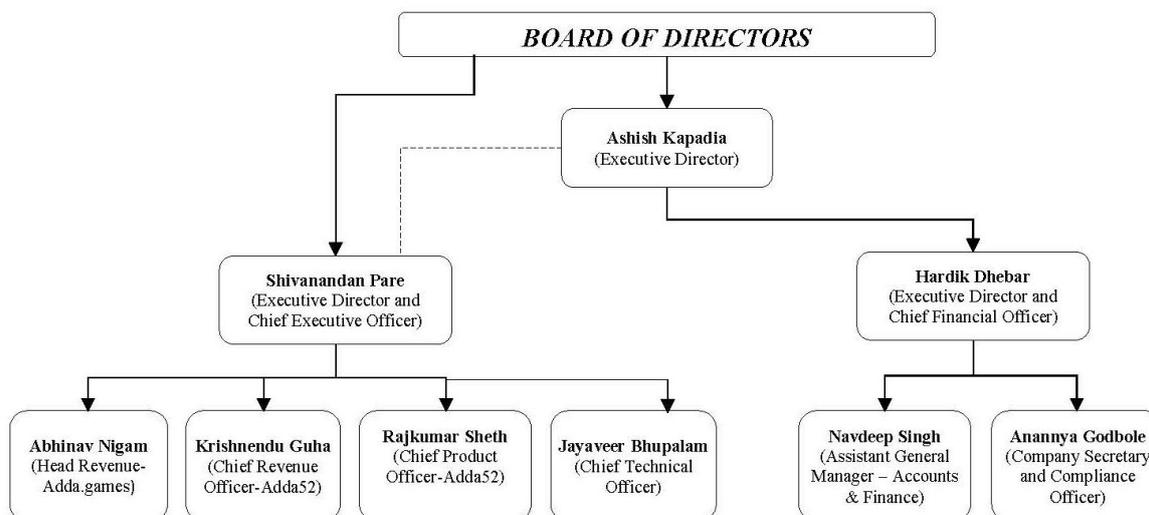
- (i) To decide, negotiate and finalize, in consultation with the book running lead managers appointed in relation to the Offer (the “**BRLMs**”), all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with Investors;
- (ii) To make applications to seek clarifications and obtain approvals and seek exemptions from, where necessary, the stock exchanges, the SEBI, the relevant Registrar of Companies, the Reserve Bank of India and any other governmental or statutory/regulatory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions and wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;
- (iii) To invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
- (iv) All actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer portion in case the Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- (v) To appoint and enter into arrangements with the BRLMs and in consultation with the BRLMs, appoint and enter into agreements with intermediaries, including, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, advisors to the Offer, bankers to the Offer, escrow collection bank(s) to the Offer, registrars to the Offer, sponsor bank, refund bank(s) to the Offer, public issue account bank(s) to the Offer, advertising agencies, legal counsel and any other agencies or persons or intermediaries (including any replacements) to the Offer and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the BRLMs’ mandate letter, negotiation, finalisation, execution and, if required, amendment of the Offer agreement with the BRLMs and the Selling Shareholder and the underwriting agreement with the underwriters;
- (vi) To negotiate, finalise, settle, execute and deliver or arrange the delivery of Offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, share escrow agreement, monitoring agency agreement and all other documents, deeds, agreements, memorandum of understanding, and any notices, supplements and corrigenda thereto, as may be required or desirable and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, Stock Exchanges, BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
- (vii) To decide in consultation with the BRLMs on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and all the terms and conditions of the Offer and transfer of the Equity Shares pursuant to the Offer, including without limitation the number of the Equity Shares to be issued or offered pursuant to the Offer (including any reservation, green shoe option and any rounding off in the event of any oversubscription), price and any discount as allowed under applicable laws that may be fixed, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, any rounding off in the event of any oversubscription, to permit existing shareholders to sell any Equity Shares held by them, determined in

accordance with the applicable law, and to accept any amendments, modifications, variations or alterations thereto and to accept any amendments, modifications, variations or alterations thereto;

- (viii) To finalise, approve, adopt, deliver and arrange for, in consultation with the BRLMs, submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”) and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), the abridged prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto for the issue of Equity Shares including incorporating such alterations/corrections/modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities or in accordance with all Applicable Law;
- (ix) To approve the relevant restated financial statements to be issued in connection with the Offer;
- (x) To seek, if required, the consent of the lenders of the Company and its subsidiaries, industry data providers, parties with whom the Company has entered into various commercial and other agreements, including without limitation customers, suppliers, strategic partners of the Company, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;
- (xi) To make applications to seek clarifications and obtain approvals from, if necessary, the SEBI, the Stock Exchanges, RBI, the Registrar of Companies or any other statutory or governmental authorities in connection with the Offer and, wherever necessary, incorporate such modifications/amendments/alterations/corrections as may be required in the DRHP, the RHP and the prospectus;
- (xii) To open and operate bank account(s) of the Company in terms of the cash escrow and sponsor bank agreement, as applicable and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (xiii) To authorise and approve, in consultation with the BRLMs, incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- (xiv) To approve code of conduct as may be considered necessary or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- (xv) To authorise any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;
- (xvi) To approve suitable policies in relation to the Offer as may be required under Applicable Laws;
- (xvii) To approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws or the listing agreement to be entered into by the Company with the relevant stock exchanges, in connection with the Offer;
- (xviii) To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;
- (xix) To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- (xx) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act or as may be required by the regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (xxi) To determine and finalise the bid opening and bid closing dates (including bid opening and closing dates for anchor investors), floor price/price band for the Offer, the Offer price for anchor investors, approve the basis for allocation/allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the prospectus, in consultation with the BRLMs;

- (xxii) To issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on the Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- (xxiii) To withdraw the DRHP or the RHP or not to proceed with the Offer at any stage, if considered necessary and expedient, in accordance with Applicable Laws;
- (xxiv) To make applications for listing of Equity Shares on the Stock Exchanges and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements;
- (xxv) To do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the afore-stated documents;
- (xxvi) To do all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the BRLMs, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws;
- (xxvii) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment of the Equity Shares as aforesaid in consultation with the BRLMs and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under Applicable Laws to the officials of the Company;
- (xxviii) To take such action, give such directions, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Offer, as are in the best interests of the Company;
- (xxix) To approve the expenditure in relation to the Offer;
- (xxx) To negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing; and
- (xxxi) To submit undertaking/certificates or provide clarifications to the Securities Exchange Board of India and the Stock Exchanges where the Equity Shares of the Company are proposed to be listed.

## Management organization chart



## Key Managerial Personnel

In addition to Shivanandan Pare, the Executive Director and Chief Executive Officer, Hardik Dhebar, the Executive Director and Chief Financial Officer and Ashish Kapadia, the Executive Director of our Company, whose details are provided in “– *Brief profiles of our Directors*” on page 175, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Abhinav Nigam** is the ‘Head Revenue – Adda.games’ of our Company. He has been associated with our Company since April 1, 2021. He holds a bachelor’s degree in technology (honours) in manufacturing science and engineering from Indian Institute of Technology, Kharagpur. Prior to joining our Company, he was associated with Accenture Solutions Private Limited in the capacity of management consulting principal director. In Fiscal 2022, the remuneration paid to him was ₹ 17.47 million.

**Krishnendu Guha** is the ‘Chief Revenue Officer – Adda52’ of our Company. He has been associated with our Company since November 17, 2020. He has attended a bachelor’s degree course in science from University of Calcutta. Prior to joining our Company, he was associated with Tabella s.r.o. in the capacity of director-marketing. In Fiscal 2022, the remuneration paid to him was ₹ 8.51 million.

**Rajkumar Sheth** is the ‘Chief Product Officer – Adda52’ of our Company. He was transferred to our Company from Highstreet Cruises & Entertainment Private Limited, with effect from September 7, 2020. He has attended a bachelor’s degree course in commerce from Madurai Kamaraj University. Prior to joining our Company, he was associated with Highstreet Cruises and Entertainment Private Limited and BirdEye Software India Private Limited in the capacity of chief product officer (online rummy business) and director product management, respectively. In Fiscal 2022, the remuneration paid to him was ₹ 6.85 million.

**Jayaveer Bhupalam** is the ‘Chief Technical Officer’ of our Company. He has been associated with our Company since February 15, 2021. He holds a bachelor’s degree in engineering (computer science and engineering) from Bharathidasan University. Prior to joining our Company, he was associated with Aditya Birla Fashion & Retail Limited and SJM Technologies Private Limited in the capacity of assistant vice president - product & technology and principal project architect, respectively. In Fiscal 2022, the remuneration paid to him was ₹ 7.78 million.

**Navdeep Singh** is the ‘Assistant General Manager – Accounts & Finance’ of our Company. He has been associated with our Company since June 18, 2018. He holds a bachelor’s degree in commerce from Indira Gandhi National Open University. He is an associate member of the Institute of Chartered Accountants in India. Prior to joining our Company, he was associated with Globus Infocom Limited in the capacity of a finance head. In Fiscal 2022, the remuneration paid to him was ₹ 2.21 million.

**Anannya Godbole** is the Company Secretary and Compliance Officer of our Company. She was transferred to our Company from Delta Manufacturing Limited with effect from January 26, 2022. She holds a bachelor's degree in commerce from University of Mumbai. She is an associate member of Institute of Companies Secretaries of India. Prior to joining our Company, she was associated with Delta Manufacturing Limited and Highstreet Cruises and Entertainment Private Limited. In Fiscal 2022, the remuneration paid to her was ₹ 0.17 million.

#### **Relationships among our Key Managerial Personnel**

None of our Key Managerial Personnel are related.

#### **Arrangements or understanding with major Shareholders, customers, suppliers or others**

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others

#### **Changes in the Key Managerial Personnel in last three years**

Except as mentioned below, there have been no changes in the Key Managerial Personnel in the last three years:

<b>Name</b>	<b>Date of change</b>	<b>Reason</b>
Hardik Dhebar	May 4, 2022	Appointed as the Chief Financial Officer
Anannya Godbole	January 26, 2022	Appointed as Company Secretary and Compliance Officer
Rajkumar Sheth	September 1, 2021	Re-designated as Chief Product Officer – Adda52
Abhinav Nigam	May 1, 2021	Re-designated as Head Revenue – Adda.games
Krishnendu Guha	April 1, 2021	Re-designated as Chief Revenue Officer – Adda52
Abhinav Nigam	April 1, 2021	Appointed as Head Revenue – MGP
Jayaveer Bhupalam	February 15, 2021	Appointed as Chief Technical Officer
Shivanandan Pare	January 22, 2021*	Appointed as the Chief Executive Officer
Krishnendu Guha	November 17, 2020	Appointed as VP – Marketing
Rajkumar Sheth	September 7, 2020	Appointed as Chief Product Officer (Online Rummy Business)

\*Shivanandan Pare was designated as a Key Managerial Personnel pursuant to a resolution passed by our Board on May 4, 2022.

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

#### **Status of Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

#### **Retirement and termination benefits**

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

#### **Shareholding of the Key Managerial Personnel**

Except as disclosed under “– Shareholding of Directors in our Company” on page 178, none of our other Key Managerial Personnel hold any Equity Shares in our Company.

#### **Contingent and deferred compensation payable to Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2022, which does not form part of their remuneration for such period.

**Bonus or profit-sharing plan of the Key Managerial Personnel**

Except the bonus payments to our Key Managerial Personnel, in accordance with their terms of appointment, our Company does not have a profit-sharing plan for our Key Managerial Personnel.

**Interest of Key Managerial Personnel**

Our Key Managerial Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

**ESOP Plan and ESARP Plan**

For details about the ESOP Plan and the ESARP Plan, see "*Capital Structure – ESOP Plan and ESARP Plan*" on page 80.

**Payment or Benefit to officers of our Company (non-salary related)**

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our Directors and Key Managerial Personnel.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

As on the date of this Draft Red Herring Prospectus, Delta Corp Limited, is the Promoter of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoter's shareholding in our Company is as follows:

Sr. No.	Name of the Promoter	No. of Equity Shares held	% of pre-Offer issued, subscribed and paid-up Equity Share capital
1.	Delta Corp Limited*	95,690,856	100.00
<b>Total</b>		<b>95,690,856</b>	<b>100.00</b>

\*Including 1,410 Equity Shares held by the Nominee Shareholders, for which our Promoter is the beneficial owner.

For details of the build-up of our Promoter's shareholding in our Company, see "*Capital Structure – Details of Shareholding of our Promoter, members of the Promoter Group in our Company – Build-up of the Promoter's shareholding in our Company*", on page 76.

### Delta Corp Limited

#### *Corporate Information*

Our Promoter was incorporated as a private limited company with the name 'Creole Holdings Company Private Limited' on November 5, 1990 under the Companies Act, 1956. With effect from June 2, 1992, our Promoter became a deemed public limited company and its name was changed to 'Creole Holdings Company Limited'. Subsequently, on October 22, 2003, our Promoter was converted into a private limited company and, on December 14, 2006, our Promoter was converted into a public limited company. On May 18, 2007, pursuant to a fresh certificate of incorporation and in terms of the scheme of arrangement and amalgamation of the *erstwhile* Arrow Webtex Limited with our Promoter, the name of our Promoter was changed from 'Creole Holdings Company Limited' to 'Arrow Webtex Limited'. Further, pursuant to a fresh certificate of incorporation dated October 31, 2008 issued by the Registrar of Companies, Maharashtra at Pune, the name of our Promoter was changed from 'Arrow Webtex Limited' to 'Delta Corp Limited'. Its registered office is situated at 10, Kumar Place, 2408, General Thimayya Road, Pune- 411 001, Maharashtra, India. The equity shares of our Promoter are listed on BSE and NSE.

The corporate identification number of our Promoter is L65493PN1990PLC058817.

Our Promoter operates in, amongst others, offshore and onshore casino gaming and hospitality industry.

#### *Board of Directors*

The board of directors of our Promoter comprises the following:

Name	Designation
Jaydev Mody	Non-executive chairman
Ashish Kapadia	Managing director
Alpana Chinai	Independent director
Chetan Desai	Independent director
Ravinder Kumar Jain	Independent director
Rajesh Jaggi	Independent director
Dr. Vrajesh Udani	Independent director

#### *Promoters of Delta Corp Limited*

The promoters of Delta Corp Limited are Jaydev Mody, Aarti J Mody Trust (through its trustee, Aarti Pandit Family Private Limited), Aditi J Mody Trust (through its trustee, Aditi Mody Family Private Limited) and Anjali J Mody Trust (through its trustee, Anjali Mody Family Private Limited).

#### *Shareholding Pattern*

The shareholding pattern of our Promoter as of March 31, 2022 is as follows:

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 equity shares held in dematerialized form
(A) Promoter & Promoter Group	9	88,797,440	88,797,440	33.23	88,797,440	33.23	88,797,440
(B) Public	252,594	178,460,092	178,460,092	66.77	178,460,092	66.77	176,957,252
(C) Non Promoter-Non Public	-	-	-	-	-	-	-
(C1) Shares underlying DRs	-	-	-	-	-	-	-
(C2) Shares held by Employee Trust	-	-	-	-	-	-	-
<b>Total</b>	<b>252,603</b>	<b>267,257,532</b>	<b>267,257,532</b>	<b>100.00</b>	<b>267,257,532</b>	<b>100.00</b>	<b>265,754,692</b>

#### *Change in control of our Promoter*

There has been no change in the control of our Promoter in the three years preceding the date of this Draft Red Herring Prospectus.

#### *Change in activities of our Promoter since its incorporation*

Our Promoter was initially engaged only in the business of real estate consultancy, however, after the amalgamation of the *erstwhile* Arrow Webtex Limited with our Promoter, our Promoter expanded its business to renting real estate property and, thereafter, into manufacturing narrow woven fabrics. Subsequently, the aforesaid businesses were either discontinued or demerged and our Promoter entered into the business of gaming and hospitality.

Our Company confirms that our Promoter's permanent account number, bank account number, company registration number and the address of the Registrar of Companies, Maharashtra at Pune, where our Promoter is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

#### **Changes in control of our Company**

Our Promoter is not the original promoter of our Company and there has been an effective change in the management and control of our Company, pursuant to the Scheme of Amalgamation. For details of the Scheme of Amalgamation, see "*History and certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation - Scheme of amalgamation of Gauss Networks Private Limited and our Promoter dated June 8, 2017*" and "*Capital Structure - Build-up of the Promoter's shareholding in our Company*" on pages 169 and 76, respectively.

#### **Other ventures of our Promoter**

Gaussian Online Skill Gaming Private Limited, a subsidiary of our Promoter, is authorised by its memorandum of association to engage in businesses same as that of our Company. Except as mentioned above, our Promoter is not involved in any other venture, which is in the same line of activity or business as that of our Company.

#### **Interest of our Promoter**

Our Promoter is interested in our Company to the extent: (1) that it has promoted our Company; (2) of its shareholding in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by it; and (3) revenue that will be shared by our Company with our Promoter pursuant to the revenue sharing agreement entered into between our Company and our Promoter on April 1, 2022. For details, see "*Capital Structure*", "*Related Party Transactions*", "*Financial Information*" and "*Our Business - Our Market Opportunity - Our initiatives*" on pages 71, 256, 201 and 142 respectively.

Our Promoter does not have any interest, whether direct or indirect, in any property acquired by our Company

within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus.

Our Promoter is not interested in any transaction to be entered into by our Company for acquisition of land, construction of building or supply of machinery.

Except as disclosed in this Draft Red Herring Prospectus, our Promoter is not interested as member of a firm or company and no sums have been paid or agreed to be paid by our Company to our Promoter or to such firm or company in cash or shares wherein our Promoter is interested as member or otherwise as an inducement by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Except as stated in “*Related Party Transactions*” on page 256, there has been no payment of any amount or benefit given to our Promoter or Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoter or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

### **Companies or firms with which our Promoter has disassociated in the last three years**

Except as set out below, our Promoter has not disassociated themselves from any company or firm during the three years preceding the date of filing of the Draft Red Herring Prospectus:

<b>Name of company or firm from which promoter has disassociated</b>	<b>Reasons for and circumstances leading to disassociation</b>	<b>Date of disassociation</b>
Aero Ports & Infrastructure Projects Private Limited	Sale of entire shareholding	January 29, 2021

### **Confirmations**

Our Promoter has not been declared as a Wilful Defaulter or a Fraudulent Borrower.

Our Promoter and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoter is not a promoter of any other company which is debarred from accessing capital markets.

Except as disclosed in ‘*Outstanding Litigation and Material Developments*’ on page 284, there are no legal proceedings involving our Promoter as on the date of this Draft Red Herring Prospectus.

### **Material guarantees**

Our Promoter has not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

### **Promoter Group**

The entities constituting the Promoter Group of our Company, in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, except our Promoter are set out below:

*Entities forming part of our Promoter Group (other than our Promoter)\*:*

<b>Sr. No.</b>	<b>Name of the entities</b>
<b>Companies</b>	
1.	Caravella Entertainment Private Limited
2.	Daman Entertainment Private Limited <sup>#</sup>
3.	Daman Hospitality Private Limited <sup>#</sup>
4.	Delta Pleasure Cruise Company Private Limited
5.	Deltin Cruises and Entertainment Private Limited
6.	Deltin Hotel & Resorts Private Limited
7.	Marvel Resorts Private Limited
8.	Highstreet Cruises and Entertainment Private Limited

Sr. No.	Name of the entities
<b>Companies</b>	
9.	Gaussian Online Skill Gaming Private Limited
10.	Deltin Amusement Park Private Limited
11.	Delta Hotels Lanka (Private) Limited
12.	Deltin Nepal Private Limited
13.	Delta Hospitality and Entertainment Mauritius Limited
14.	Delta Offshore Developers Limited

*\*Our Company had filed an application dated May 19, 2022, with SEBI seeking an exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations, from classifying (i) Advani Hotels and Resorts (India) Limited; and (ii) Halaplay Technologies Private Limited, as members of the Promoter Group and including relevant disclosures, confirmations and undertakings in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in relation to the same. SEBI has, vide its letter dated June 7, 2022 bearing reference number SEBI/HO/CFD/DIL-2/P/OW/2022/23682/1 approved our application and granted us the exemption sought therein.*

*#A scheme of amalgamation has been filed by Daman Entertainment Private Limited, Daman Hospitality Private Limited and our Promoter and their respective shareholders, pursuant to which Daman Entertainment Private Limited and Daman Hospitality Private Limited are proposed to be amalgamated with our Promoter.*

## OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, the term ‘group companies’, for the purpose of disclosure in the Offer Documents, shall include (i) such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than Delta Corp Limited, our Promoter) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Further, pursuant to the resolution dated June 15, 2022 passed by our Board, other than the companies categorized under (i) above, a company shall be considered “material” and will be disclosed as a “group company” if such company forms part of the Promoter Group and with which there were transactions in the most recent financial year, which individually or in the aggregate, exceed 5% of the consolidated net worth of our Company, as per the Restated Financial Statements for that period.

Accordingly, on the basis of the above, the following companies have been identified as our Group Companies (“Group Companies”):

1. Highstreet Cruises and Entertainment Private Limited;
2. Goan Football Club Private Limited;
3. Forum for Sports and Freedom of Expression;
4. Freedom Registry Limited; and
5. Gaussian Online Skill Gaming Private Limited.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations.

### A. Details of our Group Companies

#### 1. **Highstreet Cruises and Entertainment Private Limited (“HCEPL”)**

##### *Registered Office address*

The registered office of HCEPL is situated at Bayside Mall, 2<sup>nd</sup> Floor, opposite Sobo Central Mall, Tardeo Road, Haji Ali, Mumbai 400 034, Maharashtra, India.

##### *Financial Performance*

The financial information derived from the audited financial statements of HCEPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.deltatech.gg/highstreet-cruises-and-entertainment-private-limited/>.

#### 2. **Goan Football Club Private Limited (“GFCPL”)**

##### *Registered Office address*

The registered office of GFCPL is situated at Delta Centre, H.No.850, Off N.H.17, Porvorim, North Goa, 403 251, Goa, India.

##### *Financial Performance*

The financial information derived from the audited financial statements of GFCPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.deltatech.gg/goan->

football-club-private-limited/.

**3. Forum for Sports and Freedom of Expression (“FSFE”)**

*Registered Office address*

The registered office of FSFE is situated at 901, Gabanna House, 15<sup>th</sup> Road, Khar Danda, Khar (West), Mumbai 400 052, Maharashtra, India.

*Financial Performance*

The financial information derived from the audited financial statements of FSFE for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.deltatech.gg/forum-for-sports-and-freedom-of-expression/>.

**4. Freedom Registry Limited (“FRL”)**

*Registered Office address*

The registered office of FRL is situated at Plot No. 101/102 MIDC, 19th Stopp Ceat Tyres, Nashik – 422 007, Maharashtra, India.

*Financial Performance*

The financial information derived from the audited financial statements of FRL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.deltatech.gg/freedom-registry-limited/>.

**5. Gaussian Online Skill Gaming Private Limited (“GOSGPL”)**

*Registered Office address*

The registered office of GOSGPL is situated at 148, Jessore Road Block A, South East Corner, Kolkata – 700 074, West Bengal, India.

*Financial Performance*

The financial information derived from the audited financial statements of GOSGPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.deltatech.gg/gaussian-online-skill-gaming-private-limited/>.

**B. Litigation**

Other than as disclosed in “*Outstanding Litigation and Material Developments – Litigation involving the Group Companies*” on page 291, our Group Companies are not party to any litigation which may have material impact on our Company.

**C. Common pursuits**

None of our Group Companies have common pursuits with our Company, however, GOSGPL is authorised by its memorandum of association to engage in businesses same as that of our Company. As on date of this Draft Red Herring Prospectus, GOSGPL is not engaged in any business. Our Company and our Group Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For risks relating to the same, please refer to “*Risk Factors – One of our Group Companies is authorised by its memorandum of association to engage in a similar line of business as our Company and may compete with us*” at page 42.

**D. Related business transactions within our Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in “*Related Party Transactions*” on page 256, there are no other

related business transactions between our Group Companies and our Company.

**E. Business Interest**

Except as disclosed in the section “*Related Party Transactions*” on page 256, our Group Companies have no business interests in our Company.

**F. Nature and extent of interest of our Group Companies**

*a) In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

*b) In the properties acquired by us in the preceding three years before filing this draft red herring prospectus or proposed to be acquired by our Company*

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

*c) In transactions for acquisition of land, construction of building and supply of machinery*

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

## DIVIDEND POLICY

The Board of Directors at its meeting held on June 15, 2022 have adopted a Dividend Distribution Policy (“**the Policy**”). The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act.

The quantum of dividend, if any, and our ability to pay dividends will depend on a number of factors, including, but not limited to, profits earned during the year, present and future capital requirements of the existing businesses; brand or business acquisitions; expansion/ modernization of existing businesses; additional investments in subsidiaries/associates of the Company; fresh investments into external businesses; or any other factor as deemed fit by the Board.

The details of dividend on Equity Shares declared and paid by our Company last three Financial Years, until the date of this Draft Red Herring Prospectus are given below:

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
No. of Equity Shares	585,000	36,000	36,000
Face value per share (in ₹)	1	10	10
Aggregate Dividend (in ₹)	Nil	Nil	57,600,000
Dividend per share (in ₹)	Nil	Nil	1,600
Rate of dividend (%)	N.A.	N.A.	16,000
Dividend Distribution Tax (%)	N.A.	N.A.	20.56
Dividend Distribution Tax (in ₹)	N.A.	N.A.	11,839,849
Mode of Payment of Dividend	N.A.	N.A.	Electronic Clearing System

*As certified by the Independent Chartered Accountants pursuant to their certificate dated June 16, 2022.*

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. 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 43.

**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>S. No.</b>	<b>Financial Statements</b>
1.	Restated Consolidated Financial Statements

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## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors  
Deltatech Gaming Limited  
(Formerly known as Gaussian Networks Private Limited)  
4<sup>th</sup> Floor, 148, Jessore Road, Block A,  
South-East Corner, Kolkata – 700 074,  
West Bengal, India.

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of Deltatech Gaming Limited (Formerly known as Gaussian Networks Private Limited) (the “Company” or the “Issuer” or the “Holding Company”) and its subsidiary (the Company and its subsidiary together referred to as the “Group”), comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2022, 31 March 2021 and 31 March 2020, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended 31 March 2022, 31 March 2021 and 31 March 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 15 June 2022 for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (the “SEBI”), National Stock Exchange of India Limited and BSE Limited (the “Stock Exchanges”) and Registrar of Companies, Kolkata, West Bengal, in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 1(a) to the Restated Consolidated Financial Information. The responsibilities of the respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01 February 2022 in connection with the proposed IPO of equity shares of the Issuer;
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:
  - a. Audited consolidated Ind AS financial statements of the Group as at and for the year ended 31 March 2022 prepared 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, which have been approved by the Board of Directors at their meeting held on 09 April 2022.
  - b. Audited special purpose consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2021 and 31 March 2020 prepared 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 “Special Purpose Consolidated Ind AS Financial Statements”), which have been approved by the Board of Directors at their meeting held on 15 June 2022.
5. For the purpose of our examination, we have relied on:
  - a. Auditors’ reports issued by us dated 09 April 2022 on the consolidated Ind AS financial statements of the Group as at and for the year ended 31 March 2022 as referred in Paragraph 4 above; and
  - b. Auditors’ reports issued by us dated 15 June 2022 on the Special Purpose consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2021 and 31 March 2020, as referred in Paragraph 4 above.
6. The audit report on the special purpose consolidated Ind AS financial statements issued by us as at and for the year ended 31 March 2020 as referred in Paragraph 4 above included following Emphasis of Matter paragraphs:

Emphasis of Matter - Basis of Preparation and Restriction on Distribution and Use: “Without modifying our opinion, we draw attention to Note 1(a) to the accompanying Special Purpose Consolidated Financial Statements, which describes the basis of its preparation. The Special Purpose Consolidated Financial Statements have been prepared by the Holding Company’s management solely for the preparation of the restated consolidated financial information for the year ended 31 March 2020 for its inclusion in the Draft Red Herring Prospectus (‘DRHP’) which is to be filed by the Holding Company with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited as per the requirements of Section 26 of Part I of Chapter III of the Act, read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, in connection with the proposed Initial Public Offering (‘IPO’) of equity shares of the Holding Company. Therefore, these Special Purpose Consolidated Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.”

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
  - a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2021 and 31 March 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2022; and

- b. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose consolidated Ind AS financial statements and audited consolidated financial statements mentioned in paragraph 4 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited and Registrar of Companies, Kolkata, West Bengal, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership Number: 042423

UDIN: 22042423AKZADB5728

Place: Mumbai  
Date: June 15, 2022

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)  
**Restated Consolidated Statement of Assets and Liabilities**

(Rs in Millions unless stated otherwise)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	2(i)	8.91	18.16	27.12
(b) Intangible assets	2(ii)	119.26	104.79	82.47
(c) Intangible assets under development		3.21	8.69	14.49
(d) Financial Assets				
(i) Investments	3	-	240.41	185.96
(ii) Other Financial Assets	4	3.90	3.33	8.42
(e) Deferred Tax Assets (Net)	5	17.11	6.36	5.07
(f) Income Tax Assets (net)	6	6.68	-	-
(g) Other Non Current Assets	7	0.06	-	0.10
<b>Total Non Current Assets</b>		<b>159.13</b>	<b>381.74</b>	<b>323.63</b>
<b>Current Assets</b>				
(a) Financial Assets				
(i) Investments	8	-	-	112.92
(ii) Cash and Cash Equivalents	9	247.97	262.64	290.91
(iii) Bank Balances other than (ii) above	10	4.24	5.42	-
(iv) Loans	11	-	4.00	-
(v) Other Financial Assets	12	95.01	52.82	33.63
(b) Other Current Assets	13	14.61	18.85	7.77
<b>Total Current Assets</b>		<b>361.83</b>	<b>343.73</b>	<b>445.23</b>
<b>TOTAL ASSETS</b>		<b>520.96</b>	<b>725.47</b>	<b>768.86</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	14	0.59	0.36	0.36
(b) Other Equity	15	96.93	5.63	(223.77)
<b>Total Equity</b>		<b>97.52</b>	<b>5.99</b>	<b>(223.41)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Lease Liabilities	16	-	-	7.26
(b) Provisions	17	16.57	15.39	10.74
<b>Total Non Current Liabilities</b>		<b>16.57</b>	<b>15.39</b>	<b>18.00</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	-	294.65	559.50
(ii) Lease Liabilities	19	-	7.34	6.52
(iii) Trade Payables	20			
Total outstanding dues to micro and small enterprises		-	-	-
Total outstanding dues to creditors other than micro and small enterprises		2.26	6.50	1.67
(iv) Other Financial Liabilities	21	350.12	307.65	315.50
(b) Other Current Liabilities	22	41.13	67.73	61.41
(c) Provisions	23	13.36	12.49	7.25
(d) Current Tax Liabilities (Net)	24	-	7.73	22.42
<b>Total Current Liabilities</b>		<b>406.87</b>	<b>704.09</b>	<b>974.27</b>
<b>Total Liabilities</b>		<b>423.44</b>	<b>719.48</b>	<b>992.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>520.96</b>	<b>725.47</b>	<b>768.86</b>

Significant Accounting Policies and the accompanying notes are an integral part of the restated consolidated financial information.

As per Our Report of Even Date

**For Walker Chandio & Co LLP**

Firm Regn. No. 001076N/N500013

**For and on behalf of Board**

**Khushroo B. Panthaky**

Partner

Membership No. 042423

Place : Mumbai

Date : 15-June-2022

**Shivanandan Pare**

Executive Director & CEO

DIN: 03613410

Place : Mumbai

Date : 15-June-2022

**Hardik Dhebar**

Executive Director & CFO

DIN: 00046112

**Anannya Godbole**

Company Secretary

ACS No. 23112

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)  
**Restated Consolidated Statement of Profit and Loss**

(Rs in Millions unless stated otherwise)

Particulars	Note No.	For Year Ended		
		31st March, 2022	31st March, 2021	31st March, 2020
<b>Income</b>				
Revenue from Operations	25	1,372.27	1,553.65	1,316.45
Other Income	26	4.05	6.86	5.19
<b>Total Income</b>		<b>1,376.32</b>	<b>1,560.51</b>	<b>1,321.64</b>
<b>Expenses:</b>				
Employee Benefit Expenses	27	335.07	234.19	146.18
Finance Costs	28	0.59	2.24	3.76
Depreciation and Amortization Expense	2(i+ii)	80.99	65.00	31.41
Other Expenses	29	1,006.36	1,043.82	748.24
<b>Total Expenses</b>		<b>1,423.01</b>	<b>1,345.25</b>	<b>929.59</b>
(Loss)/Profit Before Exceptional Item and Tax		(46.69)	215.26	392.05
Exceptional Item	41	0.11	-	6.99
<b>(Loss)/Profit Before Tax</b>		<b>(46.58)</b>	<b>215.26</b>	<b>399.04</b>
<b>Tax Expenses</b>	33			
- Current Tax		5.45	59.33	104.62
- Deferred Tax Charge/ (Benefit)		(8.04)	(3.57)	(4.07)
Total Tax Expenses		(2.59)	55.76	100.55
<b>(Loss)/Profit for the Year</b>		<b>(43.99)</b>	<b>159.50</b>	<b>298.49</b>
<b>Non Controlling Interest</b>		-	-	(2.20)
<b>(Loss)/Profit attributable to shareholders</b>		<b>(43.99)</b>	<b>159.50</b>	<b>300.69</b>
<b>Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans profit/(Loss)	30	(0.42)	(1.30)	0.09
Fair value of Equity Instrument	39	(15.79)	23.95	(572.48)
Income Tax relating to items that will not be reclassified to profit or loss	33	2.71	(2.29)	(0.02)
<b>Total Other Comprehensive (Loss)/Income for the Year</b>		<b>(13.50)</b>	<b>20.36</b>	<b>(572.41)</b>
<b>Total Comprehensive (Loss)/Income for the Year</b>		<b>(57.49)</b>	<b>179.86</b>	<b>(271.72)</b>
<b>Profit Attributable to :</b>				
a) Owners of the Company		(43.99)	159.50	300.69
b) Non-Controlling Interest		-	-	(2.20)
Other Comprehensive Income attributable to :				
a) Owners of the Company		(13.50)	20.36	(572.41)
b) Non-Controlling Interest		-	-	-
Total Comprehensive Income attributable to :				
a) Owners of the Company		(57.49)	179.86	(271.72)
b) Non-Controlling Interest		-	-	(2.20)
Earnings Per Equity Share (Nominal Value of Rs. 1/- each)	32			
- Basic		(0.53)	3.14	5.92
- Diluted		(0.53)	3.13	5.92

Significant Accounting Policies and the accompanying notes are an integral part of the restated consolidated financial information.

As per Our Report of Even Date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Regn. No. 001076N/N500013

**For and on behalf of Board**

**Khushroo B. Panthaky**

Partner

Membership No. 042423

Place : Mumbai

Date : 15-June-2022

**Shivanandan Pare**

Executive Director & CEO

DIN: 03613410

Place : Mumbai

Date : 15-June-2022

**Hardik Dhebar**

Executive Director & CFO

DIN: 00046112

**Anannya Godbole**

Company Secretary

ACS No. 23112

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)  
**Restated Consolidated Statement of Changes in Equity**

**A. Equity Share Capital**

(Rs. in Millions )

Particulars	
<b>Balance as at 1st April, 2019</b>	0.36
Changes in Equity Share Capital	-
<b>Balance as at 31st March, 2020</b>	<b>0.36</b>
Changes in Equity Share Capital	-
<b>Balance as at 31st March, 2021</b>	<b>0.36</b>
Changes in Equity Share Capital	0.23
<b>Balance as at 31st March, 2022</b>	<b>0.59</b>

**B. Other Equity**

(Rs. in Millions )

Particulars	Other Equity (Refer Note No.15)				Non Controlling Interest	Total Other equity
	Securities Premium	Retained Earnings	Share Option Outstanding Account (ESOP)	Other comprehensive income		
<b>Balance as on 1st April, 2019</b>	23.88	94.26	-	(0.69)	0.65	118.10
<b>Changes in equity for the year ended 31st March, 2020</b>						
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	0.07	-	0.07
Fair valuation of Investments, net of tax effect	-	-	-	(572.48)	-	(572.48)
Disposal of subsidiary	-	-	-	(0.06)	1.55	1.49
Dividend declared including Dividend Distribution Tax	-	(69.44)	-	-	-	(69.44)
Profit for the year	-	300.69	-	-	(2.20)	298.49
<b>Balance as on 31st March, 2020</b>	<b>23.88</b>	<b>325.51</b>	<b>-</b>	<b>(573.16)</b>	<b>-</b>	<b>(223.77)</b>
<b>Balance as on 1st April, 2020</b>	<b>23.88</b>	<b>325.51</b>	<b>-</b>	<b>(573.16)</b>	<b>-</b>	<b>(223.77)</b>
<b>Changes in equity for the year ended 31st March, 2021</b>						
Share based compensation expense	-	-	49.54	-	-	49.54
Remeasurement of defined benefit obligations, net of tax effect	-	-	-	(0.97)	-	(0.97)
Fair valuation of investments, net of tax effect	-	-	-	21.33	-	21.33
Profit for the Year	-	159.50	-	-	-	159.50
<b>Balance as on 31st March, 2021</b>	<b>23.88</b>	<b>485.01</b>	<b>49.54</b>	<b>(552.80)</b>	<b>-</b>	<b>5.63</b>
<b>Balance as on 1st April, 2021</b>	<b>23.88</b>	<b>485.01</b>	<b>49.54</b>	<b>(552.80)</b>	<b>-</b>	<b>5.63</b>
<b>Changes in equity for the year ended 31st March, 2022</b>						
Equity Shares Issued	89.78	-	-	-	-	89.78
Share based compensation expense	-	-	59.01	-	-	59.01
Remeasurement of defined benefit obligations, net of tax effect	-	-	-	(0.33)	-	(0.33)
Fair valuation of Investments, net of tax effect	-	-	-	(13.17)	-	(13.17)
Transfer from OCI to Retained earnings	-	(564.31)	-	564.31	-	-
Loss for the year	-	(43.99)	-	-	-	(43.99)
<b>Balance as on 31st March, 2022</b>	<b>113.66</b>	<b>(123.29)</b>	<b>108.55</b>	<b>(1.99)</b>	<b>-</b>	<b>96.93</b>

As per Our Report of Even Date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Regn. No. 001076N/N500013

**For and on behalf of Board**

**Khushroo B. Panthaky**

Partner

Membership No.042423

Place : Mumbai

Date : 15-June-2022

**Shivanandan Pare**

Executive Director & CEO

DIN: 03613410

Place : Mumbai

Date : 15-June-2022

**Hardik Dhebar**

Executive Director & CFO

DIN:00046112

**Annanya Godbole**

Company Secretary

ACS No. 23112

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)  
**Restated Consolidated Statement of Cash Flow**

(Rs in Millions unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Net (Loss)/Profit before tax	(46.58)	215.26	399.04
	<u>Add/ (Deduct) :</u>			
	Depreciation And Amortisation Expense	80.99	65.00	31.41
	Employee Stock Option	59.01	49.54	-
	Provision Written back	(2.69)	(3.40)	-
	Exceptional Items	(0.11)	-	(6.99)
	Gain on Investment	-	(2.17)	(4.52)
	Finance Cost	0.59	2.24	3.76
	Profit on Sale of Property, Plant and Equipments	-	(0.22)	-
	Impairment of Intangible Asset under Development	-	4.25	-
	Rent Concession	(0.91)	-	-
	Interest Income	(0.45)	(1.07)	(0.64)
	<b>Operating Profit Before Working Capital Changes</b>	<b>89.85</b>	<b>329.43</b>	<b>422.06</b>
	<u>Adjustments For :</u>			
	Other Current Asset	4.24	(11.07)	6.62
	Other Financial Asset	(42.40)	(18.12)	(11.74)
	Other Financials Non Current Assets	(0.22)	5.08	(2.20)
	Other Non Current Asset	(0.06)	0.10	1.31
	Trade Payables	(4.24)	5.99	(11.43)
	Other Current Liabilities	(26.60)	6.31	6.17
	Other Financial Liabilities	46.39	(5.47)	101.55
	Provisions	1.63	3.18	9.85
	<b>Cash Generated from Operations</b>	<b>68.59</b>	<b>315.43</b>	<b>522.19</b>
	Taxes Paid	(19.85)	(74.17)	(88.88)
	<b>Net Cash generated from operating activities (A)</b>	<b>48.74</b>	<b>241.26</b>	<b>433.31</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of Property, Plant and Equipments	(80.73)	(77.35)	(120.98)
	Sale of Property, Plant and Equipments	-	0.40	-
	Loan Received Back/(Given)	4.05	(4.00)	4.14
	Sale of subsidiary company	0.10	-	5.27
	Sale of Non Current Investment	224.62	-	-
	Purchase of Current Investment	-	-	(16.92)
	Purchase of Non Current Investment	-	(30.51)	(357.68)
	Sale of Current Investment	-	115.09	2.76
	Interest Received	0.32	-	-
	<b>Net cash generated from / (used in) investing activities (B)</b>	<b>148.36</b>	<b>3.63</b>	<b>(483.41)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Issue Equity Shares	90.00	-	-
	Borrowing (Net)	(294.65)	(264.85)	214.36
	Dividend paid to the Company's Shareholders (including DDT)	-	-	(69.44)
	Lease Liability Payment	(6.75)	(7.36)	(6.83)
	Interest Paid	(0.27)	(0.95)	(2.01)
	<b>Net Cash Used In Financing Activities (C)</b>	<b>(211.67)</b>	<b>(273.16)</b>	<b>136.08</b>
	Increase/ (decrease) in cash and cash equivalents (A + B + C)	(14.57)	(28.27)	85.98
	Cash and cash equivalents as at beginning of the year	262.64	290.91	204.93
	Less : Disposal of subsidiary company (net of sale consideration received in cash)	(0.10)	-	-
	<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>247.97</b>	<b>262.64</b>	<b>290.91</b>
	Cash and Cash Equivalents Includes :			
	Cash and Cash Equivalents (Refer Note No.9)	247.97	262.64	290.91

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Statement of Cash Flow issued by The Institute of Chartered Accountants of India.
- Figures in bracket indicate cash outflow.

As per Our Report of Even Date  
**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No.001076N/N500013

**For and on behalf of Board**

**Khushroo B. Panthaky**  
Partner  
Membership No. 042423  
Place : Mumbai  
Date : 15-June-2022

**Shivanandan Pare**  
Executive Director & CEO  
DIN: 03613410  
Place : Mumbai  
Date : 15-June-2022

**Hardik Dhebar**  
Executive Director & CFO  
DIN: 00046112

**Anannya Godbole**  
Company Secretary  
ACS No. 23112

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)

Notes to the Restated Consolidated Financial Information

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Group Overview**

Deltatech Gaming Limited (formerly known as Gaussian Networks Private Limited) (the Holding Company), was incorporated in the year 2011 having CIN U72300WB2011PLC163605 under the provision of the Companies Act in India. Deltatech Gaming Limited (The “Company” or “DGL”) along with its subsidiaries (collectively referred to as “the group”) currently operates in online skill gaming segment. The Company is domiciled in India having its registered office in the state of West Bengal. The Company has converted from Private Limited to Public Limited w.e.f. 10<sup>th</sup> May, 2022.

**STATEMENT OF COMPLIANCE:**

Compliance with Indian Accounting Standards (Ind-AS) The restated consolidated financial information of the Group have been compiled from the audited financial statements for the years ended 31<sup>st</sup> March 2022, special purpose consolidated financial statements for the year ended 31<sup>st</sup> March 2021 and 31<sup>st</sup> March, 2020, which in turn had been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 (the ‘Act’) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of revised Schedule III under the Companies Act, 2013, as amended from time to time by the Ministry of Corporate Affairs and other relevant provisions of the Act and accounting principles generally accepted in India.

These restated consolidated financial information have been prepared on a going concern basis.

**a) Basis of preparation and presentation of restated consolidated financial information**

The restated consolidated financial information relates to the Group and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) in connection with the proposed Initial Public Offer (‘IPO’) of equity shares of the Company (referred to as the “Issue”). The restated consolidated financial information comprise the Restated Consolidated Statement of Assets and Liabilities as at 31<sup>st</sup> March, 2022, 31<sup>st</sup> March, 2021 and 31 March, 2020, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flow, the Restated Consolidated Statement of Changes in Equity and Statement of Significant Accounting Policies and other explanatory information for the years ended 31<sup>st</sup> March 2022, 31<sup>st</sup> March, 2021 and 31 March 2020 (collectively referred to as “Restated Consolidated Financial Information”).

The Restated Consolidated Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Act, as amended read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

**The Restated Consolidated Financial Information has been compiled by the Management from:**

The audited consolidated financial information as at and for the years ended 31<sup>st</sup> March, 2022, special purpose consolidated financial information for the year ended 31<sup>st</sup> March 2021 and 31<sup>st</sup> March, 2020 has been prepared in accordance with Ind AS prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act,

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Notes to the Restated Consolidated Financial Information

which have been approved by the Board of Directors at their meeting held on 9<sup>th</sup> April, 2022 and 15<sup>th</sup> June, 2022 respectively.

The preparation of these restated consolidated financial information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these restated consolidated financial information are disclosed in Note No 1 (c).

**i) Compliance with Ind AS**

These Restated consolidated financial Information ("financial information") have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

**ii) Historical cost Convention**

The Restated consolidated financial Information have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair values.

**iii) Rounding of Amounts**

All the amounts disclosed in The Restated consolidated financial Information and notes are presented in Indian Rupees have been rounded off to the nearest Millions as per the requirement of Schedule III to the Act, unless otherwise stated. The amount '0.00' denotes amount less than Rs. five thousand.

**iv) Current and Non-Current classification**

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

**b) Principle of Consolidation**

The Group consolidates all entities which are controlled by it. The Group established control when it has power over the entity, is exposed, or has rights, to variables, returns from its involvements, with the entity and has the ability to affect the entity's return by using power over the entity.

The Restated consolidated financial Information have been prepared on the following basis:

- i. Entities controlled by the company are consolidated from the date the control commences until the date the control ceases.
- ii. The financial Information of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Holding Company.
- iii. The financial Information of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra- group balances, intra-group transactions and unrealised profits have been fully eliminated.
- iv. The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary are made, is recognised as "Goodwill" being an asset in the Restated consolidated financial Information. Goodwill arising out of consolidation is not amortised. However, the same is tested for impairment at each Balance Sheet date. Alternatively, where the share of equity in

## **Deltatech Gaming Limited**

(formerly known as Gaussian Networks Private Limited)

### Notes to the Restated Consolidated Financial Information

the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognised as “Capital Reserve on consolidation” and shown under the head “Other Equity”, in The Restated consolidated financial Information.

- v. Non-controlling interests in the net assets of subsidiaries consists of:
  - (i) The amount of equity attributable to the minorities at the date on which investment in subsidiary is made and;
  - (ii) The minorities share of movements in equity since the date the parent-subsidiary relationship came into existence.
- vi. Changes in the Company interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company’s interest and the non-controlling interest are adjusted to reflect the changes in their relative interest in the subsidiary. Any difference between the amount by which the non-controlling interest are adjusted & the fair value of the consideration paid or received is recognised directly in equity.

#### **c) Significant management judgments in applying accounting policies and estimation uncertainty**

The estimates and judgments used in the preparation of the restated consolidated financial Information are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances.

Difference between actual results and estimates are recognised in the period in which the results are known/ materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing on the reporting date.

#### **Impairment of non-financial assets**

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non- financial asset may be impaired. If any indication exists except goodwill where impairment testing is done irrespective of the indicators, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Unit’s (CGU’s) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where 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 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, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### **Depreciation and useful lives of property, plant and equipment / Intangible assets**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the group’s

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Notes to the Restated Consolidated Financial Information

historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**Recoverability of trade receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**Provisions and contingent Liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

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 are disclosed in respect of possible obligations that arise from past events but their 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 or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Share-based payments**

The Grant date fair value of options granted to employees is recognised as employee expenses, with corresponding increase in equity, over the period that the employee become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share option outstanding account". The amount recognised as expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vests, in the statement of profit and loss with a corresponding adjustment to equity.

**Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably

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certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Fair value measurement**

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

**Liability for promotional expenses**

The Liability for discretionary awards is recorded based on the estimated utilisation of such awards by the customers, which is calculated based on the past trends. Based on the estimated liability promotional expenditure liability is booked at each reporting date.

**d) Property, plant and equipment (including capital work-in-progress)**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and expenditures directly attributable to bringing them into working condition for its intended use. Freehold land and capital work in progress are carried at cost, less accumulated impairment losses, if any.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed in Schedule II to the act, and management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the Original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain or losses arising from de-recognition of property, plant and equipment are measured as difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is de-recognised.

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**e) Intangible assets**

Intangible Assets with finite useful lives that are acquired separately are stated at acquisition cost, net of recoverable taxes, trade discount and rebate less accumulated amortisation and accumulated impairment losses, if any. Such cost includes purchase price and any expenditure directly attributable to bringing the asset to its working condition for the intended use.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, 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 asset is de-recognised.

Intangible assets are amortised over the period of three years on a straight line basis from date they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effect of obsolesce, demand, competition and other economic factors and level of maintenance expenditures required to obtain the expected future cash flows from the assets. Intangible asset under work in progress represents software under development.

**f) Leases**

**A. The Group as a lessee**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less

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accumulated depreciation and impairment losses, if any and adjusted for any remeasurement of the lease liability.

Right-of-use 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. Right of use assets 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 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 amortised 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 re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss. Lease liability and ROU asset have been separately presented under heads "Other Financial Liabilities" and "Property, Plant and Equipment" respectively and lease payments have been classified as financing cash flows.

New standards, interpretations and amendments adopted by the Group:

The amendments introduce a practical expedient that simplifies how a lessee accounts for COVID-19 related rent concessions, and a lessee may elect not to assess whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. A lease that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this standard if the change were not a lease modification. The impact of the amendment on the financial Information has been disclosed in Note No. 37.

B. The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight line basis on a straight-line basis over the term of the lease.

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Notes to the Restated Consolidated Financial Information

**g) Borrowings**

Borrowing are initially recognised at net of transaction costs incurred and measured at amortised cost using effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

**Effective interest method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

**h) Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured. Revenue comprises the following elements:

**Revenue from Online Skill Gaming:** Online gaming revenue represents the commission charged from each game less the fair value of certain promotional bonuses paid out of earned revenue and the value of loyalty points accrued. In Poker tournaments certain promotional costs are accounted for and entry fee revenue is recognised when the tournament has concluded and there is no longer a service obligation to each user that participated in the tournament.

**Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the amortised cost and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**i) Employee benefits**

**Short-term employee benefits**

The amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-employment benefits**

**Defined benefit plan**

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation

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is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and is not reclassified to statement of profit and loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense; and
- remeasurement.

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for as past service costs.

**Defined Contribution Plan**

Payments to defined contribution benefit plans are recognised as an expense in the Statement of Profit and Loss in the period in which employee renders related service.

**j) Shares based payments arrangements**

Equity-settled share-based payments to employees and others 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 transactions are set out in note No. 40.

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 group's 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 recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The impact of modification of share based payment arrangement, if any, resulting in incremental fair value, i.e. the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification is expensed over the remaining vesting period in the statement of profit and loss account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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**k) Foreign currency transactions and balances**

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at the closing rate of exchange prevailing on the reporting date.
- ii. Any exchange difference arising on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.
- iii. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or Statement of Profit and Loss are also recognised in other comprehensive income or Statement of Profit and Loss, respectively).
- iv. Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Balance Sheet date. Statement of the profit loss has been translated using weighted average exchange rate. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

**l) Income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity in which case, the tax is also recognised in other comprehensive income or equity.

**Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax liabilities is presented as net of advance tax for that particular assessment year.

**Deferred tax**

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amount in the financial statement. Deferred tax assets and liabilities are measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**m) Earnings per share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the holding company by the weighted average number of equity shares outstanding during the Financial Year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period.

**Diluted earnings per share**

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

**n) Business combination**

In accordance with Ind AS 103 "Business Combination", the Group accounts for the business combinations using the acquisition method when control is transferred to the group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised directly in equity as capital reserve on business combination. Transaction cost are expensed as incurred, except to the extent related to the issue of debt or equity securities.

**o) Promotional expenses**

These are discretionary awards provided to the customers for the online skill gaming business on part of the Group. These expenses are recorded as and when incurred and reported as marketing and sales promotion in the statement of profit and loss.

**p) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

**I) Financial assets**

**i. Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit and loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**Deltatech Gaming Limited**  
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**ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised 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 payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI 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 payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**iii. Other equity and mutual fund investments**

All other equity and mutual fund investments are measured at fair value, with value changes recognised in Statement of Profit and Loss as per the business model of the Group, except for those investment for which the Group has elected to present the value changes in Other Comprehensive Income.

**iv. Impairment of financial assets**

In accordance with Ind AS 109, the Group applies the expected credit loss model for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses (ECL) are measured through a loss allowance at an amount equal to:

- The twelve- months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible with twelve months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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For other assets, the Group uses twelve months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**II) Financial liabilities**

**i. Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans, net of directly attributable transaction costs.

**ii. Subsequent measurement**

**a) Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments.

**b) Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate method.

Where the terms of a financial liability is re-negotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

**III) Offsetting 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.

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**q) Recent accounting pronouncements**

All the Ind AS issued and notified by the Ministry of Corporate Affairs ('MCA') under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statement.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS16 – 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 recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its 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 would be direct labour, materials ) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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**2 (i) Property , Plant & Equipment**

(Rs. in Millions )

Particulars	Furniture & Fixtures	Office Equipments	Vehicle	Computer & Accessories	Right to use	Total
<b><u>Gross Block</u></b>						
As at 1st April, 2019	2.45	9.44	-	24.27	0.31	36.47
Additions	-	0.27	2.29	2.80	19.50	24.86
Disposal	0.83	0.35	-	0.51	-	1.69
<b>As at 31st March, 2020</b>	<b>1.62</b>	<b>9.36</b>	<b>2.29</b>	<b>26.56</b>	<b>19.81</b>	<b>59.64</b>
<b><u>As at 1st April, 2020</u></b>						
As at 1st April, 2020	1.62	9.36	2.29	26.56	19.81	59.64
Acquisition of subsidiary	-	-	-	-	0.05	0.05
Additions	-	0.24	-	3.89	-	4.13
Disposal/Disposal of Subsidiary	-	0.04	-	1.21	0.39	1.64
<b>As at 31st March, 2021</b>	<b>1.62</b>	<b>9.56</b>	<b>2.29</b>	<b>29.24</b>	<b>19.47</b>	<b>62.18</b>
<b><u>As at 1st April, 2021</u></b>						
As at 1st April, 2021	1.62	9.56	2.29	29.24	19.47	62.18
Additions	-	0.41	-	1.86	-	2.27
Disposal/Disposal of Subsidiary	-	-	-	-	0.05	0.05
<b>As at 31st March, 2022</b>	<b>1.62</b>	<b>9.97</b>	<b>2.29</b>	<b>31.10</b>	<b>19.42</b>	<b>64.40</b>
<b><u>Accumulated Depreciation</u></b>						
<b><u>As at 1st April, 2019</u></b>						
As at 1st April, 2019	0.84	3.67	-	16.01	-	20.52
Depreciation For The Year	0.34	1.64	0.18	4.24	6.01	12.41
Adjustments/Diposal of Subsidiary	0.15	0.09	-	0.17	-	0.41
<b>As at 31st March, 2020</b>	<b>1.03</b>	<b>5.22</b>	<b>0.18</b>	<b>20.08</b>	<b>6.01</b>	<b>32.52</b>
<b><u>As at 1st April, 2020</u></b>						
As at 1st April, 2020	1.03	5.22	0.18	20.08	6.01	32.52
Acquisition of Subsidiary	-	-	-	-	0.04	0.04
Depreciation For The Year	0.28	1.42	0.27	3.82	6.76	12.55
Adjustments	-	0.02	-	1.07	-	1.09
<b>As at 31st March, 2021</b>	<b>1.31</b>	<b>6.62</b>	<b>0.45</b>	<b>22.83</b>	<b>12.81</b>	<b>44.02</b>
<b><u>As at 1st April, 2021</u></b>						
As at 1st April, 2021	1.31	6.62	0.45	22.83	12.81	44.02
Depreciation For The Year	0.23	1.26	0.27	3.10	6.66	11.52
Adjustments	-	-	-	-	0.05	0.05
<b>As at 31st March, 2022</b>	<b>1.54</b>	<b>7.88</b>	<b>0.72</b>	<b>25.93</b>	<b>19.42</b>	<b>55.49</b>
<b><u>Net Block</u></b>						
As at 31st March, 2020	0.59	4.14	2.11	6.48	13.80	27.12
As at 31st March, 2021	0.31	2.94	1.84	6.41	6.66	18.16
As at 31st March, 2022	0.08	2.09	1.57	5.17	-	8.91

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**2 (ii) Intangible Assets**

(Rs. in Millions )

Particulars	Software Design & Development	Computer Software	Software	Total
<b><u>Gross Block</u></b>				
As at 1st April, 2019	18.82	0.47	-	19.29
Additions	-	-	101.19	101.19
Disposals	0.05	-	-	0.05
<b>As at 31st March, 2020</b>	<b>18.77</b>	<b>0.47</b>	<b>101.19</b>	<b>120.43</b>
As at 1st April, 2020	18.77	0.47	101.19	120.43
Additions	-	-	74.78	74.78
Disposals	-	-	-	-
<b>As at 31st March, 2021</b>	<b>18.77</b>	<b>0.47</b>	<b>175.97</b>	<b>195.21</b>
As at 1st April, 2021	18.77	0.47	175.97	195.21
Additions	-	-	83.94	83.94
Disposals	-	-	-	-
<b>As at 31st March, 2022</b>	<b>18.77</b>	<b>0.47</b>	<b>259.91</b>	<b>279.15</b>
<b><u>Accumulated Amortisation</u></b>				
As at 1st April, 2019	18.81	0.20	-	19.01
Amortisation for the year	-	0.14	18.86	19.00
Adjustments	0.04	-	-	0.04
<b>As at 31st March, 2020</b>	<b>18.77</b>	<b>0.34</b>	<b>18.86</b>	<b>37.97</b>
As at 1st April, 2020	18.77	0.34	18.86	37.97
Amortisation for the year	-	0.11	52.34	52.45
Adjustments	-	-	-	-
<b>As at 31st March, 2021</b>	<b>18.77</b>	<b>0.45</b>	<b>71.20</b>	<b>90.42</b>
As at 1st April, 2021	18.77	0.45	71.20	90.42
Amortisation for the year	-	-	69.47	69.47
Adjustments	-	-	-	-
<b>As at 31st March, 2022</b>	<b>18.77</b>	<b>0.45</b>	<b>140.67</b>	<b>159.89</b>
<b><u>Net Block</u></b>				
As at 31st March, 2020	-	0.14	82.33	82.47
As at 31st March, 2021	-	0.02	104.77	104.79
As at 31st March, 2022	-	0.02	119.24	119.26

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(Rs in Millions unless stated otherwise)

3	Non Current Investments	Nos.			Face Value (Rs.)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020		31st March, 2022	31st March, 2021	31st March, 2020
	<u>Investment measured at Fair value through Other Comprehensive Income</u>							
	<u>Equity Instruments (Unquoted)</u>							
	Halaplay Technologies Private Limited (\$) (@)	-	43,484	41,370	100	-	195.47	185.96
	Halaplay Technologies Private Limited (\$) (@)	-	9,998	-	1	-	44.94	-
	Jalesh Cruises Mauritius Limited (*) (@)	-	80,00,000	80,00,000	1 USD	-	-	-
	<b>Total Aggregate of Unquoted Investments</b>					-	<b>240.41</b>	<b>185.96</b>

(\*) Based upon financial position of Jalesh Cruises Mauritius Limited (JCML) and as a matter of prudence, group has evaluated the fair value of its Investment in JCML as zero in financial year 2019-20.

(S) Investment in Halaplay Technologies Private Limited sold to holding Company, Delta Corp Limited.

(@) The Group holds more than 20% in the Halaplay Technologies Private Limited (“HTPL”) and Jalesh Cruises Mauritius Limited (“JCML”). However, since the significant influence as per Indian Accounting Standard (Ind AS - 28) on Investments in Associates and Joint Ventures issued by Institute of Chartered Accountant of India is not exercised by the Group on HTPL and JCML. Accordingly, both the Companies are not considered as an Associates.

(Rs in Millions )

4	Other Financial Assets (Non Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	<b>Unsecured, Considered Good</b>			
	- Security Deposits	3.90	3.33	8.42
	<b>Total</b>	<b>3.90</b>	<b>3.33</b>	<b>8.42</b>

(Rs in Millions )

5	Deferred Tax	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	<b>Deferred Tax Liabilities</b>			
	Property, Plant and Equipments	(9.40)	(4.38)	0.47
	Right of Use (ROU)	-	(0.17)	3.47
	Fair Value loss on financial investment through Profit or Loss account	-	-	0.44
		(9.40)	(4.55)	4.38
	<b>Deferred Tax Asset</b>			
	Lease Liability	-	(2.61)	3.47
	Provision for Employee Benefits	4.76	4.42	3.29
	Others	2.95	-	2.69
		7.71	1.81	9.45
	<b>Net Deferred Tax (Liabilities)/Assets</b>	<b>17.11</b>	<b>6.36</b>	<b>5.07</b>

(For detailed working Refer Note No.33)

(Rs in Millions )

6	Income Tax Asset (net)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Income Tax Receivable	6.68	-	-
	<b>Total</b>	<b>6.68</b>	<b>-</b>	<b>-</b>

(Rs in Millions )

7	Other Non Current Assets	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Prepaid Expenses	0.06	-	0.10
	<b>Total</b>	<b>0.06</b>	<b>-</b>	<b>0.10</b>

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(Rs in Millions )

8	<b>Investments (Current)</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	Investments carried at fair value through profit or loss			
	Investment in Mutual Fund (Quoted)			
	HDFC Liquid Fund Direct Plan - Growth Option	-	-	112.92
	<b>Total</b>	-	-	<b>112.92</b>

(Rs in Millions )

9	<b>Cash and Cash Equivalents</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	Balance with Banks			
	- In Current Accounts (includes customer wallet balance)	247.97	262.64	290.91
	<b>Total</b>	<b>247.97</b>	<b>262.64</b>	<b>290.91</b>

(Rs in Millions )

10	<b>Other Bank Balance</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	Unspent Corporate Social Responsibility Account	4.24	5.42	-
	<b>Total</b>	<b>4.24</b>	<b>5.42</b>	<b>-</b>

(Rs in Millions )

11	<b>Loans (Current)</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	<b>Unsecured, Considered Good</b>			
	Inter Corporate Deposit to Others	-	4.00	-
	<b>Total</b>	<b>-</b>	<b>4.00</b>	<b>-</b>

(Rs in Millions )

12	<b>Other Financial Assets (Current)</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	Unsecured, Considered Good			
	(a) Security Deposits	5.96	6.00	0.05
	(b) Accrued Interest	-	0.21	-
	(c) Other Receivables from Related Party (Refer Note No.31)	-	0.46	3.03
	(d) Advance to Employees	0.25	-	-
	(e) Receivable from Payment Gateway	88.80	46.15	30.55
	<b>Total</b>	<b>95.01</b>	<b>52.82</b>	<b>33.63</b>

(Rs in Millions )

13	<b>Other Current Assets</b>	<b>As at</b>		
		<b>31st March, 2022</b>	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	Prepaid Expenses	7.55	11.51	4.79
	Advance to Suppliers	7.06	7.34	2.98
	<b>Total</b>	<b>14.61</b>	<b>18.85</b>	<b>7.77</b>

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14	Equity Share Capital	As at 31st March, 2022		As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares	Rs. In Millions	No. of Shares	Rs. In Millions	No. of Shares	Rs. In Millions
<b>Authorised Shares:</b>							
Equity Shares of Re.1/- each (Financial Year:2020-21 Rs.10/-each) (Financial Year : 2019-20 Rs.10/- each)		15,00,00,000	150.00	10,00,000	10.00	10,00,000	10.00
<b>Total</b>		<b>15,00,00,000</b>	<b>150.00</b>	<b>10,00,000</b>	<b>10.00</b>	<b>10,00,000</b>	<b>10.00</b>
<b>Issued, Subscribed And Fully Paid-Up:</b>							
Equity Shares of Re.1/- each (Financial Year: 2020-21 Rs.10/-each) (Financial Year : 2019-20 Rs.10/- each)		5,85,000	0.59	36,000	0.36	36,000	0.36
<b>Total</b>		<b>5,85,000</b>	<b>0.59</b>	<b>36,000</b>	<b>0.36</b>	<b>36,000</b>	<b>0.36</b>

a) **Reconciliation of the Shares at the beginning and at the end of the reporting Year**

Equity Shares	As at 31st March, 2022		As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Rs. In Millions	No. of Shares	Rs. In Millions	No. of Shares	Rs. In Millions
At the Beginning of the Year	36,000	0.36	36,000	0.36	36,000	0.36
Sub-division of equity shares	3,24,000	-	-	-	-	-
Issued during the year	2,25,000	0.23	-	-	-	-
Outstanding at the End of the Year	<b>5,85,000</b>	<b>0.59</b>	<b>36,000</b>	<b>0.36</b>	<b>36,000</b>	<b>0.36</b>

b) **Terms/Rights Attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

c) **Sub-division of shares and Issue of bonus shares**

- i. As per the recommendation in meeting of the Board of Directors dated 11th January,2022 and approval of the shareholders dated 7th February, 2022 the authorised share capital are sub-divided into 1,50,00,000 equity shares of face value of Rs. 1/- each. Pursuant to this resolution the issued, paid up and subscribed share capital of the Company stands subdivided to 3,60,000 equity shares of Rs. 1/- each.
- ii. Further, as per recommendation in meeting of the Board of Directors and shareholders dated 9th April,2022, the Company has issued 8,19,00,000 bonus equity shares of face value of Rs. 1/- each in ratio of 140:1 (i.e.140 Bonus Shares for every 1 Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 82.48 Millions comprising of 8,24,85,000 equity shares of face value of Rs. 1/- each.

These shares are retrospectively considered for the computation of basic and diluted EPS

d) **Details of Equity Shareholders Holding More Than 5 % shares in Company**

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Delta Corp Limited (Holding Company) *	5,85,000	100.00	36,000	100.00	36,000	100.00

\* Includes 10 share held through Nominee.

e) **Details of Equity Shares held by promoters at the end of the Year**

Sr. No.	Promoter's Name	As at 31st March, 2022		As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Delta Corp Limited	5,85,000	100	36,000	100	36,000	100
	Change During the Year (%)	-	-	-	-	-	-

f) **Equity Shares issued by the Company without payment being received in cash during the five years immediately preceding 31st March**

Particulars	Aggregate No. of Shares		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Issue of Bonus Shares (*)	-	-	-

(\*) 9th April,2022, the Company has issued 8,19,00,000 bonus equity shares of face value of Rs. 1/- each

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(Rs in Millions )

15	Other Equity	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	(a) <u>Securities Premium Account</u>			
	Opening Balance	23.88	23.88	23.88
	(+) Addition During the Year	89.78	-	-
	Closing Balance	<b>113.66</b>	<b>23.88</b>	<b>23.88</b>
	(b) <u>Share Options Outstanding Account</u>			
	Opening Balance	49.54	-	-
	Add : Share based payment to Employees (Refer Note No.40)	59.01	49.54	-
	Closing Balance	<b>108.55</b>	<b>49.54</b>	-
	(c) <u>Retained Earnings</u>			
	Balance at beginning of Year	485.01	325.51	94.26
	(+) Profit/(Net Loss) For the Year	(43.99)	159.50	300.69
	(-) Payment of Dividends On Equity Shares	-	-	(57.60)
	(-) Dividends Distribution Tax	-	-	(11.84)
	(+) Transfer from OCI	(564.31)	-	-
	Closing Balance	<b>(123.29)</b>	<b>485.01</b>	<b>325.51</b>
	(d) <u>Other Items of Other Comprehensive Income</u>			
	Opening Balance	(552.80)	(573.16)	(0.69)
	(+) Current Period Transfer	(13.50)	20.36	(572.41)
	(-) Transfer to Retained earnings	564.31	-	-
	(-) Disposal of Subsidiary	-	-	(0.06)
	Closing Balance	<b>(1.99)</b>	<b>(552.80)</b>	<b>(573.16)</b>
	<b>Total</b>	<b>96.93</b>	<b>5.63</b>	<b>(223.77)</b>

**Nature and purpose of reserve:-**

**Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.

**Share Options Outstanding Account**

The Employee Stock Options Reserve represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

(Rs in Millions )

16	Lease Liabilities (Non Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Lease Liabilities (Refer Note No.37)			7.26
	<b>Total</b>	-	-	<b>7.26</b>

(Rs in Millions )

17	Provisions (Non Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Provision for Employee Benefits (Unfunded) : Gratuity (Refer Note No.30)	16.57	15.39	10.74
	<b>Total</b>	<b>16.57</b>	<b>15.39</b>	<b>10.74</b>

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(Rs in Millions )

18	Borrowings (Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	- Loan from Holding Company (Refer Note No.31) (Repayable on Demand and Interest Free)	-	294.65	559.50
	<b>Total</b>	-	<b>294.65</b>	<b>559.50</b>

(Rs in Millions )

19	Lease Liabilities (Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Lease Liabilities (Refer Note No.37)	-	7.34	6.52
	<b>Total</b>	-	<b>7.34</b>	<b>6.52</b>

(Rs in Millions )

20	Trade Payables	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Micro and Small Enterprises	-	-	-
	Others (Refer Note No.42)	2.26	6.50	1.67
	<b>Total</b>	<b>2.26</b>	<b>6.50</b>	<b>1.67</b>

Details of dues to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006.

Group has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmation received the detail of outstanding are as under:

(Rs in Millions )

Particulars	As at		
	31st March, 2022	31st March, 2021	31st March, 2020
The principal amount remaining unpaid at the end of the year	-	-	-
The interest amount remaining unpaid at the end of the year	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
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 MSMED Act 2006	-	-	-

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(Rs in Millions )

21	Other Financial Liabilities (Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	(a) Employee Benefits	33.61	3.42	23.40
	(b) Payable to Related Party (Refer Note No.31)	-	0.15	0.24
	(c) Provision for Expenses	53.51	76.86	31.54
	(d) Provision for value of unredeemed loyalty points	3.54	2.58	-
	(e) Deposit from Customer (Customer wallet balance)	259.46	224.64	260.32
	<b>Total</b>	<b>350.12</b>	<b>307.65</b>	<b>315.50</b>

(Rs in Millions )

22	Other Current Liabilities	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Statutory Dues	41.13	67.73	61.41
	<b>Total</b>	<b>41.13</b>	<b>67.73</b>	<b>61.41</b>

(Rs in Millions )

23	Provisions (Current)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Provision for :			
	- Leave Encashment (Refer Note No.30)	4.21	2.15	2.34
	- Corporate Social Responsibility	9.15	10.34	4.91
	<b>Total</b>	<b>13.36</b>	<b>12.49</b>	<b>7.25</b>

(Rs in Millions )

24	Current Tax Liabilities (Net)	As at		
		31st March, 2022	31st March, 2021	31st March, 2020
	Provision for Taxation (Net of Advance Tax of Rs. Nil for the year 2021-22, Rs.50.50 Millions for the year 2020-21 and Rs.84.50 Millions for the year 2019-2020)	-	7.73	22.42
	<b>Total</b>	<b>-</b>	<b>7.73</b>	<b>22.42</b>

(Rs in Millions )

25	Revenue From Operations	Year ended		
		31st March, 2022	31st March, 2021	31st March, 2020
	Sale of Services (Refer Note No.50)	1,622.46	1,836.25	1,553.61
	Less : GST included above	(247.49)	(280.02)	(237.16)
	Less- Value of unredeemed loyalty points	(2.70)	(2.58)	-
	<b>Total</b>	<b>1,372.27</b>	<b>1,553.65</b>	<b>1,316.45</b>

(Rs in Millions )

26	Other Income	Year ended		
		31st March, 2022	31st March, 2021	31st March, 2020
	Interest Received on (Financial Assets measure at amortised cost) :			
	-Interest on Inter Corporate Deposits	0.10	0.21	0.64
	-Interest on Lease Deposit	0.35	0.86	-
	Exchange Fluctuation Gain	-	-	0.03
	Net Gain on investments carried on fair value through Profit and Loss	-	2.17	4.52
	Income on Rent concession	0.91	-	-
	Profit On Sales of Property, Plant and Equipments	-	0.22	-
	Sundry Balance Written Back (Net)	2.69	3.40	-
	<b>Total</b>	<b>4.05</b>	<b>6.86</b>	<b>5.19</b>

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(Rs in Millions )

27	Employee Benefit Expenses	Year ended		
		31st March, 2022	31st March, 2021	31st March, 2020
	Salaries, Wages & Bonus	236.35	156.98	119.34
	Contribution to Provident & Other Funds (Refer Note No.30)	4.21	5.15	3.58
	Gratuity & Leave Encashment Expenses (Refer Note No.30)	19.17	8.28	9.36
	Employee Share based Compensation Expenses (Refer Note No.40)	59.01	49.54	-
	Staff Welfare Expenses	16.33	14.24	13.90
	<b>Total</b>	<b>335.07</b>	<b>234.19</b>	<b>146.18</b>

(Rs in Millions )

28	Finance Costs	Year ended		
		31st March, 2022	31st March, 2021	31st March, 2020
	Interest on Statutory Dues	0.26	0.95	2.01
	Interest on Lease Liabilities (Refer Note No.37)	0.33	1.29	1.75
	<b>Total</b>	<b>0.59</b>	<b>2.24</b>	<b>3.76</b>

(Rs in Millions )

29	Other Expenses	Year ended		
		31st March, 2022	31st March, 2021	31st March, 2020
	Payment to Auditors (Refer Note No.38)	1.19	1.15	0.77
	Bank Charges	0.05	0.05	0.19
	CSR Expenses (Refer Note No.36)	5.54	6.12	4.93
	Impairment of Intangible Assets under development	-	4.25	-
	Legal & Professional Fees	9.68	20.37	6.60
	Telephone and Internet Expenses	1.98	2.88	2.44
	Power and Fuel	1.15	1.19	2.74
	Printing And Stationery	0.04	0.00	0.26
	Payment Gateway Charges	54.91	62.64	47.24
	Rates & Taxes	1.14	0.25	0.32
	Rent	0.82	2.72	6.58
	Office Expenses	3.22	2.94	4.27
	Sales Promotion Expenses	848.11	901.53	593.25
	Sundry Balance Written Off	-	-	1.00
	Subscription Charges	1.67	2.04	1.24
	Website Hosting & maintenance	62.86	20.29	13.09
	Travelling & Conveyance Expenses	1.36	0.24	2.00
	Software Maintenance Expenses	12.63	14.63	59.62
	Miscellaneous & General Expenses	0.01	0.53	1.70
	<b>Total</b>	<b>1,006.36</b>	<b>1,043.82</b>	<b>748.24</b>

**Deltatech Gaming Limited**  
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**Notes to the Restated Consolidated Financial Information**

**30 Employee Benefits :**

Brief description of the Plans:

The Group has various schemes for employee benefits such as Provident Fund, Gratuity and Leave Encashment. The Group's defined contribution plans are Provident Fund (in case of certain employees). The Group has no further obligation beyond making the contributions to such plans.

**A Defined Benefits Plan**

The Group's defined benefit plans include Gratuity (Unfunded). The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age. "

**B. Principal actuarial assumptions used:**

Particulars	Gratuity (Unfunded)		
	31st March, 2022	31st March, 2021	31st March, 2020
Discount Rate (per annum)	6.70%	6.26%	6.43%
Salary escalation rate	7.50%	7.50%	7.50%
Rate of Employee Turnover	15.00%	15.00%	15.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Expected Rate of return on Plan Assets (per annum)	NA	NA	NA

**C. Expenses recognised in Statement of Profit and Loss**

(Rs. In Millions)

Particulars	Gratuity (Unfunded)		
	31st March, 2022	31st March, 2021	31st March, 2020
Current Service Cost	4.38	3.39	1.82
Net interest	0.96	0.69	0.35
Total Expenses recognised in the Statement of Profit and Loss	<b>5.34</b>	<b>4.08</b>	<b>2.17</b>

\*The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Restated Consolidated statement of profit & loss account.

**D. Expenses Recognized in the Other Comprehensive Income (OCI) for Current year**

(Rs. In Millions)

Particulars	Gratuity (Unfunded)		
	31st March, 2022	31st March, 2021	31st March, 2020
Actuarial (Gains)/Losses on Obligation For the year - Due to changes in financial assumptions	(0.45)	0.16	0.54
Actuarial (Gains)/Losses on Obligation For the year - Due to experience adjustment	0.87	1.14	(0.63)
Net Income / (Expense) For the Period Recognized in OCI	<b>0.42</b>	<b>1.30</b>	<b>(0.09)</b>

The remeasurement of the net defined benefit liability is included in other comprehensive income.

**E. Movements in the present value of defined benefit obligation are as follows:**

(Rs. In Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Define Benefits obligation at the beginning of the year	15.39	10.74	4.80
Interest cost	0.96	0.69	0.35
current service cost	4.38	3.39	1.82
Liability Transferred In/Acquisition	-	-	5.07
Benefit paid directly by Employer	(4.58)	(0.73)	(1.21)
Actuarial (Gains) Losses on obligation- Due to change in Financial assumption	(0.45)	0.16	0.54
Actuarial Losses on obligation- Due to Experience	0.87	1.14	(0.63)
Net Liability Recognized in the Balance Sheet	16.57	15.39	10.74

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**Notes to the Restated Consolidated Financial Information**

**F. Cash Flow Projection : From the Employer**

(Rs. In Millions)

Projected Benefits Payable in Future Years From the Date of Reporting	31st March, 2022	31st March, 2021	31st March, 2020
1st Following Year	1.60	1.43	0.97
2nd Following Year	1.81	1.54	1.02
3rd Following Year	1.78	1.69	1.15
4th Following Year	1.89	1.71	1.26
5th Following Year	1.92	1.74	1.24
Sum of Years 6 To 10	7.36	6.66	4.76
Sum of Years 11 and above	10.76	10.11	7.27

The Plan typically to expose the Group to actuarial risk such as Interest Risk, Longevity Risk and Salary Risk

a) Interest Risk:- A decrease in the bond interest rate will increase the plan liability.

b) Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

c) Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan's participants will increase the plan's liability.

**G. Sensitivity Analysis**

(Rs. In Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Projected Benefit Obligation on Current Assumptions	16.57	15.39	10.74
Impact of +1% Change in Rate of Discounting	(0.93)	(0.90)	(0.63)
Impact of -1% Change in Rate of Discounting	1.05	1.02	0.72
Impact of +1% Change in Rate of Salary Increase	1.03	1.00	0.70
Impact of -1% Change in Rate of Salary Increase	(0.93)	(0.90)	(0.63)
Impact of +1% Change in Rate of Employee Turnover	(0.19)	(0.21)	(0.15)
Impact of -1% Change in Rate of Employee Turnover	0.20	0.22	0.16

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**H. Defined contribution plans**

The Group also has certain defined contribution plans. The contributions are made to registered provident fund and Labour Welfare Fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plans are as follows:

**Charge to the Statement of Profit and Loss based on contributions:**

(Rs. In Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Employer's contribution to Regional Provident Fund Office	4.16	5.10	3.54
Employer's contribution to Labour Welfare Fund	0.05	0.05	0.04

**I. Leave obligations**

(i) The amount of Rs. 13.83 Millions (Financial Year 2020-21: Rs. 4.20 Millions, Financial Year 2019-20 : Rs. 7.19 Millions) has been recognised as an expense in the statement of profit and loss account and included in "Gratuity and leave encashment expenses" under Employees benefit expenses (refer note no. 27).

(ii) Balance sheet reconciliation

(Rs. In Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Liability as per actuarial valuation	4.21	2.15	2.34
<b>Total Expenses / (Income) recognised in the Statement of Profit and Loss</b>	<b>4.21</b>	<b>2.15</b>	<b>2.34</b>

**Deltatech Gaming Limited**  
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**Notes to the Restated Consolidated Financial Information**

**31 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party.**

(A) **List of related parties**

(i) **Holding Company**

Delta Corp Limited

(ii) Name of the Company	Country of Incorporation	(% of Ownership as on		
		31st March, 2022	31st March, 2021	31st March, 2020
<b>Subsidiary Companies</b>				
Deltin Cruises and Entertainment Private Limited (w.e.f 1st April, 2019 upto 16th March 2022)	India	-	100.00	100.00(*)
Mind Sports League Private Limited ( upto 29th July, 2019) (% of Ownership - 52.65 %)	India	-	-	-

(\*) Refer Note No. 48

(iii) **Fellow Subsidiary Companies**

Gaussian Online Skill Gaming Private Limited

Highstreet Cruises and Entertainment Private Limited

(iv) **Key Management Personnel's (KMP):**

Mr. Jaydev Mody - Chairman of Holding Company (also appointed as a non executive Chairman of the Company w.e.f 16th May, 2022)

Mr. Hardik Dhebar – Director (appointed as Executive Director & Chief Financial Officer w.e.f 4th May, 2022)

Mr. Ashish Kapadia – Director (appointed as Executive Director w.e.f 4th May, 2022)

Mr. Ravinder Kumar Jain – Director (w.e.f 15th June 2021)

Mr. Shivanandan Pare – Executive Director & Chief Executive Officer (w.e.f 19th August 2021)

Ms. Anannya Godbole – Company Secretary (w.e.f 26th January 2022)

(v) **Relatives of Key Management Personnel's (KMP):**

Ms. Zia Mody - Wife of Chairman of Holding Company

Ms. Anjali Mody - Daughter of Chairman of Holding Company

(vi) **Enterprises over which persons mentioned in (iv) & (v) above exercise significant influence or control directly or indirectly with whom Group has transactions.**

Goan Football Club Private Limited

AZB & Partners

Forum for Sports & Freedom of Expression

Freedom Registry Limited

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Notes to the Restated Consolidated Financial Information

(B) Details of transactions carried out with related parties in the ordinary course of business

(Rs. In Millions unless stated otherwise)

Nature of Transactions	Holding Company /Fellow Subsidiary			Key management personnel			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
<b>Loan taken</b>												
Delta Corp Limited	20.04	440.14	217.50	-	-	-	-	-	-	20.04	440.14	217.50
<b>Total :</b>	<b>20.04</b>	<b>440.14</b>	<b>217.50</b>	-	-	-	-	-	-	<b>20.04</b>	<b>440.14</b>	<b>217.50</b>
<b>Loan repaid</b>												
Delta Corp Limited	314.69	704.99	9.00	-	-	-	-	-	-	314.69	704.99	9.00
<b>Total :</b>	<b>314.69</b>	<b>704.99</b>	<b>9.00</b>	-	-	-	-	-	-	<b>314.69</b>	<b>704.99</b>	<b>9.00</b>
<b>Sale of Property, Plant &amp; Equipment</b>												
Delta Corp Limited	-	0.40	-	-	-	-	-	-	-	-	0.40	-
<b>Total :</b>	-	<b>0.40</b>	-	-	-	-	-	-	-	-	<b>0.40</b>	-
<b>Sale of Investment</b>												
Delta Corp Limited (#)	224.62	-	-	-	-	-	-	-	-	224.62	-	-
Highstreet Cruises and Entertainment Private Limited (\$)	0.10	-	-	-	-	-	-	-	-	0.10	-	-
<b>Total :</b>	<b>224.62</b>	-	-	-	-	-	-	-	-	<b>224.62</b>	-	-
<b>Grant of ESOP (Nos.)</b>												
Ashish Kapadia	-	-	-	-	-	-	-	41,24,250	-	-	41,24,250	-
<b>Total :</b>	-	-	-	-	-	-	-	<b>41,24,250</b>	-	-	<b>41,24,250</b>	-
<b>Purchase of Services</b>												
Delta Corp Limited	-	-	60.57	-	-	-	-	-	-	-	-	60.57
Goan Football Club Private Limited	-	-	-	-	-	-	-	17.50	18.33	-	17.50	18.33
Freedom Registry Limited	-	-	-	-	-	-	0.01	0.01	-	0.01	0.01	-
AZB & Partners	-	-	-	-	-	-	0.64	7.23	0.93	0.64	7.23	0.93
<b>Total :</b>	-	-	<b>60.57</b>	-	-	-	<b>0.65</b>	<b>24.74</b>	<b>19.26</b>	<b>0.65</b>	<b>24.74</b>	<b>79.83</b>
<b>Purchase of Investment</b>												
Delta Corp Limited (@)	-	0.10	137.50	-	-	-	-	-	-	-	0.10	137.50
<b>Total :</b>	-	<b>0.10</b>	<b>137.50</b>	-	-	-	-	-	-	-	<b>0.10</b>	<b>137.50</b>
<b>Purchase of Property, Plant &amp; Equipment (Including Intangible Assets)</b>												
Delta Corp Limited	-	-	84.40	-	-	-	-	-	-	-	-	84.40
<b>Total :</b>	-	-	<b>84.40</b>	-	-	-	-	-	-	-	-	<b>84.40</b>
<b>CSR Expenditure</b>												
Forum for Sports and Freedom for Expression	-	-	-	-	-	-	1.18	-	-	1.18	-	-
<b>Total :</b>	-	-	-	-	-	-	<b>1.18</b>	-	-	<b>1.18</b>	-	-
<b>Dividend Paid</b>												
Delta Corp Limited	-	-	57.60	-	-	-	-	-	-	-	-	57.60
<b>Total :</b>	-	-	<b>57.60</b>	-	-	-	-	-	-	-	-	<b>57.60</b>
<b>Remuneration Paid</b>												
Shivanandan Pare	-	-	-	8.39	-	-	-	-	-	8.39	-	-
Anannya Godbole	-	-	-	0.17	-	-	-	-	-	0.17	-	-
<b>Total :</b>	-	-	-	<b>8.56</b>	-	-	-	-	-	<b>8.56</b>	-	-
<b>Reimbursement of Expenses</b>												
Gaussian Online Skill Gaming Private Limited	0.25	-	-	-	-	-	-	-	-	0.25	-	-
Delta Corp Limited	-	-	5.13	-	-	-	-	-	-	-	-	5.13
<b>Total :</b>	<b>0.25</b>	-	<b>5.13</b>	-	-	-	-	-	-	<b>0.25</b>	-	<b>5.13</b>

(#) Sale of Equity Shares of Halaplay Technologies Private Limited

(\$ ) Sale of Equity Shares of Deltin Cruises and Entertainment Private Limited

(@) Investment in Equity Shares of Halaplay Technologies Private Limited in Financial Year 2019-20 and Deltin Cruises and Entertainment Private Limited in Financial Year 2020-21

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(B) Details of transactions carried out with related parties in the ordinary course of business

(Rs. In Millions unless stated otherwise)

Nature of Transactions	Holding Company /Fellow Subsidiary			Key management personnel			Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
<b>Closing balances :</b>												
<b>Other Receivables</b>												
Delta Corp Limited	-	-	2.59	-	-	-	-	-	-	-	-	2.59
Gaussian Online Skill Gaming Private Limited	-	0.46	0.44	-	-	-	-	-	-	-	0.46	0.44
<b>Total :</b>	-	<b>0.46</b>	<b>3.03</b>	-	-	-	-	-	-	-	<b>0.46</b>	<b>3.03</b>
<b>Loan Payable</b>												
Delta Corp Limited	-	294.65	559.50	-	-	-	-	-	-	-	294.65	559.50
<b>Total :</b>	-	<b>294.65</b>	<b>559.50</b>	-	-	-	-	-	-	-	<b>294.65</b>	<b>559.50</b>
<b>Other Payables</b>												
Delta Corp Limited	-	0.15	0.24	-	-	-	-	-	-	-	0.15	0.24
<b>Total :</b>	-	<b>0.15</b>	<b>0.24</b>	-	-	-	-	-	-	-	<b>0.15</b>	<b>0.24</b>

c) The following are the details of the transactions / closing balance eliminated in last three years.

(Rs. In Millions )

Nature of Transactions	Subsidiary Companies		
	2021-22	2020-21	2019-20
<b>Loan given</b>			
Deltin Cruises and Entertainment Private Limited	-	559.50	-
<b>Total :</b>	-	<b>559.50</b>	-
<b>Loan Received Back</b>			
Deltin Cruises and Entertainment Private Limited *	-	-	-
Mind Sports League Private Limited	-	-	41.40
<b>Total :</b>	-	-	<b>41.40</b>
<b>Interest Received</b>			
Mind Sports League Private Limited	-	-	1.55
<b>Total :</b>	-	-	<b>1.55</b>
<b>Closing balances :</b>			
<b>Equity Share Capital</b>			
Deltin Cruises and Entertainment Private Limited	-	0.10	-
<b>Total :</b>	-	<b>0.10</b>	-
<b>Inter Corporate Deposit given</b>			
Deltin Cruises and Entertainment Private Limited	-	559.50	-
<b>Total :</b>	-	<b>559.50</b>	-

(\*) During the financial year 2021-22, due to change in terms, the company has classified Inter Corporate Deposit given to Deltin Cruises and Entertainment Private Limited (DCEPL) of Rs. 559.50 Millions as Quasi Equity in Subsidiary Company. DCEPL, the wholly owned subsidiary company has invested Rs. 558.59 Millions into Jalesh Cruises Mauritius Limited ("JCML). Based upon financial position of JCML and as a matter of prudence in an uncertain market environment DCEPL has evaluated the fair value of its Investment in JCML as zero in financial year 2019-20. JCML has applied for liquidation in financial year 2020-21. The provision has been made for aforesaid inter corporate deposit as doubtful recovery in the standalone financial statement of the year 2020-21 and subsequently written off in financial year 2021-22.

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**Notes to the Restated Consolidated Financial Information**

**32 Earning Per Shares**

Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

(Rs. In Millions unless stated otherwise)

Particulars	Year Ended		
	31st March, 2022	31st March, 2021	31st March, 2020
Profit / (Loss) for the period from continuing operation	(43.99)	159.50	300.69
Weighted Average Number of Equity Shares used as Denominator for calculating Basic Earnings per share (nos.)	8,22,75,411	5,07,60,000	5,07,60,000
Weighted Average Number of Equity Shares used as Denominator for calculating Diluted Earnings per share (nos.) (Refer Note (a) below)	8,22,75,411	5,10,09,746	5,07,60,000
<u>Earning per Equity shares (for continuing operation)</u>			
Earnings Per Share - Basic (in Rs.)	(0.53)	3.14	5.92
Earnings Per Share - Diluted (in Rs.)	(0.53)	3.13	5.92
Face value per share (in Rs.)	1.00	1.00	1.00

a) Since potential number of equity shares to be issued on exercise of Employee Stock options will have anti-dilutive effect i.e. their conversion to ordinary shares would decrease loss per share, hence 13,81,691 stock options have not been considered in calculating diluted earnings per share for the year ended 31 March 2022.

(b) Earnings Per Share is calculated after considering retrospective effect of Sub - Division of Shares and Issue of Bonus Shares as per Ind AS 33.

**33 Tax expense**

(Rs.in Millions)

Particulars	As at		
	31st March, 2022	31st March, 2021	31st March, 2020
<b>a) Income tax recognised in profit or loss</b>			
<b>Current tax</b>			
In respect of the current year	0.21	58.11	105.10
In respect of prior years	5.24	1.22	(0.48)
	<b>5.45</b>	<b>59.33</b>	<b>104.62</b>
<b>Deferred tax</b>			
Attributable to-			
Origination and reversal of temporary differences	(8.04)	(3.57)	(4.07)
Reduction in tax rate	-	-	-
	(8.04)	(3.57)	(4.07)
Total income tax expense recognised in the current year relating to continuing operations	<b>(2.59)</b>	<b>55.76</b>	<b>100.55</b>
<b>b) Income tax recognised in other comprehensive income</b>			
<b>Deferred tax</b>			
Arising on income and expenses recognised in other comprehensive income:			
Remeasurement of defined benefit obligation	2.61	(2.61)	-
	0.10	0.32	(0.02)
	<b>2.71</b>	<b>(2.29)</b>	<b>(0.02)</b>

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**Movement of deferred tax during the year 2021-22**

(Rs.in Millions)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax liabilities/(assets) in relation to:</b>				
Property Plant & Equipments	(4.38)	(5.02)	-	(9.40)
Leases	(0.17)	0.17	-	-
Fair valuation of investment through OCI	2.61	-	(2.61)	-
Business Loss	-	(2.95)	-	(2.95)
Provision for Employee Benefits	(4.42)	(0.24)	(0.10)	(4.76)
<b>Total</b>	<b>(6.36)</b>	<b>(8.04)</b>	<b>(2.71)</b>	<b>(17.11)</b>

**Movement of deferred tax during the year 2020-21**

(Rs.in Millions)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax liabilities/(assets) in relation to:</b>				
Property Plant & Equipments	0.47	(4.85)	-	(4.38)
Leases	0.00	(0.17)	-	(0.17)
Fair valuation of investment through profit and loss account	0.44	(0.44)	-	-
Disallowance under section 40 (a) (ia)	(2.69)	2.69	-	-
Fair valuation of investment through OCI	-	-	2.61	2.61
Provision for Employee Benefits	(3.30)	(0.80)	(0.32)	(4.42)
<b>Total</b>	<b>(5.07)</b>	<b>(3.57)</b>	<b>2.29</b>	<b>(6.36)</b>

**Movement of deferred tax during the year 2019-20**

(Rs.in Millions)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Ceases to be Subsidiary	Closing balance
<b>Deferred tax liabilities/(assets) in relation to:</b>					
Property Plant & Equipments	(2.92)	(1.31)	-	4.23	-
Leases	0.19	0.29	-	(0.01)	0.47
Fair valuation of financial investment through profit & loss account	(0.01)	0.01	-	-	0.00
Disallowance under section 40 (a) (ia)	(0.71)	1.15	-	-	0.44
Provision for Employee Benefit	-	(2.69)	-	-	(2.69)
Business Loss	(1.79)	(1.52)	0.02	-	(3.30)
<b>Total</b>	<b>(5.24)</b>	<b>(4.07)</b>	<b>0.02</b>	<b>4.22</b>	<b>(5.07)</b>
Mat Credit Entitlement	(1.04)	-	-	1.04	-

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The income tax expense for the year can be reconciled to the accounting profit as follows:

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
<b>Profit before tax</b>	(46.58)	215.26	399.04
Income Tax Expense Calculated @ 22.88 % (2020-21 @ 25.168%, 2019-20 @ 25.168%)	(10.66)	54.18	100.43
<b>Tax effect of adjustments in calculating income</b>			
Effect of expenses that are not deductible in determining taxable profit	2.07	1.93	0.27
Other Allowable Expenditure	-	(1.43)	(0.16)
Prior Year Tax	5.24	1.22	(0.48)
Effect of change in tax rate	0.34	-	0.31
Others	0.42	(0.14)	0.16
<b>Total</b>	<b>(2.59)</b>	<b>55.76</b>	<b>100.53</b>
<b>Effective tax rate</b>	<b>5.56%</b>	<b>25.90%</b>	<b>25.19%</b>

Deferred tax assets have not been recognized on deductible temporary differences amounting to Rs. Nil as at 31 March, 2022 (Financial Year 2020-21: Nil, Financial Year 2019-20 : Rs. 13.89 Millions) as it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred Income tax assets have not been recognized on unused capital losses of Rs. 7.16 Millions as at 31st March, 2022 (Financial Year 2020-21 : Rs. 0.50 Millions, Financial Year 2019-20 : Nil) as it is probable that future taxable profit will be not available against which the unused tax losses can be utilised in the foreseeable future.

The following table provides details of expiration of unused capital losses :

(Rs.in Millions)

Year	31st March,2022	31st March,2021	31st March,2020
2029	6.66	-	-
2028	0.50	0.50	-

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**34 (a) Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) The Group does not have significant exposure to the credit risk as there are no trade receivables at the year end because of its business model.

**(b) Other Price Risks**

The Group is exposed to price risk arising from mutual fund Investments. Certain of the Group's mutual fund investments are held for strategic rather than trading purposes.

**Mutual Fund Price Sensitivity analysis:**

The sensitivity analysis below have been determined based on the exposure to mutual fund price risks at the end of the reporting period.

(Rs.in Millions)

Particulars	Investment Amount measured at FVTPL	Change in mutual fund Price	Impact on profit before tax for the year Increase by 5%	Impact on profit before tax for the year decrease by 5%
As at 31st March 2022	-	-	-	-
As at 31st March 2021	-	-	-	-
As at 31st March 2020	112.92	0.01	5.65	(5.65)

**(c) Capital Risk Management**

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to the stakeholders. The capital structure of the Group consists of cash and cash equivalents and total equity of the Group. (Refer Note No. 9 and Note No. 14 and 15 respectively).

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Total Equity	97.52	5.99	(223.41)
Borrowings	-	294.65	559.50
Total Debt	-	294.65	559.50
Cash and cash equivalents	247.97	262.64	290.91
<b>Net Debt</b>	<b>(247.97)</b>	<b>32.01</b>	<b>(268.59)</b>

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**(ii) Unhedged Foreign currency (FC) exposure:**

The Group does not have significant exposure to the risk of change in foreign currency as the Group is not having any receivable and payable in foreign currency.

**35 Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Group's liquidity position.

(Rs.in Millions)

Maturities of Financial Liabilities	31st March, 2022		
	Upto 1 year	1 to 5 years	5 years & above
Trade Payables	2.26	-	-
Lease Liability	-	-	-
Borrowings	-	-	-
Other Financial Liabilities	350.12	-	-
<b>Total</b>	<b>352.38</b>	-	-

(Rs.in Millions)

Maturities of Financial Liabilities	31st March, 2021		
	Upto 1 year	1 to 3 years	5 years & above
Trade Payables	6.50	-	-
Lease Liability	7.34	-	-
Borrowings	294.65	-	-
Other Financial Liabilities	307.65	-	-
<b>Total</b>	<b>616.14</b>	-	-

(Rs.in Millions)

Maturities of Financial Liabilities	31st March, 2020		
	Upto 1 year	1 to 3 years	5 years & above
Trade Payables	1.67	-	-
Lease Liability	6.52	7.26	-
Borrowings	559.50	-	-
Other Financial Liabilities	315.50	-	-
<b>Total</b>	<b>883.19</b>	<b>7.26</b>	-

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**36 Details of Corporate Social Responsibility (CSR) Expenditure**

(a) Gross amount required to be spent by Group during the year 2021-22 Rs. 5.54 Millions (Financial Year 2020-21 : Rs. 6.12 Millions, Financial Year 2019-20 : Rs. 4.93 Millions)

**(b) Amount spent during the year on: (Rs.in Millions)**

Particulars	2021-22		
	In Cash*	Yet to be incurred*	Total
i) Construction /Acquisition of any Assets	-	-	-
ii) Purpose other than (i) above	5.54	-	5.54
<b>Total</b>	<b>5.54</b>	<b>-</b>	<b>5.54</b>

(\*) Represent actual outflow during the year

**(Rs.in Millions)**

Particulars	2020-21		
	In Cash*	Yet to be incurred#	Total
i) Construction /Acquisition of any Assets	-	-	-
ii) Purpose other than (i) above	0.70	5.42	6.12
<b>Total</b>	<b>0.70</b>	<b>5.42</b>	<b>6.12</b>

(#) Company has opened a separate Corporate Social responsibility Unspent Amount and funded Rs. 5.42 Millions, out of that Rs. 1.19 Millions Spent during financial year 2021-22)

(\*) Represent actual outflow during the year

**(Rs.in Millions)**

Particulars	2019-20		
	In Cash*	Yet to be incurred	Total
i) Construction /Acquisition of any Assets		-	-
ii) Purpose other than (i) above	0.02	4.91	4.93
<b>Total</b>	<b>0.02</b>	<b>4.91</b>	<b>4.93</b>

(\*) Represent actual outflow during the year

**(c) Shortfall at the end of the financial year**

**(Rs.in Millions)**

Particulars	2021-22	2020-21	2019-20
For financial year 2021-22	-	-	-
For financial year 2020-21	4.24	5.42	-
For financial year 2019-20	4.91	4.91	4.91
<b>Total</b>	<b>9.15</b>	<b>10.34</b>	<b>4.91</b>

**(d) Provision movement during the year on:**

**(Rs.in Millions)**

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Opening Provision	10.34	4.91	2.08
Addition during the year	5.54	6.12	4.93
Utilised during the year	(6.73)	(0.69)	(2.10)
<b>Closing Provision</b>	<b>9.15</b>	<b>10.34</b>	<b>4.91</b>

\* Company has open a separate CSR Unspent Accounts and funded Rs. 4.24 Millions as on 31st March, 2022.

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**37 Lease Expenses**

The Group's lease asset classes primarily consist of leases for land and buildings. The lease period for these contracts varies from 1 to 5 years, in certain cases, mainly relating to rent of (parts of) buildings, with extension options. The Right-of-use assets and Lease liabilities as disclosed below, do not include short term and low value leases. In general, as usual with leases, the Group's obligations under its leases are secured by the lessor's title to or legal ownership of the leased assets.

**A. Right-of-Use Assets**

The movement in Right-of-use assets has been disclosed in Note 2(i).

**B. Lease Liabilities**

Movement in Lease Liabilities :

Particulars	(Rs.in Millions)		
	31st March, 2022	31st March, 2021	31st March, 2020
<b>Balance as at 1st April</b>	7.34	13.78	0.36
Additions on account of New Leases	-	-	18.50
Accretion of Interest	0.33	1.29	1.75
Payments made	(6.75)	(7.36)	(6.83)
Change on account of Remeasurement	(0.92)	(0.37)	-
<b>Balance as at 31st March</b>	-	<b>7.34</b>	<b>13.78</b>
Current	-	7.34	6.52
Non-current	-	-	7.26
<b>Balance as at 31st March</b>	-	<b>7.34</b>	<b>13.78</b>

C. Rent expenses recorded for short term leases is Rs. 0.82 Millions (Financial Year 2020-21 : Rs. 2.72 Millions, Financial Year 2019-20 : Rs. 6.58 Millions) for Financial Year 2021-22.

D. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(Rs.in Millions)		
	As at		
	31st March, 2022	31st March, 2021	31st March, 2020
Less than one year	-	7.78	7.83
One to three years	-	-	7.71

**38 Payment to Auditors**

Other Expenditure in Note No. 29 includes Auditor's Remuneration in respect of:

Particulars	(Rs.in Millions)		
	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2020
Audit Fees	1.16	1.15	0.75
Reimbursement of out of pocket Expense	0.03	0.00	0.02
<b>Total</b>	<b>1.19</b>	<b>1.15</b>	<b>0.77</b>

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**39 Fair value disclosure**

a) The carrying value is same as the fair value of financial instruments by categories as at 31 March , 2022 **(Rs.in Millions)**

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
<b>Financial Assets</b>			
<b>At Amortised Cost :</b>			
Loans	-	4.00	-
Cash and Bank Balances	247.97	262.64	290.34
Balance Other than Cash & Cash Equivalent	4.24	5.42	-
Other Financial Assets			
- Current	95.01	52.82	33.62
- Non Current	3.90	3.33	8.42
<b>Fair value through Other Comprehensive Income</b>			
Investment	-	240.41	185.96
<b>Fair value through Profit &amp; Loss Account</b>			
Investments in Mutual Fund	-	-	112.92
<b>Total Assets</b>	<b>351.12</b>	<b>568.62</b>	<b>631.26</b>
<b>Financial Liabilities</b>			
<b>At Amortised Cost :</b>			
Trade Payables	2.26	6.50	1.67
Other Financial Liabilities			
- Current	350.12	307.65	315.50
- Non Current	-	-	7.26
Borrowings			
-Current	-	294.65	559.50
Lease Liabilities	-	7.34	6.52
<b>Total Liabilities</b>	<b>352.38</b>	<b>616.14</b>	<b>890.45</b>

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**Notes to the Restated Consolidated Financial Information**

b) **Fair Value Hierarchy and Method of Valuation**

Except as detailed in the following table, the Group considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within level 1 that are observable for the assets 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)

The following table presents fair value of assets and liabilities measured at fair value on recurring basis :

<b>Financial Assets</b>		(Rs.in Millions)				
<b>Particulars</b>	<b>31st March, 2022</b>					
	<b>Carrying Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
Measured at FVTPL						
- Investment in Mutual Fund	-	-	-	-	-	
Measured at FVTOCI						
- Investments in Equity Instrument	-	-	-	-	-	

		(Rs.in Millions)				
<b>Particulars</b>	<b>31st March, 2021</b>					
	<b>Carrying Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
Measured at FVTPL						
- Investment in Mutual Fund	-	-	-	-	-	
Measured at FVTOCI						
- Investments in Equity Instrument	240.41	-	-	240.41	240.41	

		(Rs.in Millions)				
<b>Particulars</b>	<b>31st March, 2020</b>					
	<b>Carrying Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
Measured at FVTPL						
- Investment in Mutual Fund	112.92	112.92	-	-	112.92	
Measured at FVTOCI						
- Investments in Equity Instrument	185.96	-	-	185.96	185.96	

c) **Fair value measurements using significant unobservable inputs (Level 3)**

The following table presents the change in value of equity instrument in level 3 items

(Rs.in Millions)

<b>Particulars</b>	<b>Year Ended 31st March</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Opening Balance	240.41	185.96	350.75
Addition on account of reclassification	-	-	50.00
Additional Investment	-	30.50	357.69
Change in Fair Value	(15.79)	23.95	(572.48)
Sale of Investment	224.62	-	-
Closing Balance	-	240.41	185.96

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**Notes to the Restated Consolidated Financial Information**

**40 Share Based Payments:**

Details of the Employee Share Option Plan of the Group

The Group has implemented 'Deltatech ESOP 2020', as approved by the shareholders on 3rd August, 2020. The options are granted at the price determined by the Board of Directors. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of Rs. 1/- each. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights.

The following share-based payment arrangements were in existence during the current year:

Options series	Number of Options Granted	Grant date	Vesting date	Exercise price (Rs.)	Fair value at grant date (Rs.)
Granted on 2nd September, 2020	13,74,750	02/09/2020	02/09/2021	33.39	33.44
	13,74,750	02/09/2020	02/09/2022	33.39	34.32
	13,74,750	02/09/2020	02/09/2023	33.39	35.21

The following table list the input to the models used for the year ended 31st March, 2022.

Particulars	Option Series		
	2nd September, 2020		
	Vest 1	Vest 2	Vest 3
Grant date share price (Rs.)	62.24	62.24	62.24
Exercise price (Rs.)	33.39	33.39	33.39
Expected volatility	20.99%	19.72%	19.00%
Option life (in nos of Years)	3 Year	3.5 Year	4 Year
Dividend yield	0.00%	0.00%	0.00%
Risk-free interest rate	4.81%	5.02%	5.21%
Model Used	Black Scholes Option Pricing Model		

**Movements in share options during the year**

The following table reconcile the share option outstanding at the beginning and end of the year.

Particulars	2021-22		2020-21		2019-20	
	Number of options	Weighted average of exercise price (Rs.)	Number of options	Weighted average of exercise price (Rs.)	Number of options	Weighted average of exercise price (Rs.)
Balance at beginning of year	41,24,250	33.39	-	-	-	-
Issued during the year	-	-	41,24,250	33.39	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Balance at end of year	41,24,250	33.39	41,24,250	33.39	-	-

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The effect of share based payment transactions on the Group's profit or loss is presented below:

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Share based payment expense	59.01	49.54	-

**Note:**

a) Volatility:

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the year. The measure of volatility is used in Black Scholes annualized standard deviation of the continuously compounded rate of return on the stock over a period of time. The Group considered the daily historical volatility of the Group's expected life of each vest.

b) Risk Free Rate:

The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero - coupon securities.

c) Expected Life of the Options :

Expected life of the options is the period for which the Group expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The Group has calculated expected life as the average of life of the options.

d) Disclosures for 31 March 2022 and 31 March 2021 have been made after giving effect to the share split, right issue and bonus shares.

- 41 Exceptional item of 31st March, 2022 included gain of Rs. 0.11 Millions on sale of Shares of Subsidiary Company, Deltin Cruises and Entertainment Private Limited on 16th March 2022. Exceptional item of 31st March, 2020 included gain of Rs. 6.99 Millions on sale of Shares of Subsidiary Company, Mind Sports League Private Limited on 29th July, 2019.

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**42 Trade Payable Ageing Schedule**

The ageing Schedule for Trade Payables as at 31 March, 2022 is as follows: (Rs.in Millions)

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	
i) MSME	-	-	-	-	-	-
ii) Others	-	2.25	0.01	-	-	2.26
iii) Disputed due to MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>2.25</b>	<b>0.01</b>	-	-	<b>2.26</b>

The ageing Schedule for Trade Payables as at 31 March, 2021 is as follows: (Rs.in Millions)

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	
i) MSME	-	-	-	-	-	-
ii) Others	-	6.36	0.00	0.14	-	6.50
iii) Disputed due to MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>6.36</b>	<b>0.00</b>	<b>0.14</b>	-	<b>6.50</b>

The ageing Schedule for Trade Payables as at 31 March, 2020 is as follows: (Rs.in Millions)

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	
i) MSME	-	-	-	-	-	-
ii) Others	-	1.35	0.32	-	-	1.67
iii) Disputed due to MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>1.35</b>	<b>0.32</b>	-	-	<b>1.67</b>

**43 Intangible Assets Under Development Ageing Schedule**

The ageing schedule for Intangible Assets under Development as on 31st March, 2022 is as below: (Rs.in Millions)

Intangible assets under development	Outstanding for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.21	-	-	-	3.21
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3.21</b>	-	-	-	<b>3.21</b>

The ageing schedule for Intangible Assets under Development as on 31st March, 2021 is as below: (Rs.in Millions)

Intangible assets under development	Outstanding for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.69	-	-	-	8.69
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>8.69</b>	-	-	-	<b>8.69</b>

**Deltatech Gaming Limited**  
(formerly known as Gaussian Networks Private Limited)

**Notes to the Restated Consolidated Financial Information**

The ageing schedule for Intangible Assets under Development as on 31st March, 2020 is as below: (Rs.in Millions)

Intangible assets under development	Outstanding for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.77	4.72	-	-	14.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>9.77</b>	<b>4.72</b>	<b>-</b>	<b>-</b>	<b>14.49</b>

Various projects for software development are under progress as at 31st March 2022, 31st March 2021 and 31st March, 2020. There are no projects which are temporarily suspended as at 31st March 2022, 31st March 2021 and 31st March, 2020. Also, there are no other projects in progress whose completion is overdue or has exceeded its cost compared to its original plan.

**44 Ratios :**

Ratios	Unit	Basis (Restated Numbers)	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Current Ratio	Times	Current Assets	0.89	0.49	0.46
		Current Liabilities			
Debt - Equity Ratio	Times	Total debt	-	49.19	(2.50)
		Shareholder's equity			
Return on Equity	Percentage	Profit after tax	-45.11%	2662.77%	-134.59%
		shareholder's equity			
Trade Payables turnover ratio	Times	Net Credit Purchase	80.31	83.63	104.94
		Average Trade Payables			
Net Capital turnover ratio	Times	Revenue from Operation	(30.47)	(4.31)	(2.49)
		Working capital			
Inventory Turnover Ratio	Times	Cost of Goods Sold	NA	NA	NA
		Average of Inventories			
Trade Receivable turnover ratio	Times	Revenue from Operation	NA	NA	NA
		Average Trade Receivable			
Net profit ratio	Percentage	Net Profit After Tax	-3.21%	10.27%	22.67%
		Revenue from Operation			
Return on Capital Employed	Percentage	Earnings before Interest & Tax	-57.19%	-60416.67%	-176.30%
		Capital Employed			
Return on investment	Percentage	Earnings before Interest & Tax	-7.38%	29.11%	67.79%
		Average total assets			
Debt Service Coverage Ratio	Percentage	Earnings before Interest & Tax	-14.61%	30.9%	NA
		Net Debt Services			

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**Notes to the Restated Consolidated Financial Information**

Reasons for more than 25% variance:

- 1 Current ratio: Increase in Current Ratio from March, 2021 to March, 2022 primarily due to repayment borrowings to the holding Company, leading to decrease in current liabilities as of 31st March, 2022 and as a consequence improvement in current ratio. Increase in Current Ratio from March, 2020 to March, 2021 mainly due to repayment of borrowings to the holding company, leading to decrease in current liabilities as of 31st March, 2021 resulting into higher current ratio.
- 2 Debt-equity ratio: Improvement in debt equity ratios is due to repayment of borrowings and net profit earned in March, 2021, leading to positive shareholder's equity as compare to March, 2020 resulting into increase in debt equity ratio.
- 3 Return on equity: During the financial year 2021-22, Group has incurred losses as compared to profit earned in financial year 2020-21 and there is also right issue of equity shares which resulted into increasing in shareholder's equity and thus negative return on equity as compared to positive returns in financial year 2020-21. During the financial year 2020-21, the profitability has reduced as compared to financial year 2019-20. At the same time due to change in fair value measurement, shareholder's equity of financial year 2019-20 has reduced as compared to financial year 2020-21. Shareholder's equity as at 31st March, 2020 is negative due to which return of equity appearing as negative for financial year 2019-20.
- 4 Net capital turnover ratio: During the financial year 2021-22, there is a repayment of short term borrowings which resulted into increase in working capital as consequence of which there is an improvement in net capital turnover ratio as compared to financial year 2020-21. During the financial year 2020-21 also, there is repayment of short term borrowing which resulted into improvement of net capital turnover ratio as compared to financial year 2019-20.
- 5 Net profit ratio: During the financial year 2021-22, due to reduction in revenue from operation and increase in operational expenses, Company has incurred losses as compared to financial year 2020-21. Hence, there is corresponding impact in the net profit ratio. During the financial year 2020-21, there were lower margin as compared to financial year 2019-20 due to higher operational expenses in proportion to increase in revenue resulting into drop in net profit ratio.
- 6 Return on capital employed: During the financial year 2021-22, due to lower revenue from operation, group has incurred losses as compared profit earned in financial year 2020-21 and there is also right issue of equity shares which resulted into increasing in capital employed and thus negative return on capital employed as compared to higher returns in financial year 2020-21. During the financial year 2020-21, the profitability has reduced as compared to financial year 2019-20. At the same time due to change in fair value measurement, capital employed of financial year 2019-20 has reduced as compared to financial year 2020-21. Capital employed as at 31st March,2020 is negative due to which return on capital employed appearing as lower for financial year 2019-20.
- 7 Return on investment: During the financial year 2021-22, due to reduction in revenue from operation and increase in operational expenses, Company has incurred losses as compared to financial year 2020-21. Hence, there is corresponding impact in the return on investment ratio. During the financial year 2020-21, there were lower margin as compared to financial year 2019-20 due to higher operational expenses in proportion to increase in revenue resulting into drop in return on investment ratio.
- 8 Debt Service Coverage Ratio: During the financial year 2021-22, earning before interest & tax decreased due to reduction of revenue from operation and due to higher operational expenses as compared to financial year 2020-21 resulting into drop in debt service coverage ratio and due to repayment of borrowing during the financial year 2020-21, which resulted into higher debt service coverage ratio as compared to financial year 2019-20.

**Deltatech Gaming Limited**  
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**Notes to the Restated Consolidated Financial Information**

**45 Statement of Net Assets, Profit or Loss, Other Comprehensive Income and Total Comprehensive Income and Non Control Interest considered in the Restated Consolidated Financial Information**

(Rs. In Millions)

Sr No	Name of Entities	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit Or Loss	Amount	As % of Consolidated OCI	Amount	As % of Total Comprehensive Income	Amount
1	<b>Parent</b>								
	Deltatech Gaming Limited								
	Balance as at 31st March 2022	100%	97.52	100%	(43.99)	100%	(13.50)	100%	(57.49)
	Balance as at 31st March 2021	100%	5.99	-251%	(400.32)	100%	20.37	-211%	(379.96)
	Balance as at 31st March 2020	-151%	336.41	99%	297.38	2%	(13.82)	-104%	283.56
2	<b>Indian Subsidiaries</b>								
	Deltin Cruises and Entertainment Private Limited								
	Balance as at 31st March 2022	0%	-	0.25%	(0.11)	0%	-	0%	(0.11)
	Balance as at 31st March 2021	-9347%	(559.40)	0.20%	0.33	0%	-	0%	0.33
	Balance as at 31st March 2020	251%	(559.82)	-0.41%	(1.23)	98%	(558.59)	206%	(559.82)
3	<b>Mind Sports League Private Limited</b>								
	Balance as at 31st March 2022	0%	-	0.00%	-	0%	-	0%	-
	Balance as at 31st March 2021	0%	-	0.00%	-	0%	-	0%	-
	Balance as at 31st March 2020	0%	-	-1.55%	(4.66)	0%	-	2%	(4.66)
4	<b>Consolidated Adjustment :</b>								
	(a) Adjustment arising out of Consolidation								
	Balance as at 31st March 2022	0%	-	-0.24%	0.11	0%	-	0%	0.11
	Balance as at 31st March 2021	9347%	559.40	350.78%	559.50	0%	-	311%	559.50
	Balance as at 31st March 2020	0%	-	2.32%	6.99	0%	-	-3%	6.99
	(b) Non Controlling Interest in all Subsidiary Companies								
	Balance as at 31st March 2022	0%	-	0%	-	0%	-	0%	-
	Balance as at 31st March 2021	0%	-	0%	-	0%	-	0%	-
	Balance as at 31st March 2020	0%	-	-0.73%	(2.20)	0%	-	1%	(2.20)
	Total after elimination on account of consolidation - 31st March, 2022	100%	97.52	100%	(43.99)	100%	(13.50)	100%	(57.49)
Total after elimination on account of consolidation - 31st March, 2021	100%	5.99	100%	159.50	100%	20.36	100%	179.86	
Total after elimination on account of consolidation - 31st March, 2020	100%	(223.41)	100%	300.69	100%	(572.41)	100%	(271.72)	

**Deltatech Gaming Limited**  
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**Notes to the Restated Consolidated Financial Information**

- 46 Summarized below are the restatement adjustments made to the Restated Consolidated Financial Statements for the years ended 31st March 2022, 31st March 2021 and 31st March 2020 and their impact on equity and the profit of the Group.

**Part A: Statement of Adjustments to Restated Consolidated Financial Statements**

Reconciliation between audited profit and restated profit

(Rs. In Millions)

Particulars	For the Year Ended		
	31st March, 2022	31st March, 2021	31st March, 2020
Profit for the year (as per audited consolidated financial statements) (A)	(43.99)	159.50	300.69
<b>Restatement adjustments:</b>			
Tax impact on restatement adjustment	-	-	-
<b>Total impact on account of restatement adjustments (B)</b>	-	-	-
<b>Profit for the year as per Restated Consolidated Summary - Statement of Profit and loss (A-B)</b>	<b>(43.99)</b>	<b>159.50</b>	<b>300.69</b>

- 47 Reconciliation between audited total equity and restated total equity

(Rs. In Millions)

Particulars	For the Year Ended		
	31st March, 2022	31st March, 2021	31st March, 2020
Total equity (as per audited consolidated financial statements) (A)	97.52	5.99	(223.41)
Restatement adjustments	-	-	-
<b>Total impact on account of restatement adjustments (B)</b>	-	-	-
<b>Total equity as per Restated Consolidated Summary Statement of Assets and Liabilities (A+B)</b>	<b>97.52</b>	<b>5.99</b>	<b>(223.41)</b>

- 48 Acquisition of Subsidiary

On June 22, 2020, Delta Corp Limited (the 'holding company') transferred by way of delivery, 100% equity share capital of Deltin Cruises and Entertainment Private Limited ('DCEPL') to the Company at consideration of INR one lakh. Accordingly, effective June 22, 2020, DCEPL has become a wholly owned subsidiary of the Company. The aforesaid acquisitions is accounted as business combination of entity under common control as per Appendix C of Ind AS 103, using pooling of interest method. The financial statements in respect of prior year is restated assuming that the business combination had occurred from the beginning of the preceding period presented in the financial statements i.e. April 1, 2019.

**Deltatech Gaming Limited**  
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**Notes to the Restated Consolidated Financial Information**

**49 Contingent Liabilities and Commitments:**

**(i) Contingent Liability**

(Rs.in Millions)

Nature of Dues	31st March, 2022	31st March, 2021	31st March, 2020
Claims against the company's disputed liabilities not acknowledged as debt - Income tax liability	1.69	-	-

**ii) Capital commitment**

Estimated amount of contract remaining to be executed on capital account and not provided for in respect of capital

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Commitment on account of Acquisition of shares of a private limited Group as per share holder agreement	-	-	5.51

**50 Disclosure under Ind As - 115 Revenue from contracts with customers**

Disaggregate revenue information:

Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to profit and loss account:

**a) Type of services**

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
<b>Online Gaming</b>			
- Continued Business	1,372.27	1,553.66	1,316.46
- Discontinued Business	-	-	-
<b>Total revenue from contract with customer</b>	<b>1,372.27</b>	<b>1,553.66</b>	<b>1,316.46</b>
<b>Geographical market</b>			
India	1,372.27	1,553.66	1,316.46
Outside India	-	-	-
<b>Total revenue from contract with customer</b>	<b>1,372.27</b>	<b>1,553.66</b>	<b>1,316.46</b>
<b>Timing of Revenue recognition</b>			
Revenue recognised at a point in time	1,372.27	1,553.66	1,316.46
Revenue recognised over time	-	-	-
<b>Total revenue from contract with customer</b>	<b>1,372.27</b>	<b>1,553.66</b>	<b>1,316.46</b>

**b) Contract balances**

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Contract Liabilities (Customer wallet balance)	259.46	224.64	260.32

- c) The Group does not have any trade receivable or unbilled revenues are presented net of impairment in the Balance Sheet. In 2022, Provision for expected credit loss recognised on trade receivable was Nil ( Previous Years. Nil).

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**Notes to the Restated Consolidated Financial Information**

d) **Significant changes in contract asset and contract liability during the period are as follows:**

(Rs.in Millions)

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
<b>Movement in Contract Liabilities (Customer wallet balance)</b>			
Contract Liabilities at the beginning of the year	224.64	260.33	151.70
Movement in customer wallet account and change in scale of operation	34.82	(35.69)	108.62
Contract liabilities	<b>259.46</b>	<b>224.64</b>	<b>260.32</b>

**Information about Group's performance obligation**

Group's performance obligation is immediately satisfied, when user plays on its online portal. Payment against performance obligation is deducted from customer wallet balance as and when the performance obligation is satisfied.

**51 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision based on the "management approach" as defined in Ind AS 108 operating segments, The Chief Operating Decision Maker (CODM) evaluate the Group 's performance and allocates resources based on an analysis of various performance indicators by business segments. Online gaming is only one segment in Group.

**52 Subsequent Events**

**a Bonus Issue :**

Subsequent to the year end, as per recommendation of the Board of Directors in their meeting held on 09th April, 2022 and approval of the shareholders dated 09th April, 2022, the Company has issued 8,19,00,000 bonus equity shares of face value of Rs. 1/- each in ratio of 140:1 (i.e. 140 Bonus Shares for every 1 Equity Share), which were allotted to the shareholders on 11th April, 2022. Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 82.49 Millions comprising of 8,24,85,000 equity shares of face value of Rs. 1/- each. These shares are retrospectively considered for the computation of basic and diluted EPS.

**b Right Issue :**

Further, as per approval of the Board of Directors in their meeting held on 26th May, 2022, the Company has issued 132,05,856 equity shares of face value of Rs. 1/- each on rights basis in ratio of 0.1601:1 (i.e. 0.1601 equity Shares for every 1 equity Share), which were allotted to the shareholders on 08th June, 2022 at an issue price of Rs. 1.75/- each. Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 956,90,856/- comprising of 956,90,856 equity shares of face value of Rs. 1/- each.

As per Our Report of Even Date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.001076N/N500013

**For and on behalf of Board**

**Khushroo B. Panthaky**

Partner

Membership No: 042423

Place: Mumbai

Date: 15-June-2022

**Shivanandan Pare**

Executive Director & CEO

DIN: 03613410

Place: Mumbai

Date: 15-June-2022

**Hardik Dhebar**

Executive Director & CFO

DIN: 00046112

**Anannya Godbole**

Company Secretary

ACS No. 23112

## OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements for Fiscals 2022, 2021 and 2020 of our Company (the “**Audited Financial Statements**”) are available on our website at <https://www.deltatech.gg/deltatech-gaming-limited/>.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLMs or the Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Basic earnings per share <sup>1</sup> (in ₹)	(0.53)	3.14	5.92
Diluted earnings per share <sup>2</sup> (in ₹)	(0.53)	3.13	5.92
EBITDA <sup>3</sup> (in ₹ million)	34.89	282.50	427.22
Net worth <sup>4</sup> (in ₹ million)	97.52	5.99	(223.41)
Return on net worth <sup>5</sup> (%)	(45.11)	2,662.77	(134.59)
Net asset value per share <sup>6</sup> (in ₹)	1.19	0.12	(4.40)

**Notes:**

- <sup>1.</sup> Basic EPS is calculated by dividing the restated profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year
- <sup>2.</sup> Diluted EPS is calculated by dividing the restated profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares
- <sup>3.</sup> Calculated as restated profit for the year plus income tax expense, plus depreciation and amortization expense, plus finance costs
- <sup>4.</sup> Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
- <sup>5.</sup> Calculated as restated profit for the year divided by net worth
- <sup>6.</sup> Calculated as Net worth divided by number of weighted average of equity shares

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 '*Related Party Transactions*' read with SEBI ICDR Regulations for the financial years ended March 31, 2022, March 31, 2021, and March 31, 2020 as reported in the Restated Financial Statements, see "*Restated Consolidated Financial Information - Notes to Restated Financial Statements – Note 31 – Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party*" beginning on page 234.

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

*The following discussion should be read together with the information in the section titled "Summary of Financial Information", and our Restated Financial Statements included in the section titled "Financial Information" on pages 56 and 201, respectively. Unless the context requires otherwise, the following discussion and analysis of our financial condition and results of operations for Fiscals 2022, 2021 and 2020 is derived from our Restated Financial Statements, including the notes, annexures and schedules thereto, which have been derived from our audited financial statements for Fiscals 2022, 2021 and 2020, and prepared in accordance with the applicable provisions of the Companies Act and Ind AS, and restated in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI and the SEBI ICDR Regulations. Ind AS differs in certain material respects from IFRS, U.S. GAAP and GAAP in other countries and other accounting principles with which prospective investors may be familiar. Our Company does not provide reconciliation of its financial information to IFRS, U.S. GAAP or GAAP in other countries. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial information. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting principles, policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting principles, policies and practices on the financial information presented in this section should accordingly be limited.*

*Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2022", "Fiscal 2021" and "Fiscal 2020", are to the 12-month period ended March 31 of the relevant year.*

*Statements contained in this discussion that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those forward-looking statements. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us or any other person, or that these results will be achieved or are likely to be achieved. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors and contingencies that could affect our financial condition, results of operations and cash flows. Prospective investors in the Equity Shares are cautioned not to place undue reliance on these forward-looking statements.*

*You are also advised to read the sections titled "Forward Looking Statements" and "Risk Factors" on pages 21 and 30, respectively, which discuss a number of factors or contingencies that could affect our business, financial condition and results of operations.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Online Gaming Market in India" dated June 13, 2022 (the "RedSeer Report"), prepared and issued by RedSeer Management Consulting Private Limited, appointed on February 18, 2022, and exclusively commissioned by, and paid for, by us in connection with the Offer. The RedSeer Report is available on the website of our Company at <https://www.deltatech.gg/wp-content/uploads/2022/06/Industry-Report-deltatech.pdf>.*

### Overview

We are a digitally native, technology led gaming platform, delivering a gamer-centric gaming experience across our various offerings. We are one of the earliest companies in the real money gaming segment in India and Adda52 is India's first online poker platform offering multiple poker variants. [Source: RedSeer Report]. We have been considered as a 'category pioneer' in India having a large gamer base and have had more than 34.5% of market share for over seven years till Fiscal 2021. [Source: RedSeer Report].

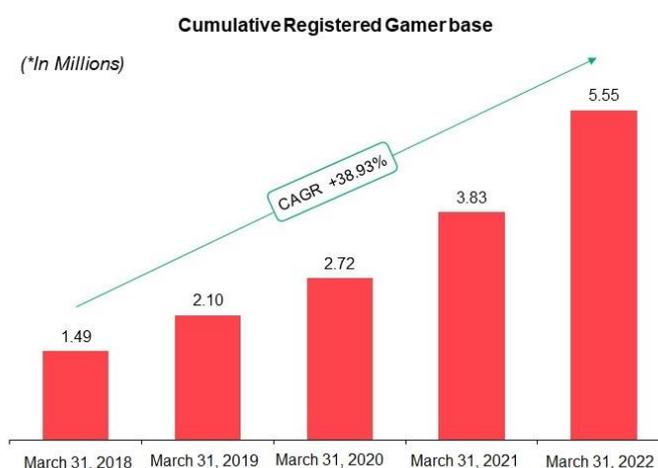
We offer real money gaming through our platforms, Adda52.com - offering poker  and Adda.games - offering multi-games , which will include our rummy offering, Adda52Rummy ("Adda52Rummy")<sup>2</sup>.

<sup>2</sup> While Adda52Rummy is currently offered through a separate platform, for the growth of rummy, we intend to merge Adda52Rummy into Adda.games in the near future.

Our core competencies have been our investment in building our own in-house platforms and developing data intelligence capabilities. We believe that we offer a robust and seamless omni-channel digital offering, with fully integrated online play, through mobile, web and desktop versions, coupled with our offline capabilities.

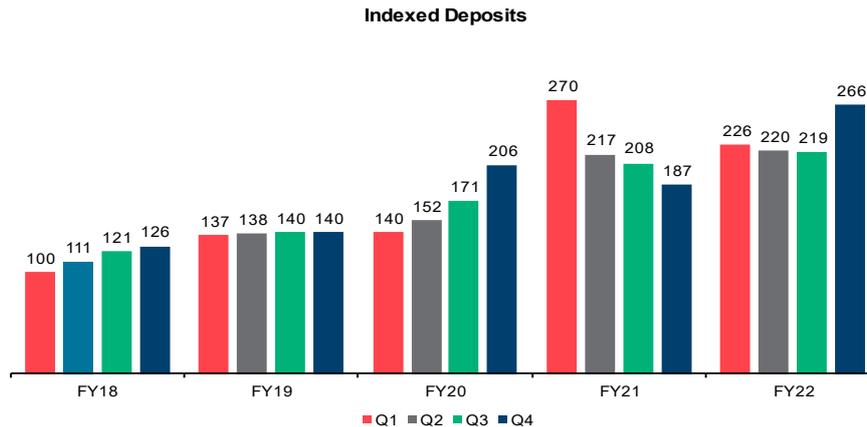


We believe that our historical traction and gamer-first philosophy places us in an advantageous position to capture the opportunity for real money gaming. We aim to be the platform-of-choice for real money gaming gamers across the country. Our gaming platforms have witnessed a substantial increase in the number of registrations of gamers. The increase in the number of cumulative registered gamer base as on March 31, 2022, as highlighted below, implies a three-fold jump in the number of cumulative registered gamer base over the period.



- i) There may be overlap of gamers between the platforms as the number of total registered gamers base is cumulative for all platforms.
- ii) The increase in the cumulative registered gamer base for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.
- iii) The increase in the cumulative registered gamer base for Fiscal 2022 was on account of the acquisition of 'Faboom' and the subsequent launch of Adda.games. For details in relation to the acquisition of 'Faboom', see, "History and certain corporate matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation on page 169.

The increase in the cumulative registered gamer base increases the network liquidity on our platforms which helps in increasing Deposits over a period of time. An increase in the Deposits is an indication of a gamer spending more time on our platforms and engaging in higher number of games resulting in increase in our income from operations. Our increase in Deposits since the first quarter of Fiscal 2018, on an indexed basis, is highlighted below:



- i) Deposits refer to the money that a gamer brings on the platform(s) to play games.
- ii) The quarterly indexed base (100) = Sum of the Deposits on all platforms for the first quarter of Fiscal 2018 (“Deposit Base Index”).
- iii) The indexed Deposits disclosed for the quarters above have been calculated as the total Deposits for such quarter divided by Deposit Base Index.
- iv) Adda.games has been operational from April 2021.

We have, over the years, invested in building our in-house platforms and continue to evolve them. We believe investment in our gaming platform and offerings is essential to our business improvement, growth opportunities for onboarding of new gamers, and retention of our existing gamers such as adjacencies like game variants, promotions, etc. We believe that our platforms, developed by our engineers, are built on a distributed and scalable architecture, that provides a flexible, secure and uninterrupted playing experience to our gamers. We believe our agile development methodology provides us with the necessary speed for innovation. Our gamer data pools, and insights into gamer preferences has allowed us to drive innovations and relevance, leading to positive engagement for our gamers.

In line with our growth strategy, in April 2021, we acquired multi-gaming technology under the brand ‘Faboom’ and re-branded it as the Adda.games platform, thereby expanding our footprint in the gaming industry.

Adda.games acts as a comprehensive gaming platform, providing gamers with a unique and diversified portfolio of real money games in a single destination. Our in-house technology team works in conjunction with third-party developers to create relevant, interactive and engaging games. Through Adda.games, we host different games, such as, rummy, poker, fantasy cricket and casual real money games like call break.

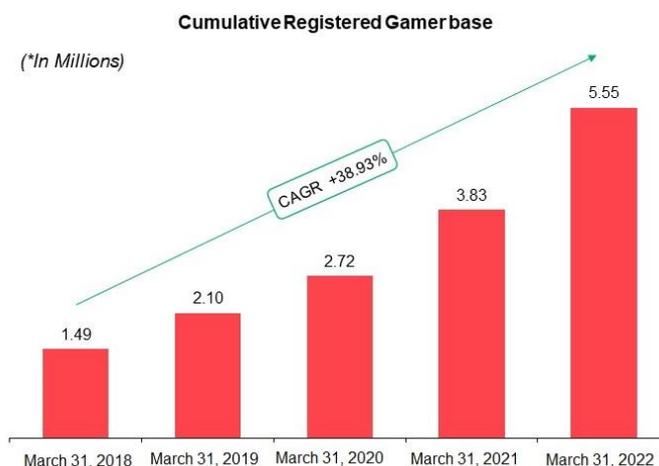
### Significant factors affecting our results of operations

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 is set out below:

#### New gamer acquisition & gamer base

Our ability to grow our business is dependent on acquiring new gamers as well as retaining our existing gamers. Our ability to attract new gamers to our platforms will affect our ability to grow our gamer base and revenue, and a higher gamer base increases our monetization funnel. We have invested in, and continue to invest in, sales promotion expenses to acquire new gamers and to retain our existing gamers.

Our gaming platforms have witnessed a substantial increase in the number of registrations of gamers.

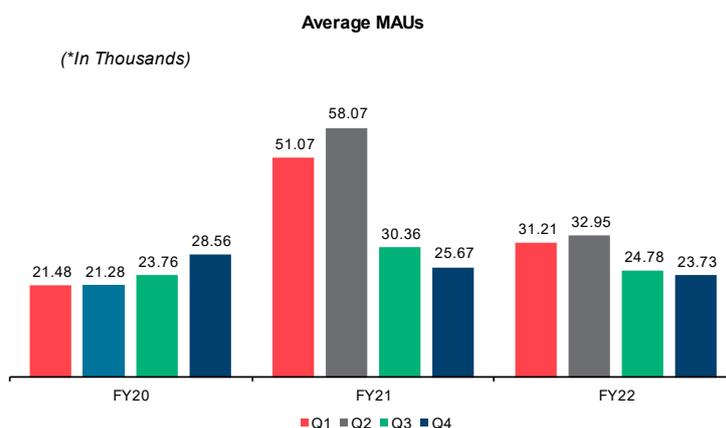


- i) There may be overlap of gamers between the platforms as the number of total registered gamers base is cumulative for all platforms.
- ii) The increase in the cumulative registered gamer base for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.
- iii) The increase in the cumulative registered gamer base for Fiscal 2022 was on account of the acquisition of 'Faboom' and the subsequent launch of Adda.games. For details in relation to the acquisition of 'Faboom', see, "History and certain corporate matters - Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation on page 169.

### Average MAU and ARPU

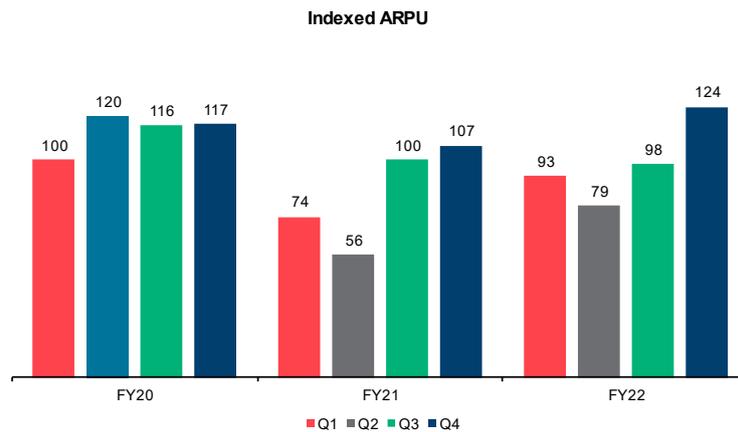
Our financial results are impacted by the number of average monthly active gamers and the average revenue per gamer. We have been able to consistently grow and maintain our base of MAU and ARPU on Adda52 from Fiscal 2018 to Fiscal 2022. We mobilise our efforts to increase the MAU and ARPU through marketing and promotional activities on Adda52.

The quarterly average Monthly Active Users (“MAU”) for Adda52 were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter of a Fiscal.
- iii) The disproportionate increase in the average MAU for Fiscal 2021 was attributable to the increase in the number of gamers during the various lockdowns imposed on account of the COVID – 19 pandemic.

Our indexed quarterly Average Revenue Per Gamer (ARPU) for Adda52 was as follows:

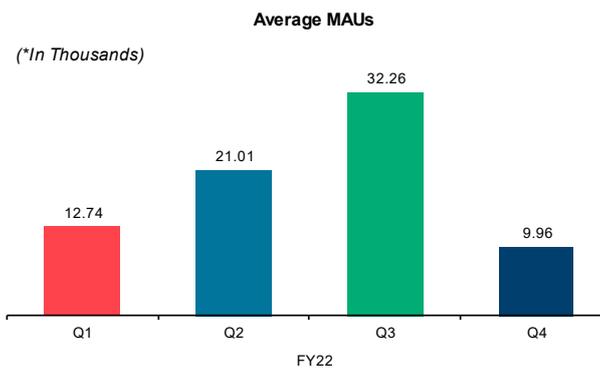


- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2020. (“Adda52 Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda52 Base Index.
- iv) There was a spike in the active gamers in the first quarter of Fiscal 2021 due to the various lockdowns imposed on account of the COVID-19 pandemic.
- v) The number of active gamers had amplified due to the various lockdowns imposed on account of the COVID-19 pandemic along with an OTT advertisement campaign run by the Company. This resulted in an increase in the number of active gamers, which resulted in lower ARPU.

In April, 2021, we acquired the multi-gaming technology under the brand ‘Faboom’ and re-branded it as ‘Adda.games’. While Adda52Rummy is currently offered through a separate platform, for the growth of Adda.games, we intend to merge Adda52Rummy into Adda.games in the near future.

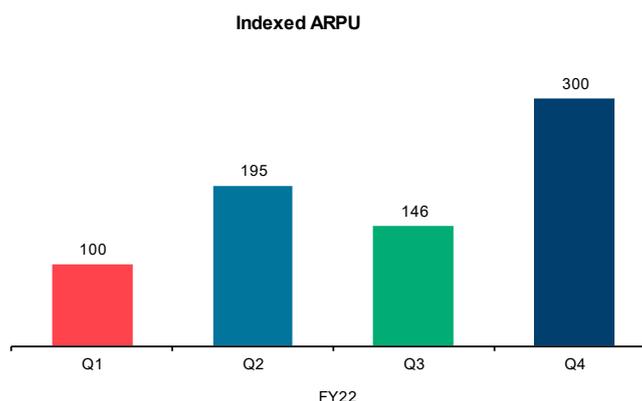
Since the launch of Adda.games, we have maintained an increasing number of gamers on our platform with a steady revenue per gamer.

For Adda.games, our quarterly average MAUs for Fiscal 2022 were as follows:



- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter of a Fiscal.
- iii) Towards the end of the second quarter and during the third quarter, the Average MAUs were high on account of a busy sports calendar which gave rise to higher gamer traffic.

Our indexed quarterly ARPUs for Fiscal 2022 for Adda.games were as follows:



- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2022. (“Adda.Games Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda.Games Base Index.
- iv) The increase in the second quarter, was on account of the launch of high ARPU games on Adda.games, such as, poker and rummy.
- v) Numerous promotional activities pertaining to acquisition of gamers were undertaken by us through traditional and non-traditional channels during the first and second quarters of Fiscal 2022, leading to an increase in the MAUs, which translated to lower ARPUs. The decrease in the third quarter, was on account of the cricket season where we witnessed more gamers on our platforms, resulting in increased number of games played.
- vi) The increase in the fourth quarter, was on account of the introduction of personalized promotions and contests for the gamers on our platform.

For Adda52Rummy, our quarterly average MAUs were as follows:

Quarter \ Fiscal	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2020	3,781	2,465	2,492	4,077
2021	14,342	17,045	9,839	13,051
2022	30,728	24,546	3,235	2,961

- i) MAU refers to the unique monthly active gamers who have played a minimum of one game during such a month on our platform and excludes gamers who have played only practice games.
- ii) The Average MAUs have been calculated as the average of the total MAUs for a particular quarter of a Fiscal.

Our indexed quarterly ARPUs for Adda52Rummy were:

Quarter \ Fiscal	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2020	100	132	156	135
2021	67	40	63	45
2022	24	27	100	163

- i) ARPUs have been calculated as the Gross Gaming Revenue for the month divided by MAU.
- ii) The quarterly indexed base (100) = average of the ARPUs for the first quarter of Fiscal 2020. (“Adda52Rummy Base Index”).
- iii) The indexed ARPUs for a particular quarter have been calculated as the average ARPUs for a quarter divided by Adda52Rummy Base Index.
- iv) Numerous promotional activities pertaining to acquisition of gamers were undertaken by us through traditional and non-traditional channels during the first and second quarters of Fiscal 2022, leading to an increase in the MAUs, which translated to lower ARPUs.

## **Cost effectiveness of advertisement and sales promotion expenses**

We incur a substantial part of our expenses on our sales promotion expenditure. Our sales promotion expenses include a) marketing and branding cost; and b) reward-based engagement and retention spends. We invest in marketing and branding for acquiring new gamers through marketing activities such as, amongst others, celebrity-led campaigns, influencer marketing, online and offline advertising campaigns. We also spend on retaining our existing gamers to encourage more gameplay by offering reward based engagement and retention activities such as, challenges, contests and gamer leader boards, cash backs and different incentives linked to the number of gameplay or number of visits to the platforms or stakes on which the gameplay is generated, as well as offering our gamers free and discounted tournament tickets, *etc.* We undertake such initiatives to increase gamer engagement on our platforms. Historically, we have experienced that gamer retention and engagement on our platforms for more than six months, leads to higher revenue contribution from such gamers.

For Fiscals 2022, 2021 and 2020, our expenditure on sales promotion for acquisition and retention of gamers stood at ₹ 848.11 million, ₹ 901.53 million and ₹ 593.25 million, respectively.

## **Our ability to optimize our existing offerings and new content according to gamer preferences**

Our data analytics capabilities, powered by scalable data engineering, allows us to consume a large number of data points, helping us draw deep insights and intelligence into gamer behaviour, leading to improvements in product offerings and gamer engagement. These data points, to name a few, include gamers - preferred games, variant, range of buy-in and frequency of playing games. These data points enable us to sharpen our offering for our gamers, thus encouraging them to stick to our platform, which, in turn, helps us increase our network liquidity and profitability. Our ability to periodically develop and enhance product features, keeping in mind gamer expectations ensures retention of the gamers.

Based on our insights the prevailing market, we launched our multi-gaming platform in April, 2021, through which we have expanded our real money gaming offering.

### **a) Basis of preparation and significant accounting policies**

The restated consolidated financial information relates to the Company and our erstwhile subsidiaries, *i.e.*, Deltin Cruises and Entertainment Private Limited and Mind Sports League Private Limited (together, the “**Group**”) and has been specifically prepared for inclusion in this Draft Red Herring Prospectus to be filed by the Company with SEBI in connection with the Offer. The restated consolidated financial information comprises the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flow, the Restated Consolidated Statement of Changes in Equity and Statement of Significant Accounting Policies and other explanatory information for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 (collectively referred to as “**Restated Consolidated Financial Information**”).

The Restated Consolidated Financial Information has been prepared to comply, in all material respects, with the requirements of Section 26 of Part I of Chapter III of the Companies Act, read with the SEBI ICDR Regulations, in pursuance of provisions of SEBI Act.

### **The Restated Consolidated Financial Information has been compiled by the Management from:**

The audited consolidated financial information as at and for the years ended March 31, 2022, special purpose consolidated financial information for the year ended March 31, 2021 and March 31, 2020 and has been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Companies Act, which have been approved by the Board of Directors at their meetings held on April 9, 2022 and June 15, 2022, respectively.

The preparation of the Restated Consolidated Financial Information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these Restated Consolidated Financial Information are disclosed in notes to the Restated Consolidated Financial Information.

**i) Compliance with Ind AS**

The Restated Consolidated Financial Information has been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the “Ind AS”) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Companies Act and rules framed thereunder.

**ii) Historical Cost Convention**

The Restated Consolidated Financial Information has been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value.

**iii) Rounding of Amounts**

All the amounts disclosed in the Restated Consolidated Financial Information and notes are presented in Indian Rupees and have been rounded off to the nearest Millions, as per the requirement of Schedule III to the Companies Act, unless otherwise stated. The amount ‘0.00’ denotes an amount less than Rs. five thousand.

**iv) Current and Non-Current classification**

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act.

**b) Principle of Consolidation**

The Group consolidates all entities which are controlled by it. The Group established control when it has power over the entity, is exposed, or has rights, to variables, returns from its involvements, with the entity and has the ability to affect the entity’s return by using power over the entity.

The Restated Consolidated Financial Information has been prepared on the following basis:

- i. Entities controlled by our Company are consolidated from the date the control commences until the date such control ceases.
- ii. The financial information of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Holding Company,
- iii. The financial Information of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealised profits have been fully eliminated.
- iv. The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, as at the dates on which the investments in such subsidiary are made, is recognised as “Goodwill”, being an asset in the Restated Consolidated Financial Information. Goodwill arising out of consolidation is not amortised. However, the same is tested for impairment at each balance sheet date. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of the cost of investment of the Company, it is recognised as “Capital Reserve on consolidation” and shown under the head “Other Equity”, in the Restated Consolidated Financial Information.
- v. Non-controlling interests in the net assets of subsidiaries consists of:

The amount of equity attributable to the minorities at the date on which investment in subsidiary is made; and the minorities share of movements in equity since the date the parent-subsidiary relationship came into existence.

- vi. Changes in the Company interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company’s interest and the non-controlling interest are adjusted to reflect the changes in their relative interest in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity.

### **c) Significant management judgments in applying accounting policies and estimation uncertainty**

The estimates and judgments used in the preparation of the financial information are continuously evaluated by the Group, and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances.

Difference between actual results and estimates are recognised in the period in which the results are known / materialised. The said estimates are based on the facts and events that existed as at the reporting date, or that occurred after that date, but provide additional evidence about conditions existing on the reporting date.

#### **Impairment of non-financial assets**

Assessment is done as at the date of each balance sheet to evaluate whether there is any indication that a non-financial asset may be impaired. If any indication exists, except goodwill, where impairment testing is done irrespective of the indicators, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or a Cash Generating Unit's (CGU's) fair value, less the costs of its disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where 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 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, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### **Depreciation and useful lives of property, plant and equipment / Intangible assets**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the group's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

#### **Recoverability of trade receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **Provisions and Contingent Liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

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 are disclosed in respect of possible obligations that arise from past events, but their 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 or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

## **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses its judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## **Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

## **Share-based payments**

The grant date fair value of options granted to employees is recognised as employee expenses, with corresponding increase in equity, over the period that the employee become unconditionally entitled to the option. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "share option outstanding account". The amount recognised as expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vest, in the statement of profit and loss with a corresponding adjustment to equity.

## **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

## **Fair Value Measurement**

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

## **Liability for Promotional Expenses**

The liability for discretionary awards is recorded based on the estimated utilisation of such awards by the customers, which is calculated based on the past trends. Based on the estimated liability promotional expenditure liability is booked at each reporting date.

### **d) Property, Plant and Equipment (including capital work-in-progress)**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes purchase price and expenditures directly attributable to bringing them into working condition for its intended use. Freehold land and capital work in progress are carried at cost, less accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment is provided under the straight-line method over the useful lives of assets as prescribed in Schedule II to the Companies Act, and management believes that the useful lives of these assets are the same as those prescribed in Schedule II to the Companies Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain or losses arising from de-recognition of property, plant and equipment are measured as difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is de-recognised.

#### **e) Intangible assets**

Intangible Assets with finite useful lives that are acquired separately are stated at acquisition cost, net of recoverable taxes, trade discount and rebate less accumulated amortisation and accumulated impairment losses, if any. Such cost includes purchase price and any expenditure directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, 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 asset is de-recognised.

Intangible assets are amortised over the period of three years on a straight-line basis from date they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effect of obsolescence, demand, competition and other economic factors and level of maintenance expenditures required to obtain the expected future cash flows from the assets. Intangible asset under work in progress represents software under development.

#### **f) Leases**

##### **A. The Group as a lessee**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any and adjusted for any remeasurement of the lease liability.

Right-of-use 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. Right of use assets 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 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 amortised 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 re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Lease liability and ROU asset have been separately presented under heads "Other Financial Liabilities" and "Property, Plant and Equipment" respectively and lease payments have been classified as financing cash flows.

#### New standards, interpretations and amendments adopted by the Group:

The amendments introduce a practical expedient that simplifies how a lessee accounts for COVID-19 related rent concessions, and a lessee may elect not to assess whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. A lease that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this standard if the change were not a lease modification. The impact of the amendment on the financial information has been disclosed in Note No. 37.

#### B. The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight-line basis on a straight-line basis over the term of the lease.

##### **g) Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost using effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

#### Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

##### **h) Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable. The Group recognises revenue

when the amount of revenue can be reliably measured. Revenue comprises the following elements:

**Revenue from Online Skill Gaming:** Online gaming revenue represents the commission charged from each game less the fair value of certain promotional bonuses paid out of earned revenue and the value of loyalty points accrued. In Poker tournaments certain promotional costs are accounted for, and entry fee revenue is recognised when the tournament has concluded and there is no longer a service obligation to each user that participated in the tournament.

#### **Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the amortised cost and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **i) Employee benefits**

##### **Short-term employee benefits**

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### **Post-employment benefits**

###### **Defined benefit plan**

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and is not reclassified to statement of profit and loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense; and
- remeasurement.

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefit expenses'. Curtailment gains and losses are accounted for as past service costs.

###### **Defined Contribution Plan**

Payments to defined contribution benefit plans are recognised as an expense in the Statement of Profit and Loss in the period in which employee renders related service.

#### **j) Shares based payments arrangements**

Equity-settled share-based payments to employees and others 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 transactions are set out in note No. 40.

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 group's 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 recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The impact of modification of share-based payment arrangement, if any, resulting in incremental fair value, *i.e.*, the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification is expensed over the remaining vesting period in the statement of profit and loss account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### **k) Foreign currency transactions and balances**

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at the closing rate of exchange prevailing on the reporting date.
- ii. Any exchange difference arising on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.
- iii. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (*i.e.*, translation differences on items whose fair value gain or loss is recognised in other comprehensive income or Statement of Profit and Loss are also recognised in other comprehensive income or Statement of Profit and Loss, respectively).
- iv. Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Balance Sheet date. Statement of the profit loss has been translated using weighted average exchange rate. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

#### **l) Income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity in which case, the tax is also recognised in other comprehensive income or equity.

##### **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax liabilities are presented as net of advance tax for that particular assessment year.

##### **Deferred Tax**

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amount in the financial statement. Deferred tax assets and

liabilities are measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **m) Earnings per share**

##### **Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the holding company by the weighted average number of equity shares outstanding during the Financial Year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period.

##### **Diluted earnings per share**

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

#### **n) Business combination**

In accordance with Ind AS 103 "Business Combination", the Group accounts for the business combinations using the acquisition method when control is transferred to the group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised directly in equity as capital reserve on business combination. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

#### **o) Promotional expenses**

These are discretionary awards provided to the customers for the online skill gaming business on part of the Group. These expenses are recorded as and when incurred and reported as marketing and sales promotion in the statement of profit and loss.

#### **p) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

### **D) Financial assets**

#### **i. Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit and loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

#### **ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are categorised as follows:

**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised 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 payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI 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 payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**iii. Other equity and mutual fund investments**

All other equity and mutual fund investments are measured at fair value, with value changes recognised in Statement of Profit and Loss as per the business model of the Group, except for those investment for which the Group has elected to present the value changes in Other Comprehensive Income.

**iv. Impairment of financial assets**

In accordance with Ind AS 109, the Group applies the expected credit loss model for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses (ECL) are measured through a loss allowance at an amount equal to:

- The twelve- months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible with twelve months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Group uses twelve months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**II) Financial liabilities**

**i. Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans, net of directly attributable transaction costs.

**ii. Subsequent measurement**

**a) Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

#### b) Financial liabilities at amortised cost

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate method.

Where the term of a financial liability is re-negotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

### III) Offsetting 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.

### Change in Accounting Policies / Estimates

Other than as mentioned below, there has been no change in the accounting policies of the Company in the preceding three Financial Years, *i.e.*, the years ended March 31, 2022, March 31, 2021, and March 31, 2020:

Sr. No.	Accounting Period	Change in Accounting Policy	Impact on the Reserves of the Company's Standalone and Consolidated Financial Statements
1.	Financial Year 2020	Adoption on Ind AS 116, Leases	The impact of adoption of the IND AS 116 on the Standalone and Consolidated Financial Statements of the Company is Rs. 0.03 million.

### Key Components of our Statement of Profit and Loss Based on our Restated Financial Statement

The following descriptions set forth information with respect to the key components of our profit and loss statements.

#### Revenue

Revenue consists of revenue from operations and other income.

*Revenue from operations.* Revenue from operations comprises revenue from sale of services that we provide on our platforms.

*Other income.* Other income primarily comprises interest income on inter corporate deposits and lease deposits. The other income also includes non-operating income from net gain on investments carried on fair value through profit and loss, profit on sales of property, plant and equipment and sundry balance written back.

#### Expenses

Expenses consist of employee benefits expenses, depreciation and amortization expense, finance cost and other expenses such as expenses on sales promotion, website hosting and maintenance and gateway charges.

*Employee benefits expenses.* Employee benefits expenses comprise of salaries and wages, contribution to provident fund and other funds, gratuity and leave encashment expenses, employee share-based compensation expenses and staff welfare expenses.

*Finance costs.* Finance cost comprises of interest on statutory dues and interest on lease liabilities, which primarily consists of lease for office premises.

*Depreciation and amortization expense.* Depreciation relates to depreciation on property, plant and equipment and amortization of intangible assets.

*Other expenses.* Other expenses primarily comprise expenses relating to sales promotion expenses, gateway charges, website hosting and conveyance charges, software maintenance charges, legal and professional fees and CSR expenses.

### ***Tax Expense***

Tax expense consists of current tax expense and deferred tax benefits.

### ***Non-GAAP measures***

Certain non-GAAP measures like EBITDA, EBITDA margins, return on equity and return on capital employed (“**Non-GAAP Measures**”) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS or Indian GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS or Indian GAAP.

In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company’s operating performance.

### ***Our Results of Operations***

The following table sets forth select financial data from our restated consolidated statement of profit and loss for Fiscals 2022, 2021 and 2020, the components of which are also expressed as a percentage of total revenue for such periods:

	2022		2021		2020	
	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)
<b>Income:</b>						
Revenue from operations	1,372.27	99.71%	1,553.65	99.56%	1,316.45	99.61%
Other income	4.05	0.29%	6.86	0.44%	5.19	0.39%
<b>Total Income</b>	<b>1,376.32</b>		<b>1,560.51</b>		<b>1,321.64</b>	
<b>Expenses:</b>						
Employee benefits expenses	335.07	24.35%	234.19	15.01%	146.18	11.06%
Finance Costs	0.59	0.04%	2.24	0.14%	3.76	0.28%
Depreciation and amortization expense	80.99	5.88%	65.00	4.17%	31.41	2.38%
Other expenses	1,006.36	73.12%	1,043.82	66.89%	748.24	56.61%
<b>Total expenses</b>	<b>1,423.01</b>		<b>1,345.25</b>		<b>929.59</b>	
<b>(Loss) / Profit before exceptional item and tax</b>	<b>(46.69)</b>		<b>215.26</b>		<b>392.05</b>	
Exceptional item	0.11	0.00%	-		6.99	0.53%
<b>(Loss) / Profit before tax</b>	<b>(46.58)</b>		<b>215.26</b>		<b>399.04</b>	
<b>Tax expense:</b>						

	2022		2021		2020	
	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)
Current tax	5.45	0.40%	59.33	3.80%	104.62	7.92%
Deferred tax charge / (Benefit)	(8.04)	(0.58%)	(3.57)	(0.23%)	(4.07)	(0.31%)
<b>(Loss) / Profit for the year</b>	<b>(43.99)</b>		<b>159.50</b>		<b>298.49</b>	
<b>Non-Controlling Interest</b>	-		-		(2.20)	
<b>(Loss) / Profit attributable to shareholders</b>	<b>(43.99)</b>		<b>159.50</b>		<b>300.69</b>	

### *Fiscal 2022 compared to Fiscal 2021*

Our results of operations for Fiscal 2022 were particularly affected by the following factors:

- We experienced a reduction in revenue from operations and other income during Fiscal 2022 primarily on account (i) reduction in the number of first-time gamers and depositors across our platforms due to normalisation post easing of COVID-19 lockdown restrictions, (ii) more fund allocation towards the growth of Adda.games, which led to reduced acquisition spends on Adda52 and reduction in issuances of joining bonus.
- We incurred additional expenditure mainly due to increased employee benefit expenses and depreciation and amortisation expenses. This was mainly due to (i) an increase in the retention cost of our technology team which was attributable to an increase in competition for tech talent, (ii) an increase in spends towards product development, marketing, acquisition and talent augmentation, and (iii) expansion of Adda.games and amortization of intangible assets created during the year.

### *Total Income*

Our total income decreased by 11.80% to ₹ 1,376.32 million for Fiscal 2022, from ₹ 1,560.51 million in Fiscal 2021, primarily as a result of post-COVID-19 normalization and reduction in acquisition spends on Adda52. In Fiscal 2022, due to easing of COVID-19 lockdown restrictions, our platforms witnessed a reduction in the number of first-time gamers and depositors, which led to a decrease in our total income.

*Revenue from Operations:* Our revenue from operations decreased by 11.67% to ₹ 1,372.27 million for Fiscal 2022, from ₹ 1,553.65 million for Fiscal 2021, as a result of post-COVID-19 normalization. In Fiscal 2022, due to easing of COVID-19 lockdown restrictions, our platforms witnessed a reduction in the number of first-time gamers and depositors, which led to a decrease in our revenue from operations.

*Other income:* Our other income decreased by 40.96% to ₹ 4.05 million for Fiscal 2022 from ₹ 6.86 million for Fiscal 2021. This was primarily on account of a decrease in the net gain on our investments carried at fair value.

### *Expenses*

Our total expenses increased by 5.78% to ₹ 1,423.01 million for Fiscal 2022, from ₹ 1,345.25 million for Fiscal 2021, primarily due to (a) an increase in our employee benefit expenses, and (b) an increase in the depreciation and amortization of assets on account of the capitalization of the remuneration of the technology team.

*Employee benefit expenses:* Employee benefit expenses incurred in Fiscal 2022 increased by 43.08% to ₹ 335.07 million for Fiscal 2022, from ₹ 234.19 million in Fiscal 2021. This was primarily on account of hiring additional human resources for Adda.games, augmentation of our leadership team and due to the increase in the retention cost of our technology team.

*Finance costs:* Our finance costs decreased by 73.66% to ₹ 0.59 million in Fiscal 2022 from ₹ 2.24 million for Fiscal 2021, primarily as a result of the termination of the lease for our Bangalore office in January 2021 that resulted in reduction in lease liabilities due to discount on lease rentals from January 2021 to March 2022.

*Depreciation and amortization expense:* Our depreciation and amortization expenses increased by 24.60% to ₹ 80.99 million for Fiscal 2022 from ₹ 65.00 million for Fiscal 2021. This was primarily due to the increase in the capitalization of the remuneration of the technology team, which further resulted in the increase in the amortization expenses of intangible assets during the year.

*Other expenses:* Our other expenses decreased by 3.59% to ₹ 1,006.36 million for Fiscal 2022, from ₹ 1,043.82 million for Fiscal 2021, primarily on account of lower spends on sales promotion expenses and reduction in acquisition spends on Adda52 and reduction in issuance of joining bonus to our new gamers.

*Total tax expenses:* Our total tax expenses decreased to ₹ (2.59) million for Fiscal 2022 from ₹ 55.76 million for Fiscal 2021, as a result of the loss incurred by us during Fiscal 2022.

*Profit / Loss after tax:* Our Company incurred a loss of ₹ 43.99 million for Fiscal 2022 as compared to a profit after tax of ₹ 159.50 million for Fiscal 2021, as a result of reduction in revenue from operations due to post-COVID-19 normalization and increase in expenditure due to increased employee benefit expenses and depreciation and amortisation expenses in Fiscal 2022.

### ***Fiscal 2021 compared to Fiscal 2020***

Our results of operations for Fiscal 2021 were particularly affected by the following factors:

- We experienced an increase in revenue from operations and other income primarily on account of increase in number of gamers and depositors, coupled with higher number of games played by the existing and first-time gamers and increase in registration of first-time gamers as a result of campaigns on television and OTT platforms during the COVID-19 induced lockdowns and restrictions.
- We incurred additional expenditure mainly due to increased employee benefit expenses and depreciation and amortisation expenses. This was mainly due to increase in the ESOP cost as well as augmentation of our leadership team resulting in an increase in employee benefits and increase in capitalization of our technology team's remuneration into intangible assets, which further resulted in an increase in amortisation of intangible assets.

### ***Total Income***

Our total income increased by 18.07% to ₹ 1,560.51 million for Fiscal 2021 from ₹ 1,321.64 million for Fiscal 2020, primarily due to increase in number of gamers and depositors, coupled with higher number of games played by the existing and first-time gamers and increase in registration of first-time gamers during the COVID-induced lockdowns and restrictions.

*Revenue from Operations:* Our revenue from operations increased by 18.02% to ₹ 1,553.65 million for Fiscal 2021 from ₹ 1,316.45 million for Fiscal 2020, primarily due to increase in number of gamers and depositors, coupled with higher number of games played by the existing and first-time gamers and increase in registration of first-time gamers during the COVID-induced lockdowns and restrictions.

*Other income:* Our other income increased by 32.18% to ₹ 6.86 million for Fiscal 2021 from ₹ 5.19 million for Fiscal 2020, primarily on account of writing back of sundry balances.

### ***Expenses***

Our total expenses increased by 44.71% to ₹ 1,345.25 million for Fiscal 2021, from ₹ 929.59 million for Fiscal 2020, primarily due to augmenting our leadership team by hiring the CPO, CRO and CTO, increase in the ESOP cost, increase in the retention cost of our technology team and an increase in our sales promotion expenses.

*Employee benefit expenses:* Our employee benefit expenses increased by 60.21% to ₹ 234.19 million for Fiscal 2021 from ₹ 146.18 million for Fiscal 2020, primarily due to an increase in hiring and retaining talent in the field of technology, and due to the increase in ESOP costs.

*Finance costs:* Our finance cost decreased by 40.43% to ₹ 2.24 million in Fiscal 2021 from ₹ 3.76 million for Fiscal 2020, primarily as a result of decrease in the interest amount payable by us on the statutory dues (attributable to a shorter delay in payment of tax deducted at source and income tax in Fiscal 2021, as opposed to Fiscal 2020 and, therefore, lower interest on tax deducted at source and income tax).

*Depreciation and amortization expense:* Our depreciation and amortization expenses increased by 106.94% to ₹ 65.00 million for Fiscal 2021 from ₹ 31.41 million for Fiscal 2020, mainly on account of increase in the

capitalization of the remuneration of the technology team, which led to an increase in depreciation and amortization expenses.

*Other expenses:* Our other expenses increased by 39.50% to ₹ 1,043.82 million for Fiscal 2021 from ₹ 748.24 million for Fiscal 2020, primarily on account of an increase in promotional expenses to acquire, retain and re-engage our gamers.

*Total tax expenses:* Our total tax expenses decreased by 44.55% to ₹ 55.76 million for Fiscal 2021 from ₹ 100.55 million for Fiscal 2020, as a result of a reduction in profit before tax for Fiscal 2021.

*Profit after tax.* As a result of the increased employee benefit expenses, increase in promotional expenses to acquire, retain and re-engage our gamers, and depreciation and amortization of the expenses, our profit after tax reduced to ₹159.50 million for Fiscal 2021, from a profit after tax of ₹ 298.49 million in Fiscal 2020.

## Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our capital expenditure and working capital needs for our operations. We have met these requirements through cash flows from operations and borrowings. As of March 31, 2022, we had ₹ 247.97 million in cash and cash equivalents (includes the wallet balances of the gamers) and ₹ 4.24 million in other bank balances other than cash and cash equivalents. We believe that, after taking into account the expected cash to be generated from operations, we will have sufficient liquidity for our present and anticipated requirements for capital expenditure and working capital for the next 12 months.

### Cash Flows

The following table sets forth our cash flows for the periods indicated:

	(₹ in million)		
	Fiscal		
	2022	2021	2020
Net cash generated from / (used in) operating activities	48.74	241.26	433.31
Net cash generated / (used in) investing activities	148.36	3.63	(483.41)
Net cash generated / (used in) financing activities	(211.67)	(273.16)	136.08
Cash and Cash Equivalents at the end of the year / period	247.97	262.64	290.91

### Operating Activities

Net cash generated from operating activities was ₹ 48.74 million for Fiscal 2022. Our loss before tax for Fiscal 2022, aggregating to ₹ 46.58 million, was adjusted primarily for depreciation and amortization expenses of ₹ 80.99 million and ESOP costs of ₹ 59.01 million. Operating profit before working capital changes was ₹ 89.85 million in Fiscal 2022. Our changes in working capital primarily consisted of adjustments in other current liabilities, other financial liabilities and other financial assets. Our cash generated from operations in Fiscal 2022 amounted to ₹ 68.59 million, adjusted by payment of taxes of ₹ 19.85 million.

Net cash from operating activities was ₹ 241.26 million for Fiscal 2021. Our net profit before tax for Fiscal 2021, aggregating to ₹ 215.26 million, was adjusted primarily for depreciation and amortization expenses of ₹ 65.00 million, ESOP costs of ₹ 49.54 million and other non-cash expenses. Operating profit before working capital changes was ₹ 329.43 million in Fiscal 2021. Our changes in working capital primarily consisted of adjustments in other current assets and other financial assets. Our cash generated from operations amounted to ₹ 315.43 million, adjusted by payment of taxes of ₹ 74.17 million.

Net cash from operating activities was ₹ 433.31 million for Fiscal 2020. Our net profit before tax for Fiscal 2020, aggregating to ₹ 399.04 million, was adjusted primarily for depreciation and amortization expenses of ₹ 31.41 million and other non-cash expenses. Operating profit before working capital changes was ₹ 422.06 million in Fiscal 2020. Our changes in working capital primarily consisted of adjustments in other financial liabilities and trade payable, and our cash generated from operations was ₹ 522.19 million, adjusted by payment of taxes of ₹ 88.88 million.

### ***Investing Activities***

Net cash flows generated from investing activities was ₹ 148.36 million for Fiscal 2022, primarily comprising sales of investments in Halaplay Technologies Private Limited which was partially offset by purchase of property, plant and equipment.

Net cash flows generated from investing activities was ₹ 3.63 million for Fiscal 2021, primarily comprising sales of current investments, which was partially offset by purchase of plant, property and equipment, and addition of intangible assets, which, in terms of IndAS, included capitalization of the remuneration of our technology team, which worked on development of our proprietary technology.

Net cash flows used in investing activities was ₹ 483.41 million for Fiscal 2020, primarily comprising purchase of investments, plant, property and equipment, and addition of intangible assets, which, in terms of IndAS, included capitalization of the remuneration of our technology team, which worked on development of our proprietary technology.

### ***Financing Activities***

Net cash flows used in financing activities was ₹ 211.67 million for Fiscal 2022, primarily comprising repayment of a loan availed from our Promoter, and issue of Equity Shares pursuant to a rights issue.

Net cash flows used in financing activities was ₹ 273.16 million for Fiscal 2021, primarily comprising repayment of inter-corporate borrowings availed from our Promoter.

Net cash flows generated from financing activities was ₹ 136.08 million for Fiscal 2020, primarily comprising inter-corporate borrowings availed from our Promoter, which was partially offset by dividend payment to the shareholders of our Company.

### **Indebtedness**

As of March 31, 2022, our Company does not have any indebtedness.

### **Contractual Obligations and Commitments**

As of March 31, 2022, our Company has not contractual obligations and commitments.

### **Contingent Liabilities**

The following table sets forth certain information relating to our contingent liabilities which have not been provided for, as of March 31, 2022, as per IND AS-37 issued by the ICAI:

<b>Particulars</b>	<b>Amount (₹ in million)</b>
Claims against the company's disputed liabilities not acknowledged as debt – Income tax	1.69
Total	1.69

For details, see “*Financial Information*” on page 201.

### **Credit Ratings**

As of the date of this Draft Red Herring Prospectus, our Company has not received any credit ratings.

### **Related Party Transactions**

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “*Related Party Transactions*” on page 256.

## Quantitative and Qualitative Disclosures about Market Risk

We are exposed to various types of market risks during the normal course of business such as credit risk and other price risks.

### a) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) The Group does not have significant exposure to the credit risk as there are no trade receivables at the year end because of its business model.

### b) Other Price Risks

The Group is exposed to price risk arising from mutual fund Investments. Certain of the Group's mutual fund investments are held for strategic rather than trading purposes.

### Mutual Fund Price Sensitivity analysis:

The sensitivity analysis below have been determined based on the exposure to mutual fund price risks at the end of the reporting period.

(₹ in millions)

Particulars	Investment Amount measured at FVTPL	Change in mutual fund Price	Impact on profit before tax for the year Increase by 5%	Impact on profit before tax for the year decrease by 5%
As at March 31, 2022	-	-	-	-
As at March 31, 2021	-	-	-	-
As at March 31, 2020	112.92	0.01	5.65	(5.65)

### c) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to the stakeholders. The capital structure of the Group consists of cash and cash equivalents and total equity of the Group.

(₹ in millions)

Particulars	31 March, 2022	31 March, 2021	31 March, 2020
Total Equity	97.52	5.99	(223.41)
Borrowings	-	294.65	559.50
Total Debt	-	294.65	559.50
Cash and cash equivalents	247.97	262.64	290.91
Net Debt	(247.97)	32.01	(268.59)

### Unhedged Foreign currency (FC) exposure:

The Group does not have significant exposure to the risk of change in foreign currency as the Group is not having any receivable and payable in foreign currency.

### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Group's liquidity position.

(₹ in millions)

Maturities of Financial Liabilities	March 31, 2022		
	Up to 1 year	1 to 5 years	5 years & above
Trade Payables	2.26	-	-
Lease Liability	-	-	-
Borrowings	-	-	-
Other Financial Liabilities	350.12	-	-
Total	352.38	-	-

(₹ in millions)

Maturities of Financial Liabilities	March 31, 2021		
	Up to 1 year	1 to 3 years	5 years & above
Trade Payables	6.50	-	-
Lease Liability	7.34	-	-
Borrowings	294.65	-	-
Other Financial Liabilities	307.65	-	-
Total	616.14	-	-

(₹ in millions)

Maturities of Financial Liabilities	March 31, 2020		
	Up to 1 year	1 to 3 years	5 years & above
Trade Payables	1.67	-	-
Lease Liability	6.52	7.26	-
Borrowings	559.50	-	-
Other Financial Liabilities	315.50	-	-
Total	883.19	7.26	-

### Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

There have been no other events or transactions that, to our knowledge, that may be described as “unusual” or “infrequent.”

### 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 pages 259 and 30, respectively.

### 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 259 and 30, respectively. To our knowledge, except as

discussed in this Draft Red Herring Prospectus, 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.

### **Future Relationship between Cost and Revenue**

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30, 135 and 257 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 “*Our Business*” on page 135, we have not announced and do not expect to announce in the near future any new business segments.

### **Seasonality of Business**

Our business is not seasonal in nature.

### **Suppliers or Gamer Concentration**

We do not have any concentration of suppliers or gamers in our business.

### **Competitive Conditions**

We operate in a competitive environment. Please see “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 135, 110 and 30, respectively for further information on our industry and competition.

### **Recent Accounting Pronouncements**

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements which would have a material effect on our financial condition or results of operations.

### **Summary of reservations or qualifications or adverse remarks of auditors**

Except as disclosed below, there are no reservations, qualifications or adverse remarks highlighted by the previous and current Statutory Auditors in their reports to our financial statements as at and for the year ended March 31, 2022:

#### **Fiscal 2022**

Clauses (vii)(a) and (xvii) of CARO 2016 Order:

*“(vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.”*

*“(xvii) The Company has incurred cash losses amounting to ₹ 4,772.48 lakhs in the current financial year but had not incurred cash losses in the immediately preceding financial year”*

#### **Fiscal 2021**

Clause (vii)(a) of CARO 2016 Order:

*“(vii)(a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though*

*there has been slight delay in a few cases.”*

## **Fiscal 2020**

Clause (vii)(a) of CARO 2016 Order:

*“(vii)(a) Undisputed statutory dues including provident fund, employees’ state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax (“GST”), cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though in case of equalization levy and income-tax there have been significant delays in a large number of cases.”*

*Emphasis of matter:*

*“Without modifying our opinion, we draw attention to Note 1(a) to the accompanying Special Purpose Consolidated Financial Statements, which describes the basis of its preparation. The Special Purpose Consolidated Financial Statements have been prepared by the Holding Company’s management solely for the preparation of the restated consolidated financial information for the year ended 31 March 2020 for its inclusion in the Draft Red Herring Prospectus (‘DRHP’) which is to be filed by the Holding Company with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited as per the requirements of Section 26 of Part I of Chapter III of the Act, read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, in connection with the proposed Initial Public Offering (‘IPO’) of equity shares of the Holding Company. Therefore, these Special Purpose Consolidated Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing”*

For details, see “Restated Financial Statements” on page 201.

## **Significant developments subsequent to March 31, 2022**

There are no significant developments after March 31, 2022, that may affect our results of operations.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements for the financial year ended and as at March 31, 2022, and as adjusted for the Offer. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Information” and “Risk Factors” on pages 257, 201 and 30, respectively.

Particulars	Pre-Offer as at 31 March 2022 (A)	Adjusted for the Proposed Offer* (B)
<i>(in ₹ million)</i>		
<b>Total borrowings</b>		
Current borrowings# (A)	Nil	[•]
Non-current borrowings (including current maturities of long-term borrowings) #(B)	Nil	[•]
<b>Total borrowings (C)</b>	<b>Nil</b>	<b>[•]</b>
<b>Total equity</b>		
Equity share capital	0.59	[•]
Other equity#	96.93	[•]
<b>Total equity (D)</b>	<b>97.52</b>	<b>[•]</b>
<b>Total non-current borrowings (including current maturities of long- term borrowings)/ Total equity (B)/(D)</b>	<b>NA</b>	<b>[•]</b>
<b>Total borrowings/ total equity (C) / (D)</b>	<b>NA</b>	<b>[•]</b>

\* The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence, the same have not been provided in this statement.

#These terms carry the same meaning as per Schedule III of the Companies Act, 2013 (as amended).

### Notes:

- The amounts disclosed above are based on the Restated Consolidated Financial Statements of our Company as at and for the year ended 31 March 2022.
- As per recommendation of the Board of Directors in their meeting held on April 9, 2022 and approval of the Shareholders dated April 9, 2022, our Company has issued 81,900,000 bonus Equity Shares of face value of ₹ 1 each in ratio of 140:1 (i.e., 140 bonus Equity Shares for every one Equity Share), which were allotted to the Shareholders on April 11, 2022. Consequently, the issued, subscribed and paid-up Equity Share capital has increased to ₹ 82,485,000 comprising of 82,485,000 Equity Shares of face value of ₹ 1 each.
- Further, as per approval of the Board of Directors in their meeting held on May 26, 2022, our Company has issued 13,205,856 Equity Shares of face value of ₹ 1 each on rights basis in ratio of 0.1601:1 (i.e., 0.1601 Equity Shares for every one Equity Share), which were allotted to the Shareholders on June 8, 2022 at an issue price of ₹ 1.75 each. Consequently, the issued, subscribed and paid-up Equity share capital has increased to ₹ 95,690,856 comprising of 95,690,856 Equity Shares of face value of ₹ 1 each.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Promoter or our Directors (“**Relevant Parties**”); or (v) legal proceedings involving our Group Companies, the outcome of which may have a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoter in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated June 15, 2022, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 5% of the consolidated net worth or 0.2% of the consolidated total income of our Company, whichever is lower, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 2.75 million);
- b.) The aggregate monetary claim/ dispute amount/ liability made by or against our Promoter in any such pending litigation (individually or in aggregate), is equivalent to or above 0.1% of the consolidated total income or 0.1% of the consolidated net worth of our Promoter, whichever is lower, as per the audited financial statements of our Promoter as per the latest completed fiscal year (amounting to ₹ 6.54 million);
- c.) Any such pending litigation / arbitration proceeding involving the Directors of our Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company;
- d.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a), (b) or (c) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company; and
- e.) litigation where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the materiality threshold.

Any pending litigation / arbitration proceedings involving the Group Companies shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if the outcome of such litigation could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company as per the requirements of SEBI ICDR Regulations.

It is clarified that for the purposes of the above, pre-litigation notices received by any of Relevant Parties, or any of the Group Companies from third parties (other than show cause notices issued by statutory / regulatory / tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party or Group Company, as the case may be, is impleaded as a defendant/s in proceedings before any judicial / arbitral forum.

Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of 5% of the consolidated trade payables of our Company as at the end of the latest fiscal year included in the Restated Financial Statements, would be considered as material creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 0.11 million.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

## **A. Litigation involving our Company**

### ***Litigation against our Company***

#### *Criminal Litigation*

As on the date of this Draft Red Herring Prospectus, there are no criminal litigation against our Company.

#### *Actions by statutory or regulatory authorities against our Company*

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Company.

#### *Other pending material litigation against our Company*

As on the date of this Draft Red Herring Prospectus, there are no material litigation against our Company.

### ***Litigation by our Company***

As on the date of this Draft Red Herring Prospectus, there are no litigation by our Company.

## **B. Litigation involving our Promoter**

### ***Litigation against our Promoter***

#### *Criminal Litigation*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation against our Promoter.

#### *Actions taken by regulatory/statutory authorities*

- a) The Under Secretary, Home Department, Goa, (“**Home Department**”) issued a letter dated September 17, 2014 to our Promoter seeking a clarification as to how its amalgamation with Victor Hotels and Motel Limited (“**VHML**”) does not amount to a transfer, as defined under the provisions of applicable law (“**Issue**”), and our Promoter, by way of a letter dated October 14, 2014, submitted the requisite clarification and sought a personal hearing, subsequent to which the Home Department issued a show cause notice dated February 11, 2015 (“**SCN**”) to our Promoter on the Issue. Subsequently, the Home Department passed an order dated June 7, 2017 directing our Promoter to apply for a transfer of the casino license from VHML to our Promoter and, upon approval of the Government, pay transfer fees for the same. Our Promoter, through its letters dated June 21, 2017 and July 4, 2017, filed a representation with the Home Department to review its order dated June 7, 2017, subsequent to which the Home Department issued a letter dated December 7, 2017 directing our Promoter to place any new facts or arguments which were not placed previously. Our Promoter, by way of its letter dated January 8, 2018, replied to the Home Department seeking that the matter be reconsidered, giving a brief background of the matter and requesting that its order dated June 7, 2017 be reviewed. Subsequently, the Home Department, through its letter dated May 20, 2020, directed our Promoter to pay an amount of ₹ 50.20 million towards transfer fees and application fees, and pay interest of ₹ 47.58 million for the delay in payment of the transfer fees and application fees, for transfer of casino license from VHML. Subsequently, based on representations by our Promoter, the Home Department, by way of its order dated January 3, 2022, revised the interest levied from ₹ 47.58 million to ₹ 10.83 million towards interest on delayed payment of transfer fees and application fees. Our Promoter made the payment of ₹ 10.83 million to the Home Department, and has communicated the same to the Home Department, through its letter dated January 11, 2022. The matter is currently pending for issuance of final orders from the Home Department.
- b) Stop work order cum show cause notice (“**Notice**”) was issued on September 18, 2020 by the Deputy Collector and Sub-Divisional Officer, Pernem-Goa to our Promoter for carrying out illegal hill cutting, excavation of mud for residential and commercial purpose, and for the unauthorised act of conversion of agricultural land for non-agricultural purpose. Our Promoter has filed its reply dated October 12, 2020, denying the allegations made in the Notice and has prayed that the Deputy Collector and Sub-Divisional Officer pass an order to drop the Notice. The matter has been transferred to the Deputy Collector of Bardez, by way of an order dated January 20, 2021 of the Additional Collector, North Goa district, Panaji. The

matter is currently pending.

- c) The Goa Housing Board (“**Goa Board**”) issued two show cause notices dated February 23, 2015 to Sunita Lila and Pawan Lila (collectively, the “**Owners**”) and one show cause notice dated March 2, 2015 to erstwhile Argyll Hotels Private Limited (“**Argyll**”) (Owners and Argyll collectively known as “**Respondents**”) in relation to allegations made about irregularities committed in the allotment of certain plots of land (“**Land Parcels**”) to three companies, namely Shree Manguesh Realty Private Limited (through Sunita Lila), Aman Infrastructure Private Limited (through Pawan Lila) and Argyll. These three companies were eventually merged with our Promoter pursuant to an order of the High Court of Bombay at Goa dated May 2, 2014, making our Promoter the allottee of the Land Parcels. The Respondents filed their replies dated March 10, 2015 and March 17, 2015 to the respective show cause notices issued to them, refuting the allegations stated in the notices before the Goa Board. The matters are currently pending.

#### *Other Material Litigation*

- a) An application (Application No. 228/2013) (“**Application**”) dated August 23, 2013 was filed by Sudip Narayan Tamankar (“**Petitioner**”) before the National Green Tribunal, Pune (“**NGT**”), challenging the operations of offshore casinos, including M.V. Horseshoe Casino, which is owned by our Promoter (“**Vessels**”), stating that the Vessels are operating without obtaining the necessary consent to operate from the Goa State Pollution Control Board and are polluting the river Mandovi. An order dated May 6, 2014, was passed by the NGT stating that the Vessels cannot be held responsible for the pollution caused and certain directions, including payment of cost of environmental damage by the operators of the Vessels, were issued by the NGT, pursuant to which inspection reports were to be submitted to an executing court. Accordingly, the matter was transferred to Civil Court, Senior Division, Panjim for execution proceedings. The matter is currently pending.

*Disciplinary action taken (including outstanding action) against our Promoter in the five Financial Years preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange*

There has been no disciplinary action by SEBI or any stock exchange against our Promoter in the five years preceding this Draft Red Herring Prospectus.

#### *Litigation by our Promoter*

##### *Criminal Litigation*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Promoter.

##### *Other Material Litigation*

Our Promoter filed a suit (Special Civil Suit No. 51/2018) (“**Suit**”) on November 30, 2018 before the Court of Civil Judge Junior Division at Panaji, Goa (the “**Court**”) against Dattaraj Gad (the “**Defendant**”), an ex-employee of Highsreet Cruises and Entertainment Private Limited, one of the subsidiaries of our Promoter, alleging that the Defendant in connivance with Ashpak Dodmani, the proprietor of D.M. Contractor and Services (“**Ashpak**”), who was engaged for providing workforce for various businesses carried out by our Promoter, raised fraudulent bills by adding fictitious names of employees in the muster rolls maintained by the department of the Defendant and siphoned off an amount aggregating to ₹ 5.00 million from our Promoter, over a period starting from October 2016. Our Promoter prayed that the Court pass a decree directing the Defendant to, amongst other things, pay a sum of ₹ 5.00 million, along with interest. The Defendant filed written statements in the Suit on June 29, 2019, denying the allegations raised by our Promoter in the plaint filed for the Suit (“**Plaint**”). Subsequently, our Promoter filed an application for amendment of the Plaint on April 26, 2021 (the “**Application**”), praying that the Court pass an order to amend the Plaint by impleading Ashpak as a party to the Suit. The matter is currently pending.

## C. Litigation involving our Directors

### *Litigation against our Directors*

#### *Criminal Litigation*

#### **Jaydev Mody**

- a) Ashok Towers Co-Operative Housing Society (“**Complainant**”) filed two complaints (C.C. No. 188 of 2014 and C.C. No. 192 of 2014) (“**Complaints**”) before the Metropolitan Magistrate Court at Bhoiwada, Dadar, Mumbai (“**Magistrate Court**”) against Peninsula Land Limited (“**Accused No. 1**”), Jaydev Mody, in the capacity of being the promoter and erstwhile managing director of Accused No. 1 and others (“**Accused**”), alleging that the Accused have committed an offence under sections 3, 4, 5, 6, 7, 10, 11 read with sections 13 and 14 of the Maharashtra Ownership of Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963 (“**MOFA**”) and sections 406 and 420 read with sections 34 and 109 of the Indian Penal Code, 1860 (“**IPC**”). The Magistrate Court by way of its order dated October 27, 2015 (“**Order**”) dismissed the Complaints under IPC and process was issued only under MOFA. Aggrieved by the Order, the Accused filed a criminal revision application (No. 597 of 2016) (“**Criminal Revision Application**”) dated March 9, 2016 before the Sessions Court at Mumbai (“**Sessions Court**”) to set aside the Order. The Sessions Court granted a stay on the proceedings before the Magistrate Court under the Complaints by way of its order dated March 10, 2016. The Accused have also filed two Criminal Revision Applications (C.R.A. No. 109 of 2019 and C.R.A. No. 113 of 2019) before the Court of Sessions for Greater Mumbai against the State of Maharashtra and the Complainant to set aside another order of the Magistrate Court dated August 3, 2019 to issue process under the above-mentioned sections of the MOFA. The said matter is currently pending as the dispute has been referred to conciliation.
- b) Rajesh Chhadha (“**Complainant**”) filed a complaint (C.C. No. 31 of 2013) (“**Complaint**”) before the Metropolitan Magistrate Court at Sewri, Mumbai (“**Magistrate Court**”) against Swan Energy Limited, (“**Accused No. 1**”), Peninsula Land Limited, (“**Accused No. 11**”), Jaydev Mody, in the capacity of being the promoter and erstwhile managing director of Accused No. 11 and others (“**Accused**”), alleging that the Accused have committed an offence under sections 3, 4, 5, 6, 7, 10, 11 read with section 13 of the Maharashtra Ownership of Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963 (“**MOFA**”). The Magistrate’s Court by way of its order dated August 7, 2013 (“**Order**”) asked to present all the directors including independent directors of Accused No. 1 and Accused No. 11 on the date of the next hearing for executing bail bond. Challenging the Order, the Accused had filed a Criminal Writ Petition dated October 15, 2013 before the Bombay High Court (“**High Court**”), which was dismissed by the High Court by way of its order dated September 25, 2013. The Accused have also filed a Criminal Revision Application before the Court of Sessions for Greater Mumbai, dated October 24, 2013 against the Order. The matter is currently pending.
- c) Kailash Agarwal (“**Complainant**”) filed a complaint (C.C. No. 30 of 2013) (“**Complaint**”) before the Metropolitan Magistrate Court at Sewri, Mumbai (“**Magistrate Court**”) against Swan Energy Limited, (“**Accused No. 1**”), Peninsula Land Limited, (“**Accused No. 11**”), Jaydev Mody, in the capacity of being the promoter and erstwhile managing director of Accused No. 11 and others (“**Accused**”), alleging that the Accused have committed an offence under sections 3, 4, 5, 6, 7, 10, 11 read with sections 13 and 14 of the Maharashtra Ownership of Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963 (“**MOFA**”). The Magistrate’s Court by way of its order dated September 25, 2013 (“**Order**”) asked to present all the directors including independent directors of Accused No. 1 and Accused No. 11 on the date of the next hearing for executing bail bond. Challenging the Order, the Accused had filed a Criminal Writ Petition dated September 25, 2013 before the Bombay High Court (“**High Court**”), which was dismissed by the High Court by way of its order dated October 22, 2013. The Accused have also filed a Criminal Revision Application before the Court of Sessions for Greater Mumbai, dated October 24, 2013 against the Order. The matter is currently pending.

#### *Actions taken by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no actions taken by statutory or regulatory authorities against our Directors.

#### *Other Material Litigation*

##### **Ashish Kapadia**

The Maharashtra State Financial Corporation (“**Applicant**”) filed a civil miscellaneous application (No. 158/2013) (“**Application**”) before the Court of District Judge, Nashik (“**Court**”) against M/s Garware Petrochem Limited (the “**Borrower Company**”), Ashish Kapadia, in the capacity of being its director and others (the “**Accused**”), alleging that the Borrower Company committed default in repaying the loan which was sanctioned by the Applicant. The Applicant by way of the Application, has prayed that the Court direct the Accused to pay a sum of ₹ 344.56 million towards principal and interest payable for the loan advanced and such other amounts as costs and incidental expenses. Our Director, Ashish Kapadia has filed a reply to the Application denying the allegations made against him. The matter is currently pending.

#### *Litigation by our Directors*

##### *Criminal Litigation*

##### **Javed Tapia**

Our Independent Director (Additional), Javed Tapia (“**Complainant**”) filed a private complaint bearing No. RCC No. 211/2009 (“**Complaint**”) before the Hon’ble Judicial Magistrate First Class at Pune (“**Court**”) against Sharadrao Uttam Pathare and others (“**Accused**”) under sections 417 and 420 read with sections 34 and 120B of Indian Penal Code, 1860 (the “**Code**”) alleging that the Accused, by making false representation, have fraudulently induced the Complainant to advance a loan of ₹ 10 million and therefore have committed offences such as, mischief, fraud and cheating punishable under the Code. The Complainant in the Complaint has prayed that the Court pass an order directing (i) the relevant police authorities to investigate the Complaint and (ii) the Accused to pay compensation for the loss suffered by the Complainant. The Court passed an order dated January 15, 2009 directing the concerned investigating officer to submit a report under Section 156(3) of Code of Criminal Procedure, 1973 and accordingly register a first information report for an offence committed under sections 417 and 420 read with sections 34 and 120B of the Code. The matter is currently pending.

##### *Other Material Litigation*

Our Independent Director (Additional), Javed Tapia (“**Appellant**”) who is a partner in Deccan Warehousing (“**Deccan**”), filed an appeal (54/2017) (“**Appeal**”) through Azim Tapia, who is also a partner in Deccan before the Hon’ble Inspector General of Registration and Controller of Stamps and Chief Controlling Revenue Authority, Maharashtra State, Pune at Pune (“**Revenue Authority**”) challenging the order dated January 23, 2017 passed by Deputy Inspector General of Registrations and Controller of Stamps (Gramin) and others (“**Respondent**”) rejecting the application dated April 6, 2016 filed by the Appellant seeking refund of additional stamp duty amounting to ₹ 0.01 million, which was paid by Deccan while executing a leave and license agreement. The Appellant in the Appeal has prayed the Revenue Authority to pass an order directing the Respondent to refund the additional amount of stamp duty received from the Appellant. The matter is currently pending.

#### **D. Litigation which may have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company**

There has been considerable judicial and regulatory scrutiny in India, in the past, with respect to real money gaming, and there continues to be uncertainty in the regulatory framework and associated binary risks in relation to real money gaming in India. For details, see “*Key Regulations and Policies – Gambling Legislations*” and “*Risk Factors - Our operations in skill-based fantasy and real money games are subject to regulatory uncertainty in India*” on pages 161 and 30, respectively.

In order to examine the risks in relation to the judicial and regulatory framework concerning the real money gaming industry, we have carried out a general search of outstanding litigation relating to our industry and

pending before judicial forums, which, could have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company, and have set out below brief summaries of such outstanding litigation. These summaries are not exhaustive and are only intended to provide general information to the investors. Further, since these summaries are based solely on information available in the public domain, we cannot assure you that these summaries are up-to-date and exhaustive, nor can we assure you that there is no other litigation, the outcome of which, will impact our Company.

- a) Head Infotech (India) Private Limited, Innopark (India) Private Limited, Play Games 24x7 Private Limited, Junglee Games India Private Limited and others (collectively, “**Petitioners**”) have filed eight writ petitions (WP 20261, 20323, 20352, 21643, 23063, 23075, 23177 and 23247 of 2017) (collectively, “**Petitions**”) before the High Court of Hyderabad (“**Court**”) against the State of Telangana and others (collectively, “**Respondents**”) under Article 226 of the Constitution of India (“**Constitution**”) for issuance of a writ of *mandamus* to the Respondents (i) declaring the explanations provided in Section 15 of the Telangana Gaming Act, 1974 (the “**Act**”) by way of Ordinance No. 4 dated June 17, 2017 (“**Ordinance No. 4**”), under Article 348(3) of the Constitution of India, amending the provisions of the Act, more particularly sections 2 and 10 of the Act, which prohibit and punish public gambling and the operation of common gaming houses, as unlawful, arbitrary and *ultra vires* Articles 14, 19(1)(g) and 21 of the Constitution and striking them down; (ii) declaring sections 2(1), 2(2), 3(1), 5, 6 and 15 of the Act as unlawful, arbitrary and *ultra vires* Articles 14, 19(1)(g) and 21 of the Constitution and striking them down; and (iii) declaring the provisions of Ordinance No. 4 and Ordinance No. 6 dated July 8, 2017 (“**Ordinance No. 6**”), more particularly the amendments to Section 2 of the Act and substitution of Section 15 of the Act as unlawful, arbitrary and *ultra vires* Articles 14, 19(1)(g) and 21 of the Constitution and striking them down. The aforementioned provisions of the Act prohibit and punish public gambling including game of skill and the operation of common gaming houses. The Petitioners also prayed that the Court issue a writ of Prohibition or a writ of any other nature, restraining the Respondents from enforcing Ordinance No. 4 and Ordinance No. 6. The matter is currently pending.
- b) Writ Petition No. 18426 of 2020 has been filed by Abhijeet Malviya (“**Petitioner**”), in the nature of a public interest litigation, against the Chief Secretary, State of Madhya Pradesh and others (collectively, “**Respondents**”) before the High Court of Madhya Pradesh at Indore (the “**Court**”), for issuance of a writ of *mandamus* to direct the Respondents to (i) prohibit access of internet content involving websites and mobile applications facilitating online gaming stakes, in the name of online fantasy gaming or skill monetization or game of skill within the meaning of the Public Gambling Act, 1867 (“**Act**”); (ii) to restrain broadcasters, television channels, radio, *etc.* from running advertisements, campaigns, *etc.* for online gambling websites and/or mobile applications where it violates the provisions of the Act; (iii) to initiate penal action under the provisions of the Act against violators / offenders; and (iv) to formulate a policy/regulation/act/order and constitute an ‘Online Gaming Commission’, which will regulate and redress grievances of online players and guard the interests of minors and people involved in online gaming. The matter is currently pending.
- c) Writ Petition No. 9436 of 2020 (“**Petition**”) has been filed by Avinash Mehrotra (“**Petitioner**”), in the nature of public interest litigation, against the Union of India and others (collectively, “**Respondents**”) before the High Court of Delhi at New Delhi (the “**Court**”), for issuance of a writ of *mandamus* to direct the Respondents to (i) exercise their powers under the Information Technology Act, 2000 to ban / prevent online gambling websites from operating in India; (ii) recover taxes due from those who play on such websites and those who run and operate these websites; and (iii) prosecute the promoters of such websites. The Petition also seeks quashing of an order issued by Ministry of Electronics and Information Technology, wherein the Ministry has stated that it does not have the competence to block gambling and betting websites in India. Further, an application has been filed by the All India Gaming Federation (“**Applicant**”), under Order 1, Rule 10, read with Section 151 of the Code of Civil Procedure, 1908 (“**Impleadment Application**”) for impleading it as a Respondent (as defined above) in the Petition as it is a proper and necessary party to the Petition. The matter is currently pending.
- d) A Special Leave Petition (Criminal) No. 2213 of 2020 (“**Petition**”) has been filed by the State of Maharashtra and others (collectively, “**Petitioners**”) against Gurdeep Singh Sachar and others (collectively, “**Respondents**”) before the Supreme Court of India (“**Court**”), challenging the final and impugned order dated April 30, 2019 passed by the High Court of Bombay (“**HC Order**”). In terms of the HC Order, the High Court dismissed the public interest litigation seeking initiation of criminal prosecution against Dream 11 Fantasy Private Limited, for (i) allegedly conducting illegal operations of gambling/ betting/ wagering in the guise of online fantasy sports gaming which is against the Public Gambling Act, 1867; and (ii) allegedly evading payment of goods and services tax. Further, an application has been filed by the All India Gaming

Federation, in the nature of an application seeking intervention in the Petition and to protect the interest of its members. The matter is currently pending.

- e) Special Leave Petition (Civil) bearing diary number 9648 of 2022 (“**Petition**”) has been filed by the State of Karnataka and others (“**Petitioners**”) against All India Gaming Federation and others (“**Respondents**”) before the Supreme Court of India (“**Court**”), challenging the final judgement and order dated February 14, 2022, passed by the division bench of the Karnataka High Court at Bengaluru in Writ Petition No. 18703/2021 (GM – POLICE) clubbed with Writ Petition Nos. 18729/2021, 18732/2021, 18733/2021, 18738/2021, 18803/2021, 18942/2021, 19241/2021, 19271/2021, 19322/2021, 19450/2021 and 22371/2021 (GM-POLICE) (such judgement and order, “**Final Order**”), which (i) struck down the provisions of Sections 2, 3, 6, 8 and 9 of the Karnataka Police (Amendment) Act, 2021 (“**Act**”); (ii) declared the above-mentioned sections of the Act to be *ultra vires* the Constitution of India; and (iii) issued a writ of *mandamus* restraining the Petitioners from interfering with the online gaming business and allied activities of the Respondents. The Petitioners have prayed that the Court grant special leave to appeal this Final Order and pass an interim order to stay the operation of the Final Order. The Petition is currently pending.
- f) Special Leave Petitions (Civil) Nos. 1981 to 1988 of 2021 (collectively, “**Petitions**”) have been filed by the State of Tamil Nadu and others (collectively, “**Petitioners**”) against Jungle Games India Private Limited and another (collectively, “**Respondents**”) before the Supreme Court of India (“**Court**”), challenging the final common order dated August 3, 2021 passed by the division bench of the High Court of Judicature at Madras in Writ Petition Nos. 18022/2020, 18029/2020, 18044/2020, 19374/2020, 19380/2020, 7354/2021, 7356/2021 and 13870/2021 (“**Final Common Order**”). The High Court, by way of the Final Common Order, struck down Part II of the Tamil Nadu Gaming and Police (Amendment) Act, 2021, which amended the Tamil Nadu Gaming Act, 1930, in its entirety, and declared it to be *ultra vires* to Articles 14 and 19 of the Constitution of India. The Petitioner has prayed that the Court grant special leave to appeal this Final Common Order and pass an interim order to stay the operation of the Final Common Order. The matter is currently pending.
- g) Special Leave Petition (Civil) No. 8885 of 2022 (“**Petition**”) has been filed by Varun Gumber (“**Petitioner**”) against the Federation of Indian Fantasy Sports and others (collectively, “**Respondents**”) before the Supreme Court of India (“**Court**”), challenging the final judgement and order dated February 14, 2022, passed by the division bench of the Karnataka High Court in Writ Petition No. 22371/2021 (“**Impugned Order**”), which (i) struck down the provisions of Sections 2, 3, 6, 8 and 9 of the Karnataka Police (Amendment) Act, 2021 (“**Act**”); (ii) declared the above-mentioned sections of the Act to be *ultra vires* the Constitution of India; and (iii) issued a writ of *mandamus* restraining the Petitioners from interfering with the online gaming business and allied activities of the Respondents. The Petitioner has prayed that the Court grant special leave to appeal this Impugned Order and pass an interim order to stay the operation of the Impugned Order till the pendency of this Petition. The matter is currently pending.

#### E. Tax proceedings against our Company, Promoter and Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Promoter and Directors:

Nature of case	Number of cases	Demand amount involved (in ₹ million)*
<b>Company</b>		
Direct tax	1	1.69
Indirect tax	Nil	Nil
<b>Promoter</b>		
Direct tax	3	19.89
Indirect tax	2	69.23
<b>Directors</b>		
Direct tax	Nil	Nil
Indirect tax <sup>#</sup>	1	2.50

\*To the extent quantifiable

<sup>#</sup>The matter is pending against our Executive Director, Ashish Kapadia.

## F. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material (“**Material Creditors**”) for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is in excess of 5% of the consolidated trade payables of our Company as at the end of the latest fiscal year in the Restated Financial Statements (*i.e.*, as at March 31, 2022). Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 0.11 million as on March 31, 2022. As of March 31, 2022, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

S. No.	Type of creditor	No. of creditors*	Amount outstanding* (₹ in million)
1.	Dues to micro, small and medium enterprises	Nil	Nil
2.	Dues to Material Creditors	2	2.14
3.	Dues to other creditors	4	0.12
	<b>Total</b>	<b>6</b>	<b>2.26</b>

\*excluding period end accruals for expenses

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at <https://www.deltatech.gg/wp-content/uploads/2022/05/Details-of-Material-Creditors.pdf>. It is clarified that such details available on our Company’s website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company’s website, <https://www.deltatech.gg/deltatech-gaming-limited/> would be doing so at their own risk.

## G. Litigation involving the Group Companies

As on the date of this Draft Red Herring Prospectus, except as stated below, there is no pending litigation involving our Group Companies which has a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company:

### *Litigation against our Group Companies*

#### *Highstreet Cruises and Entertainment Private Limited*

- a) An application (No. 228/2013) (“**Application**”) dated August 23, 2013 was filed by Sudip Narayan Tamankar before the National Green Tribunal, Pune (“**NGT**”), challenging the operations of offshore casinos, including M.V. Casino Royale owned by our Group Company (“**Vessels**”), stating that the Vessels operate without obtaining the necessary consent to operate from the Goa State Pollution Control Board and therefore pollute the river Mandovi. An order dated May 6, 2014, was passed by the NGT stating that the Vessels cannot be held responsible for the pollution caused and certain directions, including payment of cost of environmental damage by the operators of the Vessels, were issued by the NGT, pursuant to which inspection reports were to be submitted to an executing court. Accordingly, the matter was transferred to the Civil Court, Senior Division, Panjim for execution proceedings. The matter is currently pending.
- b) A review application (No. 37 of 2016) (“**Review Application**”) was filed in respect of setting aside an order dated November 29, 2016 (“**NGT Order 1**”) passed by the National Green Tribunal at Pune (“**NGT**”) disposing application (No. 92/2016) (“**Original Application**”) filed by Kashinath Shetye and others (“**Applicants**”) against vessel Deltin Carevela (M.V. Royale Flotel), owned by our Group Company (“**Vessel**”), and others (“**Respondents**”). In the Original Application, the Applicants had alleged that the Vessel was in the buffer zone within 200 meters of Dr. Salim Ali Bird Sanctuary (“**Bird Sanctuary**”) and in the river Mandovi in violation of the Environmental (Protection) Act, 1986, (“**Act**”), and in violation of the Coastal Regulation Zone Notification dated January 6, 2011 from the Ministry of Environment and Forest (“**MoEF**”) (“**Notification**”). The Applicants had prayed that the NGT: (i) direct the Vessel to be placed 12 nautical miles from the shore; (ii) direct the Government and the MoEF to declare a one kilometer buffer zone around the Bird Sanctuary; (iii) direct the MoEF or the appropriate authority to seal the Vessel; (iv) direct the Goa State Pollution Control Board (“**GSPCB**”) to withdraw the consent to operate from the Vessel; and (v) pay each person compensation for loss of their livelihood and also to the environmental protectors to further protect such

environmental degradations. The Applicants had also prayed that the NGT pass an interim order: (i) imposing stay on commercial activities of the Vessel; (ii) directing immediate withdrawal of mooring permission; (iii) directing the Respondent to pay compensation of ₹0.5 million litigation fees, to each of the Applicants. NGT disposed off the Original Application by way of NGT Order 1. Our Group Company filed a reply dated February 23, 2017 to the Review Application. Further, a show case notice bearing no. GCZMA/N/ILLE-COMPL/16-17/43/921 dated July 21, 2016 was issued by the Goa Coastal Zone Management Authority (“**GCZMA**”) to our Group Company, alleging illegal mooring and construction to anchor a new flotel / casino in the river Mandovi near the Bird Sanctuary, with a direction to show cause as to why a direction to remove the Vessel from the river Mandovi should not be issued (“**GCZMA SCN**”). Our Group Company filed a detailed reply to the GCZMA SCN and written submissions before the GCZMA on August 22, 2016 and July 20, 2017, respectively, pursuant to which the GCZMA by way of its order dated July 28, 2017, dropped the GCZMA SCN (“**SCN Order**”). An appeal (No. 92 of 2017) (“**Appeal**”) has been filed by Kashinath Shetye and others (“**Appellants**”) before the NGT against the Chief Secretary Secretariat, State of Goa, our Group Company and others (“**Respondents II**”) (i) for quashing and setting aside the SCN Order, (ii) for directing the Vessel to move offshore, beyond 12 nautical miles from the shore and (iii) that the Appeal be heard along with the Review Application to the Original Application. Our Group Company filed a detailed reply dated November 23, 2017 to the Appeal. The NGT by way of its order dated April 26, 2022 (“**NGT Order 2**”) disposed of the Appeal and the Review Application. However, our Group Company has been restrained from conducting its operations unless it has received Coastal Regulation Zone clearance in terms of the Notification. Our Group Company has filed an appeal (No. 3666-3667 of 2022) before the Supreme Court of India (“**Supreme Court**”) and the Supreme Court by way of its order dated May 13, 2022 has stayed the operation of the NGT order 2. The matter is currently pending.

- c) Writ Petition (Civil) No. 15 of 2016 (“**Petition**”) has been filed by Dr. Acquaviva Fernandes (“**Petitioner**”) against our Group Company and others (“**Respondents**”) before the High Court of Bombay at Goa (“**Court**”) challenging the renewal of casino license granted by the Union Secretary to one of our Promoter Group entities, namely, Delta Pleasure Cruise Company Private Limited (“**DPCCPL**”) for operating the electronic amusement / slot machine / table games in the vessel owned by our Group Company, M.V. Royale Flotel (the “**Vessel**”), in the river Mandovi. It was alleged that granting the license to operate to DPCCPL is illegal and contrary to the provisions of the Goa Public Gambling Act, 1976 which expressly stipulates that such activities can be permitted only in offshore vessels. The Petitioner has prayed that the Court issue a writ of mandamus directing the Respondents to *inter alia* (i) quash and set aside the license granted for its operation ; (ii) refrain from operating electronic amusement, slot machine, table games in the Vessel in river Mandovi and / or in any inland water of the state of Goa; (iii) stay the implementation or operation of the license granted in the vessel; and (iv) restrain from operating in the vessels in river Mandovi and/or in any inland water of the state of Goa. Our Group Company filed a reply to the Petition, denying all the allegations made therein and further clarified that it has obtained all requisite permissions for operating the Vessel and that the operations of the Vessel have not harmed the eco-system or the biodiversity of the area in any manner. The matter is currently pending.
- d) Writ Petition No. 20 of 2016 (“**Petition**”), in the nature of public interest litigation, has been filed by Kashinath Shetye and others (“**Petitioner**”) against our Group Company, The Chief Secretary, Government of Goa and others (“**Respondents**”) before the High Court of Bombay at Goa (“**Court**”), alleging that the vessel owned by our Group Company, M.V. Royale Flotel (the “**Vessel**”), is in the buffer zone within 200 meters of Dr. Salim Ali Bird Sanctuary (“**Bird Sanctuary**”) and in the river Mandovi in violation of the Environmental (Protection) Act, 1986, (“**Act**”), and in violation of the Coastal Regulation Zone Notification dated January 6, 2011 from the Ministry of Environment and Forest (“**MoEF**”) (“**Notification**”), without requisite permissions from the Goa Coastal Zone Management Authority and thus has caused water pollution in river Mandovi which has affected the livelihood of local fishermen. The Petitioner has prayed that the Court issue a writ of mandamus directing the Respondents to *inter alia* (i) quash and set aside the license granted for its operation; (ii) refrain from operating electronic amusement, slot machine, table games in the Vessel in river Mandovi and / or in any inland water of the state of Goa; (iii) stay the implementation or operation of the license granted in the Vessel; (iv) restrain from operating in the vessels in river Mandovi and/or in any inland water of the state of Goa; (v) direct all casinos to be removed the river Mandovi and be placed 12 nautical miles from the shore; (vi) direct the Government and the MoEF to declare a ten kilometer buffer zone around the Bird Sanctuary; (vii) to seal the off shore gambling casino; direct the Goa State

Pollution Control Board (“**GSPCB**”) to withdraw the consent to operate the casinos; and (viii) pay each person compensation for loss of their livelihood and also to the environmental protectors to further protect such environmental degradations. Our Group Company filed a reply to the Petition, denying all the allegations made therein and further clarified that it has obtained all requisite permissions for operating the Vessel and that the operations of the Vessel have not harmed the eco-system or the biodiversity of the area in any manner. The matter is currently pending.

#### **H. Material Developments**

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 257, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company, which are considered material and necessary for the purpose of undertaking its business activities in India. In view of these material approvals, our Company can undertake this Offer, and can undertake its business activities presently being carried out. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. In addition, certain of our material approvals may expire in the ordinary course of business, from time to time, and our Company shall make an application to the appropriate authorities for renewal of such key approvals. For details in connection with the regulatory and legal framework applicable to our Company, see “Key Regulations and Policies” on page 161.

### (A) Our Company

#### I. Incorporation details of our Company

1. Certificate of incorporation dated June 10, 2011, issued to our Company by the Registrar of Companies, West Bengal at Kolkata in the name of ‘Gaussian Networks Private Limited’.
2. Fresh certificate of incorporation dated March 24, 2022, issued by the Registrar of Companies, West Bengal at Kolkata, pursuant to the change of our name of our Company from ‘Gaussian Networks Private Limited’ to ‘Deltatech Gaming Private Limited’.
3. Fresh certificate of incorporation dated May 10, 2022, issued to our Company by the Registrar of Companies, West Bengal at Kolkata, pursuant to conversion of our Company from ‘private limited company’ to a ‘public limited company’ and consequential change in our name to ‘Deltatech Gaming Limited’.

#### II. Approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 296.

#### III. Material approvals in relation to our business and operations

Our Company has obtained certain approvals and/or licenses, amongst others, which are required under the respective shops and commercial establishment acts of those states, wherever enacted or in force.

Our Company has also obtained a Permanent Certificate of Enlistment dated June 15, 2022, issued under the West Bengal Municipal Act, 1993.

In view of the conversion of our Company into a public limited company and the consequent change of name, our Company is in the process of updating certain of its material approvals, including, tax deduction account number and GST registration certificate.

For details in connection with this, see “Risk Factors - We are required to maintain certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations” on page 42.

#### IV. Material labour/employment related approvals

Our Company has obtained registration bearing number GNGGN0033813000 under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952.

#### V. Tax related and other approvals

1. The permanent account number of our Company is ‘AAECG3143P’ issued by the Income Tax Department under the Income Tax Act, 1961.
2. The tax deduction account number of our Company is ‘CALG06347F’, issued by the Income Tax Department under the Income Tax Act, 1961.

3. The GST registration numbers of our Company in Kolkata and Gurgaon are 19AAECG3143P1Z8 and 06AAECG3143P1ZF, respectively, issued by the Government of India.

**VI. Importer- Exporter Code**

Our Company has also obtained certificate of Importer – Exporter Code dated January 24, 2018 granting the IEC number AAECG3143P, issued by the Ministry of Commerce and Industry.

**VII. Intellectual property rights**

For details of all registered intellectual property rights of our Company, and pending applications made for registration of intellectual property rights, see “*Our Business - Intellectual Property*” on page 159.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Offer has been authorised by our Board of Directors pursuant to the resolution passed at its meeting dated June 15, 2022 and our Shareholders have authorized the Fresh Issue pursuant to a resolution passed at their meeting dated June 16, 2022, and this DRHP has been approved by our Board on June 16, 2022. Further, our Board of Directors have taken on record the consent of the Selling Shareholder to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on June 16, 2022.

The Selling Shareholder has confirmed and approved its participation in the Offer for Sale in relation to the Offered Shares, as set out below:

Sr. No.	Name of Selling Shareholder	Date of consent letter	Date of board resolution	Maximum amount of Offered Shares
<b>Selling Shareholder</b>				
1.	Delta Corp Limited	June 16, 2022	June 16, 2022	Up to [●] Equity Shares aggregating up to ₹ 2,500 million
<b>Total</b>				<b>Up to [●] Equity Shares aggregating up to ₹ 2,500 million</b>

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Other than (i) Jaydev Mody, who is a promoter of Dacapo Brokerage India Private Limited, which is registered with SEBI as a stock broker and of Freedom Registry Limited, which is registered with SEBI as a share transfer agent; (ii) Hardik Dhebar, who is a director on the board of directors of Dacapo Brokerage India Private Limited, which is registered with SEBI as a stock broker and a director on the board of directors of Freedom Registry Limited, which is registered with SEBI as a share transfer agent; (iii) Ashish Kapadia, who is a director on the board of directors of Freedom Registry Limited, which is registered with SEBI as a share transfer agent; and (iv) and Chetan Desai, who is a director on the board of directors of Reliance Securities Limited, which is registered with SEBI as a stock broker, research analyst, depository participant and investment advisor, none of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the past five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Directors have not been declared as Fugitive Economic Offenders.

The Selling Shareholder confirms that it has not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Our Company or our Promoter, members of the Promoter Group or Directors are not declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

Except for any grant of employee stock options or employee stock appreciation rights under the ESOP Plan and ESARP Plan, respectively, or any Equity Shares that may be issued pursuant to exercise of employee stock

options, or pursuant to any employee stock appreciation rights, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

### **Confirmation under Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Promoter (who is also the Selling Shareholder), our Directors and members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### **Eligibility for the Offer**

Our Company is eligible for undertaking the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

*“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”*

We are an unlisted company not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Net Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

The Selling Shareholder has confirmed that it has held the Offered Shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

The Selling Shareholder confirms compliance with and will comply with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

The details of compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- (a) None of our Company, our Promoter (who is also the Selling Shareholder), members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) None of our Company, our Promoter or Directors is a Wilful Defaulter or a Fraudulent Borrower.
- (d) None of our Promoter or Directors has been declared a Fugitive Economic Offender.
- (e) Except for any grant of employee stock options or employee stock appreciation rights under the ESOP Plan and ESARP Plan, respectively, or any Equity Shares that may be issued pursuant to exercise of employee stock options, or pursuant to any employee stock appreciation rights, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;
- (f) Our Company, along with the Registrar to the Company, has entered into tripartite agreements dated

March 22, 2022 and March 21, 2022 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

- (g) The Equity Shares of our Company held by our Promoter are in dematerialised form; and
- (h) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, AXIS CAPITAL LIMITED AND JM FINANCIAL HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 16, 2022, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company, our Promoter, Directors and Book Running Lead Managers**

Our Company, our Promoter, Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.deltatech.gg](http://www.deltatech.gg), or the website of any affiliate of our Company or the Selling Shareholder, would be doing so at his or her own risk. It is clarified that, the Selling Shareholder and its directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those specifically made or undertaken or confirmed by the Selling Shareholder in relation to the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, the Selling Shareholder and the Book Running Lead Managers to the Bidders and the public at large and no selective or additional information would be made

available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter (who is also the Selling Shareholder), members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its directors, the Promoter, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

#### **Disclaimer from the Selling Shareholder**

The Selling Shareholder accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.deltatech.gg](http://www.deltatech.gg), or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk. The Selling Shareholder, its directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholder in relation to itself as a Selling Shareholder and the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholder and its directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholder and its directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholder since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

#### **Eligibility and Transfer Restrictions**

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **All Equity Shares Offered and Sold in this Offer:**

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
3. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
4. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
5. the purchaser acknowledges that our Company, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares**

**or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.**

#### **Disclaimer clause of BSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

#### **Disclaimer clause of the NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. The Selling Shareholder confirms that it shall extend reasonable support and co-operation (to the extent of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

Other than the listing fees for the Offer, which will be borne by our Company, and the fees and expenses of the legal counsel and the chartered accountants to the Selling Shareholder, which will be borne by the Selling Shareholder, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholder in the Offer for Sale, upon successful completion of the Offer. Any payments by our Company in relation to the Offer expenses on behalf of the Selling Shareholder shall be reimbursed by such Selling Shareholder to our Company inclusive of taxes.

#### **Consents**

Consents in writing of: (a) the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, legal counsels appointed for the Offer, the Book Running Lead Managers, the Registrar to the Offer, Statutory Auditors, the Independent Chartered Accountant, in their respective capacities, have been obtained; (b) consents of the Monitoring Agency; the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 16, 2022, from RedSeer, for inclusion of Industry Report on "Online Gaming Market in India" dated June 13, 2022 in this Draft Red Herring Prospectus.

## **Experts to the Offer**

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

- i. Our Company has received written consent dated June 16, 2022 from Walker Chandiook & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated June 15, 2022 on our Restated Financial Statements; and (ii) their report dated June 16, 2022 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
- ii. Our Company has received written consent dated June 16, 2022 from J.C. Bhalla & Co., Chartered Accountants, to include its name as an independent chartered accountant under the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **Particulars regarding public or rights issues by our Company during the last five years**

Except as disclosed in “*Capital Structure – Equity Share capital history of our Company*” on page 72, our Company has not made any public or rights issue during the last five years.

## **Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years**

Other than as disclosed in “*Capital Structure*” on page 71, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies or associate companies. As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

## **Commission and Brokerage paid on previous issues of the Equity Shares in the last five years**

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years by our Company.

## **Performance vis-à-vis objects – Public/ rights issue of our Company**

Our Company has not undertaken a public issue in the five years preceding the date of this Draft Red Herring Prospectus. Except as disclosed in “*Capital Structure*” on page 71, our Company has not undertaken any rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

## **Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoter has not undertaken any public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus. As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

## Price information of past issues handled by the Book Running Lead Managers

### A. Axis Capital Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Paradeep Phosphates Limited <sup>(1)</sup>	15,017.31	42.00	27-May-22	43.55	-	-	-
2	Prudent Corporate Advisory Services Limited <sup>^(1)</sup>	4,282.84	630.00	20-May-22	660.00	-	-	-
3	Life Insurance Corporation Of India <sup>@(1)</sup>	205,572.31	949.00	17-May-22	867.20	-27.24%, [-3.27%]	-	-
4	Vedant Fashions Limited <sup>(2)</sup>	31,491.95	866.00	16-Feb-22	935.00	+3.99%, [-0.20%]	+14.53%, [-8.54%]	-
5	CMS Info Systems Limited <sup>(1)</sup>	11,000.00	216.00	31-Dec-21	218.50	+21.99%, [-1.81%]	+25.35%, [+0.74%]	-
6	Supriya Lifescience Limited <sup>(1)</sup>	7,000.00	274.00	28-Dec-21	425.00	+78.61%, [-0.07%]	+72.12%, [-0.92%]	-
7	Medplus Health Services Limited <sup>*(1)</sup>	13,982.95	796.00	23-Dec-21	1,015.00	+53.22%, [+3.00%]	+23.06%, [+1.18%]	-
8	Metro Brands Limited <sup>(1)</sup>	13,675.05	500.00	22-Dec-21	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	-
9	C.E. Info Systems Limited <sup>(1)</sup>	10,396.06	1,033.00	21-Dec-21	1,581.00	+70.21%, [+6.71%]	+48.48%, [+2.74%]	-
10	Shriram Properties Limited <sup>§(2)</sup>	6,000.00	118.00	20-Dec-21	90.00	-12.42%, [+9.02%]	-33.39%, [+4.05%]	-

Source: www.nseindia.com and www.bseindia.com

<sup>(1)</sup>BSE as Designated Stock Exchange

<sup>(2)</sup>NSE as Designated Stock Exchange

<sup>^</sup>Offer Price was ₹ 571.00 per equity share to Eligible Employees

<sup>@</sup>Offer Price was ₹ 904.00 per equity share to Retail Individual Bidders and Eligible Employees and ₹ 889.00 per equity share to Eligible Policyholders

<sup>\*</sup>Offer Price was ₹ 718.00 per equity share to Eligible Employees

<sup>§</sup>Offer Price was ₹ 107.00 per equity share to Eligible Employees

#### Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

c. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

d. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023*	3	224,872.46	-	1	-	-	-	-	-	-	-	-	-	-
2021-2022	25	609,514.77	-	2	6	6	5	6	3	3	2	5	2	3
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

**B. JM Financial Limited**

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited:

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited.

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
1.	Paradeep Phosphates Limited <sup>#</sup>	15,017.31	42.00	May 27, 2022	43.55	Not Applicable	Not Applicable	Not Applicable
2.	Life Insurance Corporation of India <sup>#s</sup>	205,572.31	949.00	May 17, 2022	867.20	-28.96% [-2.99%]	Not Applicable	Not Applicable
3.	Campus Activewear Limited <sup>*7</sup>	13,997.70	292.00	May 05, 2022	360.00	11.92% [0.70%]	Not Applicable	Not Applicable
4.	AGS Transact Technologies Limited <sup>#</sup>	6,800.00	175.00	January 31, 2022	176.00	-42.97% [-3.05%]	-28.63% [-1.64%]	Not Applicable
5.	CMS Info Systems Limited <sup>#</sup>	11,000.00	216.00	December 31, 2021	218.50	21.99% [-1.81%]	25.35% [0.74%]	Not Applicable
6.	Data Patterns (India) Limited <sup>*</sup>	5,882.24	585.00	December 24, 2021	856.05	29.70% [3.61%]	13.56% [1.42%]	Not Applicable
7.	C.E. Info Systems Limited <sup>#</sup>	10,396.06	1,033.00	December 21, 2021	1,581.00	70.21% [6.71%]	48.48% [2.74%]	Not Applicable
8.	Tega Industries Limited <sup>*</sup>	6,192.27	453.00	December 13, 2021	760.00	30.70% [3.96%]	1.02% [-4.25%]	3.39% [-6.66%]
9.	Go Fashion (India) Limited <sup>*</sup>	10,136.09	690.00	November 30, 2021	1,310.00	59.75% [1.36%]	32.91% [-1.91%]	48.90% [-3.71%]
10.	Sapphire Foods India Limited <sup>*</sup>	20,732.53	1,180.00	November 18, 2021	1,350.00	3.69% [-4.39%]	20.78% [-2.32%]	-7.85% [-10.82%]

Source: www.nseindia.com and www.bseindia.com

<sup>#</sup> BSE as Designated Stock Exchange

<sup>\*</sup> NSE as Designated Stock Exchange

Notes:

- Opening price information as disclosed on the website of the Designated Stock Exchange.
- Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
- For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

4. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
5. 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days; 180<sup>th</sup> calendar day has been taken as listing date plus 179 calendar days.
6. Restricted to last 10 issues.
7. A discount of Rs. 27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
8. A discount of Rs. 45 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion and Retail Individual Investors. A discount of Rs. 60 per Equity Share was offered to Policy holders.
9. Not Applicable – Period not completed

2. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023	3	2,34,587.32	-	1	-	-	-	1	-	-	-	-	-	-
2021-2022	17	2,89,814.06	-	1	2	5	5	4	-	2	1	4	3	3
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1

**Track record of past issues handled by the Book Running Lead Managers**

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Book Running Lead Managers, as set forth in the table below:

Sr. No.	Name of Book Running Lead Managers	Website
1.	Axis Capital Limited	<a href="http://www.axiscapital.co.in">http://www.axiscapital.co.in</a>
2.	JM Financial Limited	<a href="http://www.jmfl.com">www.jmfl.com</a>

## **Stock Market Data of Equity Shares**

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## **Mechanism for redressal of Investor Grievances**

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

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

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: . SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in accordance with the provisions of the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/ partially-allotted applications for the stipulated period. In an event there is a delay in redressal of investor grievances in relation to unblocking of amounts beyond the date of receipt of the complaint, the Book Running Lead Managers shall be liable to compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000, Delta Shareholders Bidding under Delta Shareholder Reservation Portion for up to ₹ 200,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

#### **Disposal of Investor Grievances by our Company**

Our Company will apply for authentication on the SCORES and will comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Anannya Godbole, as the Company Secretary and Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see “*General Information*” on page 61.

Our Company has also constituted a Stakeholders’ Relationship Committee comprising of Jaydev Mody, Ashish Kapadia and Javed Tapia as members, to review and redress shareholder and investor grievances. For details, see “*Our Management*” on page 171.

The Selling Shareholder has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares.

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

Our Company had filed an application dated May 19, 2022, with SEBI seeking an exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations, from classifying (i) Advani Hotels and Resorts (India) Limited; and (ii) Halaplay Technologies Private Limited, as members of the Promoter Group and including relevant disclosures, confirmations and undertakings in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in relation to the same. SEBI has, *vide* its letter dated June 7, 2022 bearing reference number SEBI/HO/CFD/DIL-2/P/OW/2022/23682/1 approved our application and granted us the exemption sought therein.

## SECTION VII - OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

#### The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder.

Expenses for the Offer shall be shared amongst our Company and the Selling Shareholder in the manner specified in “*Objects of the Offer - Offer Expenses*” on page 93.

#### Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank pari passu with the existing Equity Shares in all respects including dividends. For details, see “*Main Provisions of the Articles of Association*” on page 340.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 200 and 340, respectively.

#### Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 1 and the Offer Price at Floor Price is ₹ [●] per Equity Share and at Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●] a Bengali national daily newspaper (Bengali also being the regional language of West Bengal, where our Registered Office is located) each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

## **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations and our AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provisions of the Articles of Association*” on page 340.

## **Market Lot and Trading Lot**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Company:

- Tripartite agreement dated March 22, 2022 amongst our Company, NSDL and Registrar to the Company.
- Tripartite agreement dated March 21, 2022 amongst our Company, CDSL and Registrar to the Company.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, see “*Offer Procedure*” on page 319.

## **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## **Jurisdiction**

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

## **Period of operation of subscription list**

See “*Terms of the Offer – Bid/Offer Programme*” on page 310.

## **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to

Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

### Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges simultaneously. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

### Bid/ Offer Programme

<b>BID/ OFFER OPENS ON</b>	[●] <sup>(1)</sup>
<b>BID/ OFFER CLOSES ON</b>	[●] <sup>(2) (3)</sup>

- (1) Our Company and the Selling Shareholder, in consultation with the BRLMs may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.
- (2) Our Company and the Selling Shareholder, in consultation with the BRLMs may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
- (3) UPI mandate end time and date shall be at 12:00 pm on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000, Delta Shareholders Bidding under Delta Shareholder Reservation Portion for up to ₹ 200,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

**The above timetable is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder and the Book Running Lead Managers.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date, or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that they shall extend reasonable co-operation required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed.**

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.**

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Offer Period (except the Bid/ Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/ Offer Closing Date</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

**On the Bid/ Offer Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 3:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days, during the Bid/ Offer Period. Bids and revisions shall not be accepted on Saturdays and public holidays. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

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

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

The requirement of minimum subscription is not applicable to the Offer for Sale in accordance with the SEBI ICDR Regulations. In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/ Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, the Selling Shareholder, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI ICDR Regulations, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, the Selling Shareholder, to the extent applicable, and our Company shall pay interest prescribed under the applicable law.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, (i) Allotment will be first made in the first instance towards subscription for 90% of the Fresh Issue, then (ii) all the Equity Shares held by the Selling Shareholder and offered for sale shall be Allotted on a proportionate basis (in proportion to the percentage of Offered Shares); and once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion. Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Offer.

### **Arrangements for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

### **Restrictions, if any, on Transfer and Transmission of Equity Shares and on their consolidation or splitting**

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 71 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "*Main Provisions of the Articles of Association*" on page 340.

## OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 5,500 million consisting of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,000 million by our Company and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Selling Shareholder. In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the Offer may include an Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹[●] million, for subscription by Eligible Employees and a Delta Shareholder Reservation Portion of up to [●] Equity Shares aggregating up to ₹[●] million for subscription by Delta Shareholders. The Offer and the Net Offer would constitute [●] % and [●] % of our post-Offer paid-up Equity Share Capital.

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may consider undertaking a further issue of Equity Shares or any other instrument as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 500 million between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to market conditions. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR.

The Offer is being made through the Book Building Process.

Particulars	Delta Shareholder Reservation Portion <sup>^</sup> %	Employee Reservation Portion <sup>#</sup> %	QIB Portion	Non-Institutional Portion	Retail Individual Portion
Number of Equity Shares available for Allotment / Allocation <sup>*(2)</sup>	Up to [●] Equity Shares	Up to [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Offer or Net Offer less allocation to QIB Bidders and RIBs.	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and NIBs.
Percentage of Offer available for Allotment/allocation	In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the Delta Shareholder Reservation Portion shall constitute up to [●] % of the Offer	In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the Employee Reservation Portion shall constitute upto [●]% of the Offer	Not less than 75% of the Net Offer shall be Allotted to QIB Bidders.  However, up to 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund	Not more than 15% of the Offer or the Net Offer less allocation to QIB Bidders and RIBs will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.2 million and up to ₹ 1.0 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹	Not more than 10% of the Offer or the Net Offer less allocation to QIB Bidders and NIBs

Particulars	Delta Shareholder Reservation Portion <sup>^</sup> %	Employee Reservation Portion <sup>#</sup> %	QIB Portion	Non-Institutional Portion	Retail Individual Portion
			reservation will be added to the Net QIB Portion.	1.0 million.	
Basis of Allotment if respective category is oversubscribed	Allotment to each Delta Shareholder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Delta Shareholder Reservation Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis (not exceeding ₹ 200,000). For details, see “Offer Procedure” beginning on page 319.	Allotment to each Eligible Employee shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Employee Reservation Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis (not exceeding ₹ 200,000). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 200,000 up to ₹ 500,000 each. For details, see “Offer Procedure” beginning on page 319.	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.  Up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Proportionate, however, the allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	Allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. For details, see “Offer Procedure” beginning on page 319.
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.

Particulars	Delta Shareholder Reservation Portion <sup>^</sup> %	Employee Reservation Portion <sup>#</sup> %	QIB Portion	Non-Institutional Portion	Retail Individual Portion
			multiples of [●] Equity Shares thereafter.	multiples of [●] Equity Shares thereafter.	
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Delta Shareholder does not exceed ₹ 200,000, if any	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Employee Portion does not exceed ₹ 500,000 (which will be less Employee Discount, if any)	Such number of Equity Shares in multiples of [●] not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] so that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.				
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter				
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share				
Trading Lot	One Equity Share				
Who can Apply <sup>(3)</sup>	Delta Shareholders	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs, registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, HUFs (in the name of the karta) and Eligible NRIs.

Particulars	Delta Shareholder Reservation Portion <sup>^</sup> %	Employee Reservation Portion <sup>#</sup> %	QIB Portion	Non-Institutional Portion	Retail Individual Portion
			minimum corpus of ₹ 250 million, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-Sis		
Terms of Payment <sup>(5)</sup>	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup>.</p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>				
Mode of Bidding <sup>(5)</sup>	Only through the ASBA process (except for Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI mechanism.				

\* Assuming full subscription in the Offer.

<sup>#</sup>Eligible Employee(s) Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000 (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Delta Shareholder Reservation Portion (subject to complying with the eligibility criteria and applicable limits) and/or in the Retail Portion, and such Bids will not be treated as multiple Bids subject to applicable limits. Further, any unsubscribed portion remaining in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion, subject to applicable law.

<sup>^</sup>Delta Shareholders Bidding in the Delta Shareholder Reservation Portion can Bid up to a Bid Amount of ₹200,000 (net of Shareholder Discount). Further, a Delta Shareholders Bidding in the Delta Shareholder Reservation Portion can also Bid in the Employee Reservation Portion (subject to complying with the eligibility criteria and applicable limits) and /or in the Retail Portion, and such Bids will not be treated as multiple Bids subject to applicable limits. Further, any unsubscribed portion remaining in the Delta Shareholder Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Delta Shareholder Reservation Portion, subject to applicable law.

<sup>%</sup>Bids by Delta Shareholders in the Delta Shareholder Reservation Portion, in the Employee Reservation Portion and in the Retail Portion shall not be treated as multiple Bids. However, Bids by Delta Shareholders in the Delta Shareholder Reservation Portion, in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids. Our Company and the Selling Shareholder reserve the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. For details, see "Offer Procedure" on page 319 of this Draft Red Herring Prospectus.

<sup>(1)</sup> Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For details, see "Offer Procedure" on page 319.

<sup>(2)</sup> Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000, and not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see "Terms of the Offer" on page 308.

<sup>(3)</sup> In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserve the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories, subject to applicable laws.

<sup>(4)</sup> Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

<sup>(5)</sup> SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000, Delta Shareholders Bidding under Delta Shareholder Reservation Portion for up to ₹ 200,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Bids by FPIs with certain structures as described under "Offer Procedure - Bids by FPIs" on page 324 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Employee Discount, if any, will be offered to Eligible Employees Bidding in the Employee Reservation Portion. Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Shareholder Discount, if any, will be offered to Delta Shareholders Bidding in the Delta Shareholder Reservation Portion. Delta Shareholders Bidding in the Delta Shareholder Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Shareholder Discount, at the time of making a Bid. Delta Shareholders Bidding in the Delta Shareholder Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Shareholder Discount, if any, at the time of making a Bid.

## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form,) designated date, disposal of applications and electronic registration of bids; (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act relating to punishment for fictitious applications; (x) mode of making refunds; (xi) designated date, (xii) interest in case of delay in allotment or refund; and (xiii) disposal of application.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.

The Book Running Lead Managers shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholder and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

*Further, our Company, the Selling Shareholder and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

### **Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the full Bid Amounts shall be refunded in accordance with SEBI ICDR Regulations and other applicable laws. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which a) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.0 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.0 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Further, in accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, up to [●] Equity Shares, aggregating to ₹[●] million, may be made available for allocation on a proportionate basis only to Eligible Employee(s) Bidding in the Employee Reservation Portion and [●] Equity Shares, aggregating to ₹[●] million, may be made available for allocation on a proportionate basis only to Delta Shareholder(s) Bidding in the Delta Shareholder Reservation Portion, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Net Offer, the Equity Shares proposed for sale by the Selling Shareholder shall be in proportion to the Offered Shares by the Selling Shareholder.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO, subject to applicable law.**

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a UPI Bidder had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. Under this phase, submission of the ASBA Form without UPI by UPI Bidders to Designated Intermediaries (other than SCSBs) for blocking of funds will be discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLMs will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000, Delta Shareholders Bidding under the Delta Shareholder Reservation Portion for up to ₹ 200,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

For details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Managers.

### **Bid cum Application Form**

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the respective websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Managers.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

RIBs Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

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

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[•]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[•]
Anchor Investors	[•]
Eligible Employees Bidding in the Employee Reservation Portion	[•]
Delta Shareholders Bidding in the Delta Shareholder Reservation Portion	[•]

\*Excluding electronic Bid cum Application Forms

**Notes:**

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Managers.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Banks shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions

shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

### **Participation by Promoter and member of the Promoter Group of the Company, the Book Running Lead Managers and the Syndicate Members and persons related to Promoter/Promoter Group/the Book Running Lead Managers**

The Book Running Lead Managers and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Book Running Lead Managers or any associates of the Book Running Lead Managers (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the Book Running Lead Managers) nor; (ii) any “person related to the Promoter / Promoter Group” shall apply in the Offer under the Anchor Investor Portion.

For the purposes of the above, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the Book Running Lead Managers, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Managers.

The Promoter extent of the Offered Shares, will not participate in the Offer. As on date of this Draft Red Herring Prospectus, none of the members of the Promoter Group, hold Equity Shares in our Company.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External ("NRE") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("NRO") accounts or confirm or accept the UPI mandate request (in case of UPI Bidders) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Rules.

- (a) In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.
- (b) For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 339.

### **Bids by HUFs**

Hindu Undivided Families or HUFs, are required to be made in the individual name of the karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholder, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such

multiple Bids will be rejected.

### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. The holding in any company by any individual FVCI or VCF registered with SEBI should not exceed 25% of the corpus of the FVCI or VCF. An FVCI or VCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Selling Shareholder or the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form, failing this, our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserves the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form, failing this, our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form, failing this, our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids under power of attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form, failing this, our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers may deem fit.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 (which will be less Employee Discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section “*Offer Structure*” beginning on page 314.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the Sole/ First Bidder shall be an Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion, in the Delta Shareholder Reservation Portion (subject to complying with the eligibility criteria and applicable limits) and/or in the Retail Portion shall not be treated as multiple Bids.

Any unsubscribed portion remaining in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion, subject to applicable law.

### **Bids by Delta Shareholders**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000 (which will be less Shareholder Discount, if any). Allotment in the Delta Shareholder Reservation Portion will be as detailed in the section “*Offer Structure*” beginning on page 314.

Bids under the Delta Shareholder Reservation Portion shall be subject to the following:

- Only Delta Shareholders (i.e. public equity shareholders of our Promoter (excluding such persons not eligible under applicable laws, rules, regulations and guidelines) as at the date of the Red Herring Prospectus) would be eligible to apply in this Offer under the Delta Shareholder Reservation Portion.
- The sole/ First Bidder shall be a Delta Shareholder.
- Only those Bids, which are received at or above the Offer Price, would be considered for allocation under this category.
- The Bids must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter.
- Bids by Delta Shareholders in the Delta Shareholder Reservation Portion, in the Employee Reservation Portion (subject to complying with the eligibility criteria and applicable limits) and in the Retail Portion shall not be treated as multiple Bids. However, Bids by Delta Shareholders in the Delta Shareholder Reservation Portion, in the Employee Reservation Portion, and in the Non-Institutional Portion shall be treated as multiple Bids. Persons who are Delta Shareholders may Bid in the Employee Reservation Portion, as well, and such Bids shall not be treated as multiple Bids. Our Company and the Selling Shareholder reserve the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.
- If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer Price, full allocation shall be made to the Delta Shareholders to the extent of their demand not exceeding a maximum of ₹ 200,000.
- Under-subscription, if any, in any category, (including the Delta Shareholder Reservation Portion), except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange.
- Delta Shareholders Bidding under the Delta Shareholder Reservation Portion (subject to the Bid Amount being up to ₹200,000) are entitled to Bid at the Cut-off Price.
- If the aggregate demand in this category is greater than [•] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Delta Shareholders would need to have a valid PAN and their PAN should be updated with the register of shareholders maintained with Company. Further, Delta Shareholders would need to have a valid demat account number and details, as Equity Shares can only be Allotted to Delta Shareholders having a valid demat account.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

### **Bids by Anchor Investors**

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.
- 5) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 10) Neither (a) the Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and the Prospectus.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised

the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

## **General Instructions**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidders ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
8. Ensure that the PAN is linked with Aadhaar in compliance with Central Bureau of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;
9. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be

specified in case of joint Bids;

13. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
15. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
16. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
23. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
24. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website and is also appearing in Annexure ‘A’ to the SEBI circular no.SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated

July 26, 2019;

25. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
26. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
27. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
28. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Book Running Lead Managers;
29. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
30. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors and Delta Shareholders Bidding in the Delta Shareholder Reservation Portion);

7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Bid for an amount more than funds available in your ASBA account.
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
11. If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
12. Anchor Investors should not Bid through the ASBA process;
13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
20. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
21. Do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date;
22. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Offer Closing Date;
23. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
24. Do not Bid for Equity Shares in excess of what is specified for each category;
25. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
27. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
28. If you are a UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries

and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

29. Do not Bid if you are an OCB;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;
31. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders;
32. Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders); and
33. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see “*General Information*” on page 61.

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Further, for helpline details of the Book Running Lead Managers pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 see, “*General Information – Book Running Lead Managers*” beginning on page 63.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the Book Running Lead Managers and the Registrar to the Offer, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow

Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a Hindi national daily newspaper and (iii) [●] editions of [●], a Bengali national daily newspaper (Bengali also being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

**The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Allotment Advertisement**

Our Company, the Book Running Lead Managers and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) [●] editions of [●], a widely circulated English national daily newspaper; and (ii) [●] editions of [●], a Bengali national daily newspaper (Bengali also being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholder subsequently decide to proceed with the Offer; and
- Except for any grant of employee stock options or employee stock appreciation rights under the ESOP Plan and ESARP Plan, respectively, or any Equity Shares that may be issued pursuant to exercise of employee stock options, or pursuant to any employee stock appreciation rights and any issuance of Equity Shares pursuant to the Pre-IPO Placement, if any, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

### **Undertakings by the Selling Shareholder**

The Selling Shareholder undertakes that:

- the Equity Shares offered for sale by the Selling Shareholder are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations, are fully paid-up and are in dematerialised form;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid

- in the Offer;
- it is the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale; and
  - it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

### **Utilisation of Offer Proceeds**

Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Further, details of all utilised monies out of the Fresh Issue shall be disclosed, and continued to be disclosed till any part of the Offer proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

Under the current FDI Policy, 100% foreign direct investment is permitted in Information Technology/Information technology enabled services sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” both on page 324.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see “*Offer Procedure*” on page 319.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013

### COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION

### OF

### DELTATECH GAMING LIMITED

#### 1. CONSTITUTION OF THE COMPANY

- a. The regulations contained in table “F” of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.
- b. The regulations for the management of the company and for the observance of the shareholders thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

#### 2. INTERPRETATION

##### A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a. “**Act**” means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such *term* is used herein), and all rules and clarifications issued thereunder, and shall include all amendments, modifications and re-enactments of the foregoing.
- b. “**ADRs**” shall mean American Depository Receipts representing ADSs.
- c. “**Annual General Meeting**” shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.
- d. “**ADR Facility**” shall mean an ADR facility established by the company with a depository bank to hold any equity shares as established pursuant to a deposit agreement and subsequently as amended or replaced from time to time.
- e. “**ADSs**” shall mean American Depository Shares, each of which represents a certain number of Equity Shares.
- f. “**Articles**” shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- g. “**Auditors**” shall mean and include those persons appointed as such for the time being by the company.
- h. “**Board**” shall mean the board of directors of the company, as constituted from time to time, in accordance with law and the provisions of these Articles.
- i. “**Board Meeting**” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- j. “**Beneficial Owner**” shall mean beneficial owner as defined in Clause (a) of subsection (1) of

section 2 of the Depositories Act.

- k. **“Capital”** or **“Share Capital”** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.
- l. **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 37 herein below.
- m. **“Companies Act, 1956”** shall mean the Companies Act, 1956, as may be in force for the time being.
- n. **“Company”** or **“this company”** shall mean Deltatech Gaming Limited.
- o. **“Committees”** shall mean a committee constituted in accordance with Article 70.
- p. **“Debenture”** shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
- q. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- r. **“Depository”** shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.
- s. **“Director”** shall mean any director of the company, including alternate directors, independent directors and nominee directors, small shareholders directors appointed in accordance with law and the provisions of these Articles.
- t. **“Dividend”** shall include interim dividends.
- u. **“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.
- v. **“Equity Shares”** shall mean the issued, subscribed and fully paid-up equity shares of the Company having the face set out in the Memorandum, as amended from time to time.
- w. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- x. **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act;
- y. **“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- z. **“Fully Diluted Basis”** shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.
- aa. **“GDRs”** shall mean the registered Global Depository Receipts, representing

GDSs.

- bb. **“GDSs”** shall mean the Global Depository Shares, each of which represents a certain number of Equity Shares.
- cc. **“General Meeting”** shall mean a meeting of holders of Equity Shares and any adjournment thereof.
- dd. **“Independent Director”** shall mean an independent director as defined under the Act and under the SEBI Listing Regulations.
- ee. **“India”** shall mean the Republic of India.
- ff. **“Law”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, including the Securities Contracts (Regulation) Act, 1956, regulations, circulars, ordinances or orders of any governmental authority and SEBI, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian Accounting Standards or any other applicable generally accepted accounting principles.
- gg. **“Managing Director”** shall have the meaning assigned to it under the Act.
- hh. **“MCA”** shall mean the Ministry of Corporate Affairs, Government of India.
- ii. **“Memorandum”** shall mean the memorandum of association of the Company, as amended from time to time.
- jj. **“Office”** shall mean the registered office for the time being of the Company.
- kk. **“Officer”** shall have the meaning assigned thereto by Section 2(59) of the Act.
- ll. **“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.
- mm. **“Paid up”** shall include the amount credited as paid up.
- nn. **“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- oo. **“Promoters”** shall mean a person defined as such, under Companies Act, 2013 or any other applicable law.
- pp. **“Register of Members”** shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.
- qq. **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- rr. **“Rules”** shall mean the rules made under the Act and notified from time

to time.

- ss. **“Seal”** shall mean the common seal(s) for the time being of the Company.
- tt. **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- uu. **“SEBI Listing Regulations”** Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vv. **“Securities”** shall mean any Equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.
- ww. **“Share Equivalents”** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.
- xx. **“Shareholder”** shall mean any shareholder of the Company, from time to time.
- yy. **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.
- zz. **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Act.
- aaa. **“Tribunal”** shall mean the National Company Law Tribunal constitutes under Section 408 of the Act.

## **B. CONSTRUCTION**

In these Articles (unless the context requires otherwise):

- (i) References to a Party shall, where the context permits, include such Party’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub articles herein.
- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.
- (xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.
- (xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### **3. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **4. SHARE CAPITAL**

- (a) The authorised share capital of the Company shall be as stated under Clause 5 of the Memorandum from time to time.
- (b) The Company has power, from time to time, to increase its authorised or issued and paid up share capital in accordance with the Act and these Articles.
- (c) The share capital of the Company may be classified into (i) Equity Shares with voting rights, and/or Equity Shares with differential rights as to dividend, voting or otherwise; and (ii) preference share capital in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- (d) Subject to Article 4(c), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (e) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- (f) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on

payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

- (g) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- (h) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.
- (i) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

## **5. BRANCH OFFICES**

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places as its Board may deem fit.

## **6. PREFERENCE SHARES**

### *(a) Redeemable Preference Shares*

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

### *(b) Convertible Redeemable Preference Shares*

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

## **7. PROVISIONS IN CASE OF PREFERENCE SHARES.**

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

- a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b) No such shares shall be redeemed unless they are fully paid;
- c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share

Capital of the Company;

- e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

## **8. ADRS/GDRS**

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

## **9. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- a) increase its Share Capital by such amount as it thinks expedient;
- b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

*Provided* that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

- c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination
- d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

## **10. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

## **11. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

## 12. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

## 13. REGISTERS TO BE MAINTAINED BY THE COMPANY

- (a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, 1996, cause to be kept the following registers in terms of the applicable provisions of the Act
  - i. A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
  - ii. A register of Debenture holders; and
  - iii. A register of any other security holders.
- (b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.
- (c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

## 14. SHARES AND SHARE CERTIFICATES

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, SEBI Listing Regulations or such other manner as may be prescribed by the SEBI from time to time.
- (b) A duplicate certificate of shares may be issued, if such certificate:
  - i. is proved to have been lost or destroyed; or
  - ii. has been defaced, mutilated or torn and is surrendered to the Company.
- (c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.
- (e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued

without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees twenty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

- (f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- (g) When a new share certificate has been issued in pursuance of sub-article (d) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (h) Where a new share certificate has been issued in pursuance sub-articles (b) or (e) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (i) The company secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates.
- (j) All books referred in sub-article (i), shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (k) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (l) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.
- (m) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.
- (n) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

## 15. SHARES AT THE DISPOSAL OF THE DIRECTORS

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount, subject to compliance with Section 53 of the Act, and with sanction of the Company in the General Meeting at such time as they may, from time to time, think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call on shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.
- (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his Executor or Administrator.
- (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (d) In accordance with Section 46 and other applicable provisions of the Act and the Rules:

Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company.

Every certificate shall specify the shares to which it relates and the amount paid- up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge of twenty rupees each.

- i. Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be or within such other period as any applicable Law for time being in force may provide. Every certificate of shares shall be in the form and manner as specified in Article 14 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

- ii. the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.
- iii. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## **16. UNDERWRITING AND BROKERAGE**

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.
- (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

## **17. CALLS**

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments.
- (b) fourteen (14) days notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.
- (d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- (e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this

Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

- (g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- (j) The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (l) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company, to the extent applicable.

**18. COMPANY'S LIEN:**

- (a) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.
- (b) Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article. Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
- (d) The fully paid up shares shall be free from all lien on any account whatsoever and that in case of partly paid shares, if any, the Company's lien shall be restricted to moneys called or payable at a fixed price in respect of such shares.
- (e) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- i. unless a sum in respect of which the lien exists is presently payable; or
  - ii. until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
  - iii. The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.
- (f) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.
  - (g) The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

## **19. FORFEITURE OF SHARES**

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture

of unclaimed Dividends before the claim becomes barred by Law.

- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or company secretary and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
- (l) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
- (m) The provisions of these Articles as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## 20. FURTHER ISSUE OF SHARE CAPITAL

1. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered:
  - (a) to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed) and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (ii) unless the Articles otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
    - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the Company;
  - (b) to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to such conditions as may be prescribed; or
  - (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, subject to the compliance with the applicable provisions of Chapter III of the Companies Act and any other conditions as may be prescribed.
2. The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.
3. Nothing in this section shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

4. Notwithstanding anything contained in sub-section (3), where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

5. In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
6. Where the Government has, by an order made under sub-section (4), directed that any debenture or loan

or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-section (4) or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

## **21. TRANSFER AND TRANSMISSION OF SHARES**

- (a) The Company shall maintain a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- (c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the central government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Subject to the provisions of Section 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares..
- (g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such

splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

- (i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.
- (j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under 21(b) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (p) The Board may decline to recognize any instrument of transfer unless the instrument of transfer is in respect of only one class of shares.
- (q) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and subdivisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (r) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- (s) The Company shall not register the transfer of its securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.

- (t) The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

- (u) There shall be a common form of transfer in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957 (“**SCRR**”).
- (v) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **22. DEMATERIALIZATION OF SECURITIES**

- (a) *Dematerialization:*

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

- (b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case maybe, either the Company or the investor may exercise an option to issue,

deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.

(d) If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) *Securities in Depositories to be in fungible form:*

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) *Rights of Depositories & Beneficial Owners:*

i. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

ii. Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

iii. Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

iv. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) *Register and Index of Beneficial Owners:*

The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of

Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Securityholders for the purposes of these Articles.

(i) *Cancellation of Certificates upon surrender by Person:*

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) *Service of Documents:*

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) *Transfer of Securities:*

- i. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
- ii. In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) *Allotment of Securities dealt with in a Depository:*

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) *Certificate Number and other details of Securities in Depository:*

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) *Provisions of Articles to apply to Shares held in Depository:*

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(o) *Depository to furnish information:*

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(p) *Option to opt out in respect of any such Security:*

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository or such other time as may be prescribed under Law and

on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(r) *Overriding effect of this Article:*

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

### **23. NOMINATION BY SECURITIES HOLDERS**

- (a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

### **24. NOMINATION FOR FIXED DEPOSITS**

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

### **25. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

### **26. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS**

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

## 27. BORROWING POWERS

- (a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
- i. accept or renew deposits from Shareholders;
  - ii. borrow money by way of issuance of Debentures;
  - iii. borrow money otherwise than on Debentures;
  - iv. accept deposits from Shareholders either in advance of calls or otherwise; and
  - v. generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company, its free reserves and securities premium (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
- (c) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with the consent of the Board may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.
- (d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the

Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **28. RIGHTS TO ISSUE SHARE WARRANTS**

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

## **29. BOARD TO MAKE RULES**

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## **30. CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- (a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.
- (b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

## **31. ANNUAL GENERAL MEETING**

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

## **32. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

## **33. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- a. Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6

P.M. on a day that is not a national holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

- b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

### **34. NOTICE OF GENERAL MEETINGS**

- (a) Number of days" notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in accordance with the applicable provisions of the Act.

The notice of every meeting shall be given to:

- (i) Every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
  - (ii) Auditor or Auditors of the Company, and
  - (iii) all Directors.
- (a) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
- (b) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by electronic mode or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
- (c) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (d) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (e) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original

meeting in accordance with the applicable provisions of the Act.

- (f) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (g) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **35. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

### **36. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

### **37. CHAIRMAN OF THE GENERAL MEETING**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the

Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

### **38. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Any member who has not appointed a proxy to attend and vote on his behalf at a general meeting may appoint a proxy for any adjourned general meeting, not later than forty- eight hours before the time of such adjourned Meeting.

### **39. QUESTIONS AT GENERAL MEETING HOW DECIDED**

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

### **40. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

#### **41. VOTES OF SHAREHOLDERS**

- (a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll or a member may exercise his vote at a meeting by electronic means in accordance with the Act (and shall vote only once) in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) No shareholder shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and

powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

- (h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.
- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such

meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

- i. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- ii. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- iii. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- iv. The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- v. All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- vi. Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- vii. Any such Minutes shall be evidence of the proceedings recorded therein.
- viii. The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- ix. The Company shall cause minutes to be duly entered in books provided for the purpose of: -
  - a. the names of the Directors and Alternate Directors present at each General Meeting;
  - b. all Resolutions and proceedings of General Meeting.
- (r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.
- (s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of

the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

- (w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **42. DIRECTORS**

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

#### **43. CHAIRMAN OF THE BOARD OF DIRECTORS**

- (a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- (b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **44. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called the “**Original Director**”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from India in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **45. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an additional director to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

#### **46. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

#### **47. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

#### **48. EQUAL POWER TO DIRECTOR**

Except as otherwise provided in these Articles or under Law, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

#### **49. NOMINEE DIRECTORS**

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub- committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

#### **50. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

#### **51. REMUNERATION OF DIRECTORS**

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI

Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

- (b) Subject to the applicable provisions of the Act, a Director may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- (c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the central government pursuant to the first proviso to Section 197 of the Act.
- (d) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of central government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

#### **52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

#### **53. TRAVEL EXPENSES OF DIRECTORS**

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

#### **54. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by this Articles of Association hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

#### **55. VACATION OF OFFICE BY DIRECTOR**

- (a) Subject to relevant provisions of Sections 164, 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:
  - i. he is found to be of unsound mind by a court of competent jurisdiction; or
  - ii. he applies to be adjudicated an insolvent and his application is pending; or
  - iii. he is an undischarged insolvent; or

- iv. he is convicted by a court of any offence involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than 6 (six) months and a period of five years has not elapsed from the date of expiry of the sentence; or
- v. he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call; or
- vi. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the; or
- vii. An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force; or
- viii. Board having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- ix. he acts in contravention of Section 184 of the Act; or
- x. he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- xi. He has not complied with Section 152(3); or
- xii. he is removed in pursuance of Section 169 of the Act; or
- xiii. he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

#### **56. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

#### **57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

- (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - i. at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - ii. retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - iii. he is not qualified or is disqualified for appointment; or
  - iv. a resolution whether special or ordinary is required for the appointment or reappointment by

virtue of any applicable provisions of the Act.

**58. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.**

Subject to Article 42 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

**59. REGISTER OF DIRECTORS ETC.**

(a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, company secretary and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

**60. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of Section 196, 197 and 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

**61. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

**62. REMUNERATION OF MANAGING DIRECTOR(S)/ EXECUTIVE DIRECTOR(S)/ WHOLETIME MANAGER**

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

**63. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the superintendence, control and direction of the Board, the day- to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **64. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company; and
- (k) any other matter which may be prescribed under the applicable secretarial standards, the Act, the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings
- (b) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business; and
- (c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

#### **65. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Act, the Companies (Meetings of Board and its Powers) Rules, 2014, the applicable secretarial standards and any other Law shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The company secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.
- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

## **66. QUORUM FOR BOARD MEETING**

- (a) *Quorum for Board Meetings*

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

- (b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

## **67. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED**

- (a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act,

if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

- (b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

#### **68. ELECTION OF CHAIRMAN OF BOARD**

- (a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- (b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

#### **69. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
  - i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
  - ii. Remit, or give time for repayment of, any debt due by a Director;
  - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
  - iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

#### **70. COMMITTEES AND DELEGATION BY THE BOARD**

- (a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- (b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or

members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

- (c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.
- (d) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

#### **71. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

#### **72. PASSING OF RESOLUTION BY CIRCULATION**

Subject to section 175 of the Act no resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

#### **73. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- (a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.
- (c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

- (e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -
  - i. all appointments of Officers;
  - ii. the names of the Directors present at each meeting of the Board;
  - iii. all resolutions and proceedings of the meetings of the Board;
  - iv. the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.
- (f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -
  - i. is or could reasonably be regarded as defamatory of any person;
  - ii. is irrelevant or immaterial to the proceedings; or
  - iii. is detrimental to the interests of the Company.
- (g) The Chairman shall exercise absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the ground specified in sub Article (f) above.
- (h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- (i) The minutes kept and recorded under this Article shall also comply with the provisions of the relevant secretarial standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the central government and applicable provisions of the Act and Law.

#### **74. REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

#### **75. CHARGE OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

#### **76. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

#### **77. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY**

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

#### **78. OFFICERS**

- (a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- (b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- (c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.
- (d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.
- (e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

**79. THE SECRETARY**

- (a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as company secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the company secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the company secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the company secretary), to maintain the Registers required to be kept by the Company.
- (b) The company secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

**80. DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

- a. on terms approved by the Board;
- b. which includes each Director as a policyholder;
- c. is from an internationally recognised insurer approved by the Board; and
- d. for a coverage for claims of an amount as may be decided by the Board, from time to time.

**81. SEAL**

- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.

- (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two (2) directors and of the secretary or such other person as the Board may appoint for the purpose; and those two (2) directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **82. ACCOUNTS**

- (a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
- (b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.
- (c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.
- (d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.
- (e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.
- (f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a „Board's report" which shall include matters as required under the Act and applicable Laws.

## **83. AUDIT AND AUDITORS**

- (a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.
- (b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.
- (c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.
- (d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.
- (e) Where at an Annual General Meeting, no Auditors are appointed, the central government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.
- (f) The Company shall within 7 (seven) days of the central government's power under sub clause (b) becoming exercisable, give notice of that fact to the government.
- (g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy

continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

- (h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub- clause shall also apply to a resolution that a retiring auditor shall not be re- appointed.
- (i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- (j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

#### **84. AUDIT OF BRANCH OFFICES**

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

#### **85. REMUNERATION OF AUDITORS**

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

#### **86. DOCUMENTS AND NOTICES**

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by electronic mode or by sending it by post to him to his registered address.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- (c) A document or notice may be given or served by the Company to or on the joint- holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of shareholders in respect of the Share.
- (d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the company secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments,

and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine

- (g) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- (h) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

#### **87. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

#### **88. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- (i) To the Shareholders of the Company as provided by these Articles.
- (ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

#### **89. DIVIDEND POLICY**

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid- up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both:

Provided that, In computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement

of the asset or the liability at fair value shall be excluded;

- (d) Out of money provided by the central government or a state government for the payment of dividend by the company in pursuance of a guarantee given by that government:

Provided that no company shall declare dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the company for the current year .

- (e) The declaration of the Board as to the amount of the net profits shall be conclusive.
- (f) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies, in accordance with the Act.
- (g) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- (h) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- (i) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- (j) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- (k) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (l) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the
- (m) Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the jointholding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- (n) No unpaid Dividend shall bear interest as against the Company.
- (o) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as maybe fixed at the Meeting, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (p) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

- (q) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

#### **90. UNPAID OR UNCLAIMED DIVIDEND**

- (a) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called “\_\_\_\_\_ Unpaid Dividend Account” within seven days from the date of expiry of the said period of 30 days..
- (b) Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- (c) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.
- (d) No unpaid or unclaimed Dividend shall be forfeited by the Board.

#### **91. CAPITALIZATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) 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 Company's profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
  - i. paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
  - ii. paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
  - iii. partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- (d) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

#### **92. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

- (a) The Board shall give effect to a Resolution passed by the Company in pursuance of this article.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - i. make all appropriation and applications of undivided profits (resolved to be capitalized

thereby), and all allotments and issues of fully paid shares or Securities, if any; and

- ii. generally do all acts and things required to give effect thereto.
- (c) The Board shall have full power:
- i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and
  - ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such shareholders.

**93. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP**

- (a) If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, 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.
- (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

**94. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY**

Subject to the relevant provisions of the Act, every Director, Manager and other officer or employee of the company shall be indemnified by the company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contact entered into by him on behalf of the company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the shareholders over all the claims.

**95. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of Section 197 of the Act, no Director, Manager, Officer or Employee of the company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

**96. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

**97.        **SECRECY****

No shareholder shall be entitled to inspect the company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the company to communicate to the public.

**98.        **DUTIES OF THE OFFICER TO OBSERVE SECRECY****

Every Director, Managing Directors, Manager, company secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the central government or any officer appointed by the government to require or to hold an investigation into the company's affair.

## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts, which have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents and contracts, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date) and will also be available at the website of our Company at <https://www.deltatech.gg/deltatech-gaming-limited/>.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

#### **A. Material Contracts for the Offer**

1. Offer Agreement dated June 16, 2022 between our Company, the Selling Shareholder and the Book Running Lead Managers.
2. Registrar Agreement dated June 16, 2022 between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.
4. Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Selling Shareholder, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank, Public Offer Bank(s) and the Refund Bank(s).
5. Share Escrow Agreement dated [●] between our Company, the Selling Shareholder and the Share Escrow Agent.
6. Syndicate Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Managers, Registrar to the Offer and the Syndicate Members.
7. Underwriting Agreement dated [●] between our Company, the Selling Shareholder and the Underwriters.

#### **B. Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated June 10, 2011.
3. Fresh certificate of incorporation dated March 24, 2022 pursuant to change in name.
4. Fresh certificate of incorporation dated May 10, 2022 upon conversion to public limited company.
5. Resolution of the Board and Shareholders dated June 15, 2022 and June 16, 2022, respectively, in relation to the Offer and other related matters.
6. Resolution of our Board dated June 16, 2022 approving this Draft Red Herring Prospectus.
7. Resolution of the board of directors of our Promoter dated June 16, 2022, consenting to participate in the Offer for Sale.

8. Consent dated June 16, 2022 from RedSeer to rely on and reproduce part or whole of the report, “Online Gaming Market in India” dated June 13, 2022 and include their name in this Draft Red Herring Prospectus.
9. Industry report titled “Online Gaming Market in India” dated June 13, 2022 prepared by RedSeer.
10. Letter of appointment dated February 18, 2022, appointing RedSeer for the preparation of the RedSeer Report
11. Consent dated June 16, 2022 from the Statutory Auditors namely Walker Chandiook & Co LLP, Chartered Accountants, to include their name as an “expert” as defined under the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the examination report dated June 15, 2022 on our Restated Financial Statements and the certificate on statement of special tax benefits dated June 16, 2022.
12. Written consent dated June 16, 2022, from the independent chartered accountant, namely J.C. Bhalla & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013.
13. Report on the statement of special tax benefits dated June 16, 2022, issued by the Statutory Auditors.
14. The independent auditors’ examination report dated June 15, 2022 of the Statutory Auditor, on our Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus.
15. Copies of the annual reports of our Company for the Financial Years 2022, 2021 and 2020.
16. Consent of our Directors, Selling Shareholder, BRLMs, Syndicate Members, the legal counsel to the Company and the Selling Shareholder, the legal counsel to the Book Running Lead Managers, Registrar to the Offer, Statutory Auditors, the Independent Chartered Accountant, Banker(s) to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to in their specific capacities.
17. Consent letter dated June 16, 2022 issued by our Promoter authorising its participation in the Offer.
18. Due diligence certificate dated June 16, 2022, addressed to SEBI from the Book Running Lead Managers.
19. In – principle approvals dated [●] and [●] issued by BSE and NSE, respectively.
20. Tripartite agreement dated March 22, 2022 between our Company, NSDL and the Registrar to the Company.
21. Tripartite agreement dated March 21, 2022 between our Company, CDSL and the Registrar to the Company.
22. Application dated May 19, 2022 filed with SEBI seeking an exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations, from classifying (i) Advani Hotels and Resorts (India) Limited; and (ii) Halaplay Technologies Private Limited, as members of the Promoter Group and including relevant disclosures, confirmations and undertakings in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in relation to the same.
23. Letter dated June 7, 2022 bearing reference number SEBI/HO/CFD/DIL-2/P/OW/2022/23682/1 issued by SEBI granting the exemption sought by our Company by way of the exemption application dated May 19, 2022.
24. SEBI observation letter bearing reference number [●] and dated [●].

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Jaydev Mody**

Additional Non-Executive and Non-Independent Chairman

**Place:** Mumbai

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Shivanandan Pare**

Executive Director and Chief Executive Officer

**Place:** Gurugram

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Ashish Kapadia**  
Executive Director

**Place:** Mumbai

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR AND THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Hardik Dhebar**

Executive Director and Chief Financial Officer

**Place:** Mumbai

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Tara Subramaniam**

Additional Independent Director

**Place:** Mumbai

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Chetan Desai**

Additional Independent Director

**Place:** Mumbai

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Javed Tapia**

Additional Independent Director

**Place:** London

**Date:** June 16, 2022

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Pankaj Razdan**  
Additional Independent Director

**Place:** Mumbai

**Date:** June 16, 2022

**DECLARATION BY DELTA CORP LIMITED, AS A SELLING SHAREHOLDER**

We, Delta Corp Limited, hereby confirm that all statements and undertakings made by us in this Draft Red Herring Prospectus, solely and specifically in relation to ourselves and the Equity Shares being sold in the Offer for Sale by us, are true and correct. We assume no responsibility for any of the statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF DELTA CORP LIMITED**

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**Name:** Dilip Vaidya

**Designation:** Company secretary and vice president – secretarial

**Date:** June 16, 2022

**Place:** Mumbai