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RED HERRING PROSPECTUS
Dated January 29, 2024
Please read Section 32 of the Companies Act, 2013 **100% Book Built Offer**

RASHI PERIPHERALS LIMITED

CORPORATE IDENTITY NUMBER: U30007MH1989PLC051039

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Ariisto House, 5th Floor, Corner of Telli Galli, Andheri (E), Mumbai 400 069, Maharashtra, India	Hinal Tejas Shah Company Secretary and Compliance Officer	E-mail: investors@rptechindia.com Tel: +91 22 6177 1771/72	www.rptechindia.com

NAME OF PROMOTERS OF OUR COMPANY: KRISHNA KUMAR CHOUDHARY, SURESHKUMAR PANSARI, KAPAL SURESH PANSARI, KESHAV KRISHNA KUMAR CHOUDHARY, CHAMAN PANSARI, KRISHNA KUMAR CHOUDHARY (HUF) AND SURESH M PANSARI HUF

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND RESERVATION
Fresh Issue	Up to [●] Equity Shares aggregating up to ₹ 6,000 million	[●] Equity Shares aggregating up to ₹ 6,000 million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details of share reservation among QIBs, NIBs and RIBs, see "*Offer Structure*" on page 478.

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 ₹ 5 each. The Floor Price, Cap Price and the Offer Price determined by our Company in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "*Basis for Offer Price*" on page 145 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 37.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. For the purposes of this Offer, BSE shall be the Designated Stock Exchange. A signed copy of this 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 this Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 511.

BOOK RUNNING LEAD MANAGERS

Name of Book Running Lead Manager and logo	Contact Person	Telephone and E-mail

JM Financial Limited	Prachee Dhuri	**Tel**.: +91 22 6630 3030 **E-mail:** rplipo.2022@jmfl.com
ICICI Securities Limited	Ashik Joisar/Gaurav Mittal	**Tel:** +91 22 6807 7100 **E-mail:** rptech.ipo@icicisecurities.com

REGISTRAR TO THE OFFER

Name of Registrar	Contact Person	Telephone and E-mail
Link Intime India Private Limited	Shanti Gopalkrishnan	Tel.: +91 810 811 4949 E-mail: rptechindia.ipo@linkintime.co.in

BID/ OFFER PERIOD

ANCHOR INVESTOR BID/OFFER PERIOD	Tuesday, February 6, 2024 *	**BID/OFFER OPENS ON**	Wednesday, February 7, 2024	**BID/OFFER CLOSES ON**	Friday, February 9, 2024 (#)

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

#*UPI mandate end time and date shall be at 5:00 PM on Bid/Offer Closing Date.*

PERIPHERALS LIMITED

RED HERRING PROSPECTUS

Dated January 29, 2024

Please read Section 32 of the Companies Act, 2013 **100% Book Built Offer**

RASHI

Our Company was incorporated as "Rashi Peripherals Private Limited" at Mumbai, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 15, 1989 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Our Company became a deemed public limited company under Section 43A of the Companies Act, 1956 and the word 'private' was deleted with effect from July 1, 1997, and then the Company once again became a private limited company with effect from October 29, 2001. Subsequently, our Company changed its name and was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on July 29, 2022 and consequently, a fresh certificate of incorporation dated August 4, 2022 was issued by the RoC to our Company under its present name, Rashi Peripherals Limited. For details of changes in the name and the registered office address of our Company, see '*History and Certain Corporate Matters*' on page 260.

Corporate Identity Number: U30007MH1989PLC051039
Registered and Corporate Office: Ariisto House, 5th Floor, Corner of Telli Galli, Andheri (E), Mumbai 400 069, Maharashtra, India
Tel: +91 22 6177 1771/72
Contact Person: Hinal Tejas Shah, Company Secretary and Compliance Officer
Website: www.rptechindia.com; **E-mail**: investors@rptechindia.com

PROMOTERS OF OUR COMPANY: KRISHNA KUMAR CHOUDHARY, SURESHKUMAR PANSARI, KAPAL SURESH PANSARI, KESHAV KRISHNA KUMAR CHOUDHARY, CHAMAN PANSARI, KRISHNA KUMAR CHOUDHARY (HUF) AND SURESH M PANSARI HUF

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF RASHI PERIPHERALS LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 6,000 MILLION*(THE "OFFER"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

***OUR COMPANY, IN CONSULTATION WITH THE BRLMs, HAS UNDERTAKEN A PRE-IPO PLACEMENT OF EQUITY SHARES AGGREGATING TO ₹1,500 MILLION. THE SIZE OF THE FRESH ISSUE HAS BEEN REDUCED BY ₹1,500 MILLION PURSUANT TO THE PRE – IPO PLACEMENT. ACCORDINGLY, THE REVISED FRESH ISSUE SIZE IS UP TO ₹6,000 MILLION.**

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

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

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

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(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for 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 less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders, out of which a) one third of such portion shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and (b) two-third of such portion shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received 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 Account (as defined hereinafter) and UPI ID (as defined hereinafter) in the case of UPI Bidders (as defined hereinafter) using the UPI Mechanism (as defined hereinafter), as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) 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 481.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each. The Floor Price, Cap Price and Offer Price as determined by our Company in consultation with the Book Running Lead Managers, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 145 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 37.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated March 14, 2023 and March 15, 2023, respectively. For the purposes of this Offer, BSE shall be the Designated Stock Exchange. A signed copy of this 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 this Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 511.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
JM Financial Limited 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai – 400 025 Maharashtra, India **Tel:** +91 22 6630 3030 **E-mail:** rplipo.2022@jmfl.com **Investor Grievance E-Mail:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**ICICI Securities Limited** ICICI Venture House Appasaheb Marathe Marg Prabhadevi, Mumbai – 400 025 Maharashtra, India **Tel:** +91 22 6807 7100 **E-mail:** rptech.ipo@icicisecurities.com **Investor Grievance E-Mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact person:** Ashik Joisar/Gaurav Mittal **SEBI Registration No.:** INM000011179	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai 400 083 Maharashtra, India **Tel:** +91 810 811 4949 **E-mail:** rptechindia.ipo@linkintime.co.in **Investor Grievance E-mail:** rptechindia.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Ms. Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/ OFFER PERIOD

BID/ OFFER OPENS ON: *	**Wednesday, February 7, 2024**
BID/ OFFER CLOSES ON: #	**Friday, February 9, 2024**

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

UPI mandate end time and date shall be at 5:00 PM on Bid/Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms used in the sections titled "Industry Overview", "Statement of Possible Special Tax Benefits", "Restated Consolidated Financial Information", "Basis for Offer Price", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provision of the Articles of Association" on pages 168, 161, 309, 145, 443, 481 and 501, respectively, shall have the meaning ascribed to such terms in the relevant sections.

General Terms

Term	Description

"the Company", "Our Company", or "the Issuer"	Rashi Peripherals Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered and corporate office at Ariisto House, 5th Floor, Corner of Telli Galli, Andheri (E), Mumbai 400 069, Maharashtra, India.
"We", "Our" or "Us"	Unless the context otherwise indicates or implies, our Company together with its Subsidiaries as applicable, as at and during the relevant period / Fiscal/ Financial Year.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 276.
"Board" or "Board of Directors"	The board of directors of our Company.
Chairman	Chairman of the Board, as described in "*Our Management*" on page 268.
Chief Financial Officer/CFO	Chief financial officer of our Company, as described in "*Our Management*" on page 290.
"Company Secretary" and "Compliance Officer"	Company secretary and compliance officer of our Company, as described in "*Our Management*" on page 290.
Director(s)	The director(s) on our Board.
ESOP Scheme	The employee stock option scheme of our Company, namely the Rashi Peripherals Employee Stock Option Scheme, 2022 described in "*Capital Structure*" on page 125.
Equity Shares	The equity shares of our Company of face value of ₹ 5 each.
Group Companies	The group companies of our Company in terms of the SEBI ICDR Regulations and described in "*Our Group Companies*" on page 305.
Independent Director(s)	Independent director(s) on our Board.
IPO Committee	The committee constituted by our Board for the Offer, as described in "*Our Management*" on page 285.
Joint Statutory Auditors	The current joint statutory auditors of our Company, namely, Deloitte Haskins & Sells LLP, Chartered Accountants and Pipara & Co LLP, Chartered Accountants.
Key Managerial Personnel/KMP	Key managerial personnel of our Company in terms of the SEBI ICDR Regulations and as disclosed in "*Our Management – Key Managerial Personnel*" on page 290.
Managing Director	Managing Director of our Company, as described in "*Our Management*" on page 270.

Term	Description
Materiality Policy	Policy for identification of Group Companies, material outstanding civil litigations proceedings of our Company, our Subsidiaries, our Promoters and our Directors and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated December 21, 2022.
"Memorandum" or Memorandum of Association or "MoA"	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board, as described in "*Our Management*" on page 280.

Promoters	Krishna Kumar Choudhary, Sureshkumar Pansari, Kapal Suresh Pansari, Keshav Krishna Kumar Choudhary, Chaman Pansari, Krishna Kumar Choudhary (HUF), and Suresh M Pansari HUF.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 293.
"Registered Office" or "Registered and Corporate" Office	The registered and corporate office of our Company is located at Ariisto House, 5th Floor, Corner of Telli Galli, Andheri (E), Mumbai 400 069, Maharashtra, India.
"Registrar of Companies" or "RoC"	The Registrar of Companies, Maharashtra, at Mumbai.
"Restated Consolidated Financial Information"	The restated consolidated financial information of our Company and its subsidiaries, comprising the restated consolidated Statements of Assets and Liabilities as at, September 30, 2023 and 2022 and March 31, 2023, 2022 and 2021 and the restated consolidated Statements of Profit and Loss (including other comprehensive income), the restated consolidated Statements of Cash Flows, the restated consolidated Statements of Changes in Equity for the six month period ended September 30, 2023 and September 30, 2022 and the years ended March 31, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.
Risk Management Committee	The risk management committee of our Company, described in "*Our Management*" on page 283.
Shareholders	The holders of the Equity Shares from time to time.
Senior Management Personnel/ SMP	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as described in "*Our Management – Senior Management Personnel*" on page 290.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 281.
Subsidiaries	The subsidiaries of our Company, namely ZNet Technologies Private Limited and Rashi Peripherals Pte. Ltd.
Technopak	Technopak Advisors Private Limited.
Technopak Report	The industry report titled "Industry Report on ICT Distribution in India" dated January 19, 2024, which is exclusively prepared for the purpose of the Offer and issued by Technopak and is commissioned and paid for by our Company. Technopak was appointed by our Company by way of a resolution passed by our Board dated September 23, 2022. This report will be available on the website of our Company at https://rptechindia.com/page/investor until the Bid / Offer Closing Date.
Whole-time Director(s)	Whole-time director(s) of our Company, as described in "*Our Management*" on page 266.
Vice-Chairman	Vice-Chairman of our Company, as described in "*Our Management*" on page 271.
ZNet	ZNet Technologies Private Limited.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form.
'Allot' or 'Allotment' or 'Allotted'	Allotment of Equity Shares pursuant to the Offer to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have Bid in the Offer after

Term	Description
	the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and this Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of this 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 in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
'ASBA' or 'Application Supported by Blocked Amount'	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB in which the Bid Amount may be blocked by such SCSB or the account of the UPI Bidder in which the Bid Amount may be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 481.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of this Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.

Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
'Bidder' or 'Applicant'	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*,

Term	Description
	Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national daily newspaper Financial Express, and all editions of the Hindi national daily newspaper Jansatta, and the Mumbai edition of Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper Financial Express, and all editions of the Hindi national daily newspaper Jansatta, and the Mumbai edition of Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereto in accordance with the SEBI ICDR Regulations and in accordance with the terms of this 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. The Bid/Offer Period will comprise Working Days only.
Book Building Process	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
'Book Running Lead Managers' or 'BRLMs'	The book running lead managers to the Offer, being JM Financial, and ICICI Securities.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
'CAN' or 'Confirmation of Allocation Note'	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.

Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, and which shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement dated January 24, 2024 entered amongst our Company, the Registrar to the Offer, the BRLMs, the Syndicate Member, the Escrow Collection Bank, the Public Offer Account Bank, the Sponsor Banks, and the Refund Bank for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
'CDP' or 'Collecting Depository Participant'	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer	Compliance officer for the Offer in terms of the SEBI ICDR Regulations.
Cut-Off Price	The Offer Price, which shall be any price within the Price Band, finalised by our Company in consultation with the BRLMs.

Term	Description
	Only Retail Individual Bidders 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.
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Accounts, and instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank(s) for the transfer of the funds blocked by the SCSBs in the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of this Red Herring Prospectus following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders in the Offer. (i) In relation to ASBA Forms submitted by RIBs in the Retail Portion by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean the SCSBs; (ii) 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 using the UPI Mechanism, Designated Intermediaries shall mean the Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs; (iii) in relation to ASBA Forms submitted by QIBs, and Non-Institutional Bidders (who are not UPI Bidders), Designated Intermediaries shall mean the Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.

Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmI d=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated January 18, 2023 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to subscribe to, or purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being HDFC Bank Limited.
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.

Term	**Description**
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI and the UPI Circulars. The General Information Document shall be made available on the websites of the Stock Exchanges and the BRLMs
ICICI Securities	ICICI Securities Limited.
JM Financial	JM Financial Limited.
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement dated January 25, 2024 entered into between our Company and the Monitoring Agency
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Offer less the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors.

NBFC-SI or Systemically Important Non- Banking Financial Company	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Non-Institutional Bidders or NIBs	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 0.20 million.
Non-Institutional Portion	The portion of this Offer being not more than 15% of the Offer, being [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price, subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with an application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non Institutional Bidders.
'Non-Resident' or 'NR'	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer or Fresh Issue	The initial public offering of the Equity Shares by way of a fresh issue of up to [●] Equity Shares of our Company aggregating up to ₹ 6,000 million*. **Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹1,500 million. The size of the Fresh Issue has been reduced by ₹1,500.00 million pursuant to the Pre – IPO Placement. Accordingly, the revised Fresh Issue size is up to ₹6,000.00 million.*
Offer Agreement	The agreement dated January 18, 2023, as amended pursuant to the amendment agreement dated January 19, 2024, among our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLMs in terms of this Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company in consultation with the BRLMs on

Term	Description
	the Pricing Date, in accordance with the Book-Building Process and in terms of this Red Herring Prospectus and the Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company.
Pre-IPO Placement	Pre-IPO placement of Equity Shares through a private placement undertaken by the Company of 4,823,151 Equity Shares at a price of ₹ 311 per Equity Share, aggregating to approximately ₹1,500 million as approved by the Board in its meeting dated January 15, 2024 and by the Shareholders in their meeting dated January 15, 2024. For further details in relation to the Pre-IPO Placement, see "*Capital Structure*" and "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" beginning on pages 109 and 263, respectively.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLMs will be advertised in all editions of the English national daily newspaper Financial Express, and all editions of the Hindi national daily newspaper Jansatta, and the Mumbai edition of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra wherein our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the

	purpose of uploading on their respective websites.
Pricing Date	The date on which our Company in consultation with the BRLMs, finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened, in this case being Axis Bank Limited.
'QIBs' or 'Qualified Institutional Buyers'	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares which shall be allocated to QIBs, including the Anchor Investors (which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs 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).
'Red Herring Prospectus' or 'RHP'	This Red Herring Prospectus dated January 29, 2024 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered including any addenda or corrigenda hereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account will be opened, in this case being IndusInd Bank Limited.
Registrar Agreement	The agreement dated September 30, 2022, as amended pursuant to the amendment agreement dated January 20, 2024, entered into between our Company and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
'Registrar to the Offer' or 'Registrar'	Link Intime India Private Limited.

Term	Description
'RTAs' or 'Registrar and Share Transfer Agents'	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Resident Indian	A person resident in India, as defined under FEMA.
'Retail Individual Bidder(s)' or 'Retail Individual Investor(s)' or 'RII(s)' or 'RIB(s)'	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).

Retail Portion	The portion of the Offer being not less than 35% of the 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 Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
'Self-certified Syndicate Bank(s)' or 'SCSB(s)'	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https:/www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intm Id=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intm Id=35, as applicable and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intm Id=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Specified Securities	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
Sponsor Banks	Banks registered with SEBI which are appointed by the issuer 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, the Sponsor Banks in this case being HDFC Bank Limited and Axis Bank Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Member, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated January 25, 2024 between our Company, the BRLMs, the Syndicate Member and the Registrar to the Offer in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Member	Syndicate member as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, JM Financial Services Limited.
'Syndicate' or 'Members of the Syndicate'	The BRLMs and the Syndicate Member.
'Underwriters'	The BRLMs and the Syndicate Member.
Underwriting Agreement	The agreement to be entered into between the Underwriters and our Company on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI Bidders	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5,

Term	Description
	2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	Collectively, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payments Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or a Fraudulent Borrower	Wilful defaulter or a Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) the announcement of Price Band; and (b) the Bid/ Offer Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression ‘Working Day’ shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI, including the UPI Circulars.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
3PL	Third party logistics provider
AMC	Annual maintenance cost
B2B	Business to business
Channel Partner	Collectively, Hybrid Resellers who sell to online market places and retail channels, RDs, stockist partners or sub-distributors, retailers, brand stores, SIs, OEMs and corporate resellers who sell to corporate customers
CPU	Central processing unit

CSP	Cloud service provider
DaaS	Device as a service
EBO	Exclusive Brand Outlet
EMC	Electronics Manufacturing Clusters

Term	Description
EPR	Extended Producer Responsibility
ERP	Enterprise resource planning
ESDM	Electronics System Design and Manufacturing
GPU	Graphics Processing Units
ICT	Information and Communications Technology
IoT	Internet of things
IT	Information technology
LFR	Large format retail
LIT	Lifestyle and IT essentials
MeitY	Ministry of Electronics and Information Technology
MFR	Multi-format retail
MW	Megawatt
NMZ	National Manufacturing Zones
NPE	National Policy on Electronics
OEM	Original equipment manufacturer
PC	Personal computer
PES	Personal Computing, Enterprise and Cloud Solutions
PLI	Production-linked incentive schemes
RD	Regional distributor
ROCE	Return on Capital Employed
ROE	Return on Equity
SFR	Small format retail
SKU	Stock keeping unit
SI	System integrator
UPS	Uninterruptible Power Supply
ZB	Zettabytes

Conventional and General Terms or Abbreviations

Term	Description
‘Mn’ or ‘mn’	Million.

AGM	Annual General Meeting.
AIF	An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	BSE Limited.
Category I FPI	FPIs registered as "Category I foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
CDSL	Central Depository Services (India) Limited.
CEO	Chief executive officer
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended.
Contract Labour Act	The Contract Labour (Regulation and Abolition) Act, 1970.
Control	Control as defined under the Takeover Regulations, and the term "**Controlled**" shall be construed accordingly
CPC	Code of Civil Procedure, 1908
CSR	Corporate Social Responsibility.
Debt to Equity Ratio	Debt equity ratio is calculated as total borrowings divided by total equity.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number.
DP ID	Depository Participant's Identity Number.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
EBITDA	EBITDA is calculated as Restated Profit before tax (Before Exceptional items) plus

Term	Description
	finance costs and depreciation and amortization expenses.
EBITDA Margin	EBITDA Margin is the percentage of EBITDA divided by revenue from operations.
EBITDA Growth Rate	EBITDA Growth Rate (%) is calculated as a percentage of EBITDA of the relevant period minus EBITDA of the preceding period, divided by EBITDA of the preceding period.
EGM	Extraordinary General Meeting.
Employees Provident Fund Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
EPS	Earnings Per Share.

FAQs	Frequently asked questions.
FCNR	Foreign currency non-resident account.
FDI	Foreign Direct Investment.
FDI Circular	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
'Financial Year' or 'Fiscal' or 'Fiscal Year' or 'FY'	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
GDP	Gross domestic product.
GoI or Government or Central Government	The Government of India.
Growth in Revenue from Operations	Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
GST	Goods and services tax.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Income Tax Act	Income-tax Act, 1961, read with the rules framed thereunder.
Income Tax Rules	Income-tax Rules, 1962.
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
Inventory Days	Inventory days have been calculated as average inventory divided by cost of goods sold multiplied by 182 (to annualize) for the six-month period ended September 30, 2023 and 2022 and 365 for the complete fiscal years.
IPO	Initial public offering.
IST	Indian Standard Time.
JPC	Joint parliamentary committee
MBA	Master's degree in business administration.
MCA	Ministry of Corporate Affairs, Government of India.
N.A.	Not applicable.
NAV	Net asset value.

Net Debt to EBITDA Ratio	Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External account.
NRI	A non-resident Indian, as defined under FEMA.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
'OCB' or 'Overseas Corporate	A company, partnership, society or other corporate body owned directly or indirectly

Term	Description
Body'	to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number.
PAT	Profit after tax.
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
Restated Profit after Tax	Restated Profit after Tax means the Restated Profit after Tax as appearing in the Restated Consolidated Financial Information.
Restated Profit after Tax Margin	Restated Profit after Tax Margin (%) is calculated as Restated Profit after tax for the year/period as a percentage of Revenue from Operations.
Restated Profit after Tax - Growth Rate	Restated Profit after Tax - Growth Rate (%) is calculated as a percentage of Restated Profit after Tax of the relevant period minus Restated Profit after Tax of the preceding period, divided by Restated Profit after Tax of the preceding period.
Return on Capital Employed	Return on Capital Employed (%) is calculated as earnings before interest and taxes (EBIT) divided by Capital Employed. Capital Employed is Tangible Net Worth (excluding Intangible Assets) plus total borrowings plus deferred tax liability. Tangible Net worth is calculated as equity attributable to owners of the company reduced by revaluation surplus, intangible assets and goodwill.
'Return on Equity' of 'RoE'	RoE (%) refers to Restated profit for the year/period attributable to owners of the company divided by Average Equity for the year/period. Average Equity is calculated as average of the total equity attributable to the owners of the Company at the beginning and ending of the year/period.
Revenue from Operations	Revenue from Operations as appearing in the Restated Consolidated Financial Information.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992.

SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI SBEB and Sweat Equity Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
State Government	The government of a state in India.
Stock Exchanges	Together, the BSE and NSE.
STT	Securities transaction tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
Trade Payable Days	Trade Payables days have been calculated as average of current Trade Payables divided by purchases multiplied by 182 (to annualize) for the six-month period ended September 30, 2023 and 2022 and 365 for the complete fiscal years.
Trade Receivable Days	Trade Receivables days have been calculated as average of current Trade Receivables

Term	**Description**
	divided by revenue from operations multiplied by 182 (to annualize) for the six-month period ended September 30, 2023 and 2022 and 365 for the complete fiscal years.
U.S./United States	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
U.S. GAAP	Generally accepted accounting principles of the United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI AIF Regulations.
Working Capital Days	Working Capital Days refers to trade receivables days plus inventory days minus trade payables days.
Year/ Calendar Year	The 12-month period ending December 31.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND

Certain Conventions

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

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

Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal or a Fiscal Year are to the year ended on March 31, of that calendar year.

Page Numbers

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

Currency and Units of Presentation

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

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

Exchange Rates

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

(*in ₹*)

Currency	**Exchange rate as on**				
	September 30, 2023	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
1 US$	83.06	81.55	82.22	75.81	73.50
1 SGD	60.83	56.72	61.75	56.06	54.43

Source: Foreign exchange reference rates as available on www.fbil.org.in*,* www.x-rates.com .
Note: Exchange rate is rounded off to two decimal points.

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

Time

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

Financial and Other Data

Unless otherwise stated or the context requires otherwise, the financial information and financial ratios in this Red Herring Prospectus are derived from our Restated Consolidated Financial Information. For further information, see *"Financial Information"* on page 309.

The restated consolidated financial information of our Company and its subsidiaries, comprising the restated consolidated Statements of Assets and Liabilities as at September 30, 2023, September 30, 2022 and March 31, 2023, 2022, and 2021 and the restated consolidated Statements of Profit and Loss (including other comprehensive income), the restated consolidated Statements of Cash Flows, the restated consolidated Statements of Changes in Equity for the six months ended September 30, 2023 and September 30, 2022 and the years ended March 31, 2023, 2022, and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "**Restated Consolidated Financial Information**") restated in accordance with the requirements of Section 26 of Part I of Chapter III of Companies Act 2013, as amended, the SEBI ICDR Regulations, as amended and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the Institute of Chartered Accountants of India, as amended. The Restated Consolidated Financial Information are compiled from our audited consolidated Ind AS financial statements as at and for the six month period ended September 30, 2023 and September 30, 2022 and the year ended March 31, 2023 and March 31, 2022 (along with comparative consolidated Ind AS financial statements as at and for the year ended March 31, 2021), and audited special purpose consolidated Ind AS financial statements as at and for the year ended March 31, 2021 prepared in accordance with Ind AS.

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

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**," "**Fiscal Year**" or "**FY**") are to the 12 month period ended March 31 of that particular year, unless otherwise specified. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial information.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*," "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 37, 224 and 400, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

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

This Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA margin, debt equity ratio, return on equity, return on capital employed, PAT margin, return on net worth, restated net asset value per Equity Share, inventory level days, among others, relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS (together, "**Non-GAAP Measures**"). These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance.

These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS, Indian GAAP, IFRS or U.S. GAAP and may not be comparable to similarly titled measures presented by other companies. See also "*Risk Factors – We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian information technology distribution industry, and therefore may* *not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 75.

Industry and Market Data

The industry and market data set forth in this Red Herring Prospectus have been obtained or derived from a report titled "*Industry Report on ICT Distribution in India*" dated January 19, 2024, which is exclusively prepared for the purpose of the Offer and issued by Technopak and is commissioned and paid for by our Company. Technopak was appointed by our Company by way of a resolution passed by our Board dated September 23, 2022. This report will be available on the website of our Company at https://rptechindia.com/page/investor until the Bid / Offer Closing Date. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

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

The extent to which industry and market data set forth in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 37.

Technopak has, through its letter dated January 19, 2024 ("**Letter**") accorded its consent to use the Technopak Report in this Red Herring Prospectus. Technopak has also confirmed in the Letter that it does not have any direct/indirect interest in or relationship with our Company, our Directors, our Promoters, or members of the Promoter Group.

In accordance with the SEBI ICDR Regulations, the section "*Basis for Offer Price*" on page 145 includes information relating to our peer group. Such information has been derived from publicly available sources.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" (as defined under Regulation S) in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA This Red Herring

Prospectus has been prepared on the basis that all offers of Equity Shares in Member States of

the European Economic Area ("**EEA**") (each a "**Member State**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and Council EC (and amendments thereto). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Red Herring Prospectus should only do so in circumstances in which no obligation arises for the Company or any of the Book Running Lead Managers to produce a prospectus for such offer. None of the Company or the Book Running Lead Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Book Running Lead Managers which constitute the final placement of Equity Shares contemplated in this Red Herring Prospectus.

Information To Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated

Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**") and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Equity Shares, the subject of the Offer, have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

In the United Kingdom, this document is being distributed only to, and is directed only at, persons: (A) (i) who have professional experience in matters relating to investments and who are investment professionals falling within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "**FSMA Order**"), (ii) falling within Article 49(2)(a) to (d) of the FSMA Order, and (iii) to whom it may otherwise lawfully be communicated; and (B) who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (all such persons together being referred to as "**relevant persons**"). This document must not be acted on or relied on in the United Kingdom, by persons who are not relevant persons. Any investment or investment activity to which the document relates is available only to, in the United Kingdom, relevant persons. The communication of this Red Herring Prospectus to any person who is not a relevant person is unauthorized and may contravene the Financial Services and Markets Act 2000, as amended.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**") and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability,

whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Equity Shares the subject of the Offer have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**UK Target Market Assessment**"). Notwithstanding the UK Target Market Assessment, "distributors" (for the purposes of the UK Product Governance Requirements) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

FORWARD-LOOKING STATEMENTS

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

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

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

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

- our dependency on various vendors, who are global technology brands, for the products we distribute and any delay or failure on part of such global technology brands to supply products;
- our dependency on global technology brands effectively maintaining, promoting or developing their brands and maintaining standard quality products including launching new information and communications technology products at regular intervals;
- our potential inability to maintain our relationships with our Channel Partners or customers or if any of these parties change the terms of their arrangements with us;
- our reliance on our relationships with certain online marketplaces and disruptions to such relationships or changes in their business practices;
- potential product liability claims;
- restrictive covenants in our contracts or distribution agreements, including right of the other party to terminate without cause;
- increasing competition in the information and communications technology products distribution industry;
- our potential inability to maintain or enhance the popularity of our brand among other brands; • our significant credit exposure to our Channel Partners and other customers, and negative trends in their business; and
- our low gross margins.

For a discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*," "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 37, 224 and 400, respectively. By their nature, certain market risk disclosures are estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect our views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn

are based on the currently available information. Although we believe that the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments from the date of filing of this Red Herring Prospectus until the date of Allotment.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures and terms of the Offer included in this Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this 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 Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Restated Consolidated Financial Information","Outstanding Litigation and Material Developments", and "Offer Procedure" on pages 37, 86, 106, 130, 168, 224, 309, 443 and 481, respectively.

Summary of our primary business	We are among the leading technology integrated national distribution partners for global technology brands in India for information and communications technology products in terms of revenues and distribution network in Fiscal 2023. We are also one of the fastest growing national distribution partners for global technology brands in India in terms of revenue growth between Fiscal 2021 and Fiscal 2023. *(Source: Technopak Report)* We offer end-to-end services such as pre-sale activities, solutions design, technical support, marketing services, credit solutions and warranty management services.

Summary of the Industry in which we operate	Globally, the electronics and information and communications technology products market is expected to grow at a CAGR of 14% between 2020 and 2025 and is projected to cross USD 350 billion in sales by 2025. Information technology spending in India is projected to reach a value of approximately USD 136 billion by 2025 growing at a CAGR of 10%. Non-metro cities and other rural geographies are becoming centre of consumptions for information technology products like personal computers, smartphones, internet devices, networking devices and hence there is requirement for information and communications technology distributors and resellers having pan India presence. *(Source: Technopak Report)*
Our Promoters	Krishna Kumar Choudhary, Sureshkumar Pansari, Kapal Suresh Pansari, Keshav Krishna Kumar Choudhary, Chaman Pansari, Krishna Kumar Choudhary (HUF), and Suresh M Pansari HUF
Offer size	Offer Fresh Issue of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ 6,000 million *Notes:* *(1) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on September 23, 2022 and by our Shareholders pursuant to their resolution dated September 23, 2022.* *(2) Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹1,500 million. The size of the Fresh Issue has been reduced by ₹1,500.00 million pursuant to the Pre – IPO Placement. Accordingly, the revised Fresh Issue size is up to ₹6,000.00 million.* The Offer shall constitute [●] % of the post-Offer paid-up equity share capital of our Company. For further details, see "*The Offer*" on page 86.
Objects of the Offer	The objects for which the Net Proceeds from the Offer shall be utilized are as follows: **Particulars Amount (₹ in million)**(1) Prepayment or scheduled re-payment of all or a portion of certain outstanding borrowings availed by our Company 3,260 Funding working capital requirements of our Company 2,200 General corporate purposes(2) [●] **Total** (1) [●] *(1) Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹1,500 million. The size of the Fresh Issue has been reduced by ₹1,500.00 million pursuant to the Pre – IPO Placement. Accordingly, the revised Fresh Issue size is up to ₹6,000.00 million.* *(2) To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.* For further details, see "*Objects of the Offer*" on page 130.

Aggregate pre-Offer shareholding of our Promoters, and the Promoter Group	The aggregate pre-Offer shareholding of our Promoters and Promoter Group as a percentage of the pre-Offer paid-up share capital of the Company is set out below: **Name of the Shareholder** / **Number of Equity Shares** / **Percentage of the pre-Offer Equity Share capital (%)** **Promoter** Krishna Kumar Choudhary 1,296,750 2.78% Sureshkumar Pansari 5,223,750 11.21% Kapal Suresh Pansari 3,087,000 6.62% Keshav Krishna Kumar Choudhary 7,392,000 15.86% Chaman Pansari 2,394,000 5.14% Krishna Kumar Choudhary (Karta of Krishna Kumar Choudhary (HUF)) 5,772,753 12.39% Sureshkumar Pansari (Karta of Suresh M Pansari HUF) 1,652,532 3.55% **Promoter Group** Manju Suresh Pansari 5,887,329 12.63% Meena Choudhary 6,430,242 13.80% Priyanka Kapal Pansari 67,200 0.14% Gazal Pansari 2,579,934 5.53% **Total** **41,783,490** **89.65%**

Summary of selected financial information

The following information has been derived from the Restated Consolidated Financial Information:

(₹ in million, except per share data)

Particulars	As at and for the six months ended		As at and for the year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
(A) Equity share capital	208.92	208.92	208.92	208.92	9.95
(B) Total equity*	7,660.17	6,470.89	6,982.68	5,783.29	3,970.02
(C) Revenue from operations	54,685.10	50,239.36	94,542.79	93,134.38	59,250.48
(D) Restated profit after tax	720.18	673.75	1,233.43	1,825.11	1,363.50
(E) Restated earnings per equity share (Basic, in ₹)**	18.24	16.90	29.50	43.57	31.20
(F) Restated earnings per equity share (Diluted, in ₹)***	18.24	16.90	29.50	43.57	31.20
(G) Net Asset Value per Equity Share (₹)****	184.94	155.03	167.56	137.63	94.34
(H) Total borrowings (as per balance sheet)*****	13,952.04	10,012.71	10,657.57	8,817.39	4,889.93
(I) Net Worth(1)	7,727.39	6,477.92	7,001.19	5,750.73	3,941.89

Notes:

** Total equity = Equity share capital + Other equity + Non-controlling interest.*

*** Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit or loss for the year/period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period.*

**** Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit or loss for the year/period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year/period.*

***** Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information/ weighted average number of Equity Shares outstanding as at the end of the respective year/period.*

****** Total Borrowings include Non-current Liabilities - Borrowings and Current Liabilities – Borrowings as per the Restated Consolidated Financial Information.*

(1)Net worth: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on September 30, 2023 and 2022 and as on March 31, 2023, 2022 and 2021 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. Therefore, net worth for the company includes Paid-up Share Capital, Retained Earnings, Securities Premium, General Reserves, Other Comprehensive Income, Capital Redemption Reserve and excludes Revaluation surplus.

For further details, see "*Restated Consolidated Financial Information*" on page 309.

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

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

Summary of outstanding litigation	A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as of the date of this Red Herring Prospectus in terms of the SEBI ICDR Regulations and the materiality policy adopted by our Board pursuant to a resolution dated December 21, 2022, is provided below:

Name of Entity	**Criminal Proceedings**	**Tax Proceedings**	**Statutory or Regulatory Proceedings**	**Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years**	**Material civil litigations**	**Aggregate amount involved* (₹ million)**
Company						
By the Company	95	NIL	NIL	NIL	3	505.62 (2)
Against the Company	1	85**	6***	NIL	2	4,121.89 (3)
Directors						
By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	2#	NIL	2	NIL	1.33(4)
Promoters						
By the Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against the Promoters	NIL	3#	NIL	3	NIL	1.36(5)
Subsidiaries						
By the Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
Against the Subsidiaries(1)	1	NIL	NIL	NIL	1	Not quantifiable

** To the extent quantifiable.*

*** Tax matters involving our Company. Our Company has received eight notices intimating certain discrepancies in the returns filed and seeking certain clarifications in this regard. As the financial impact of notices intimating discrepancies are not ascertainable, these eight notices have not been included here.*

**** While not a statutory or a regulatory proceeding, our Company has also received three notices from Competition Commission of India, one from Deputy Commissioner of Police, Crime Branch, Surat and one each from Commissioner of Police, West Bengal and Inspector of Police, Chandannagar Police Commissionerate, West Bengal in the past with request for information. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments – Regulatory notices received by our Company" on page 447.*

#Two of the directors have received notices from the Directorate of Commercial Taxes, West Bengal, regarding their

obligation to enroll under the West Bengal State Tax on Professions, Trades, Callings, and Employments Act, 1979. As no amount has been claimed by the authorities in the notice, and the financial impact of these notices is not ascertainable, these two notices have not been included here.

[1] Our Subsidiary is also a party to a trademark infringement related matter which is not quantifiable at this stage. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments – Other Material Pending Litigation against our Subsidiaries" on page 450.

[2] Inclusive of an aggregate of ₹290.95 million involved in the 91 cases filed by our Company under Negotiable Instruments Act, 1881. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments – 'Criminal Proceedings initiated by our Company' on page 445.

[3] Inclusive of an aggregate of ₹ 4,087.28 million involved in the 85 tax matters to which our Company is a party. [4] 1.33 million involved in the 2 tax litigations to which our Directors are a party and excludes settlement fees paid for the disciplinary actions initiated by SEBI.

[5] ₹1.36 million includes the number of cases and amount involved for cases against Promoters, who are also the Directors of the Company and excludes settlement fees paid for the disciplinary actions initiated by SEBI.

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

Risk Factors

Specific attention of investors is invited to the section titled "*Risk Factors*" on page 37. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities and commitments as at September 30, 2023, as indicated in our Restated Consolidated Financial Information:

(₹ in million)

Contingent liabilities (to the extent not provided for)

Particulars As at September 30, 2023

Bank guarantees **1,595.63** Letters of Credit 1,490.02 Bills pending for collection* 0.00 Claims not acknowledged as debts 16.57 Disputed Tax demands -Direct Tax 11.09 -Indirect Tax 2,814.33 **Total of Contingent Liabilities** 5,927.64 *Notes:*

1. No Provision have been made for disputed claims against the Group not acknowledged as debts, as the management is hopeful of successfully contesting the same in appeal.

2. Future cash outflows In respect of the above matters are determinable only on receipt of Judgements/decisions pending at various forums/authorities. The parent company does not expect the outcome of the matters stated above to have material adverse impact on the parent company's financial condition, results of operation or cash flows. The parent company doesn't envisage any likely reimbursement in respect of the above.

**Rs. 0.00 Millions denotes amount less than Rs.10,000.*

For details of contingent liabilities, see "*Restated Consolidated Financial Information - Contingent Liabilities*" on Note 37 on page 372**.**

Summary of related party transactions

Details of related party transactions entered into by our Company for the six months ended September 30, 2023 and September 30, 2022 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, and derived from the Restated Consolidated Financial Information are as set out in the table below:

Details of related party transactions

(₹ in million)

Nature of Transactions September

September

March 31,

March 31,

March 31,

30, 2023

30, 2022

2023

2022

2021

Sales

PV Lumens LLP 0.24 0.48 2.08 5.00 5.96 Elmack Engg Services Private Limited 0.36 0.12 0.18 0.11 - Elmack Engg Services 0.08 0.42 0.73 0.11 0.40 Sanwaria Texpro Private Limited 310.47 74.39 496.32 - - Unique Compusoft Private Limited 82.97 60.85 129.53 64.88 46.90 Navin Agarwal - 0.04 0.04 - - Himanshu Kumar Shah - 0.01 0.01 - - Shivam Navin Agarwal* - 0.00 0.00 - - Shri Ashok Singhal Memorial Trust - - 0.18 - - Rajesh Goenka* - - 0.00 - - Ramgarh Parishad - - 0.03 - - Vidya Vinay Sabha

- - 0.02 0.07 0.33

Membership fee expenses					
Technology Distribution Association of India	0.01	0.01	0.01	0.01	0.01
Purchases/Services					
PV Lumens LLP	2.03	0.11	9.32	0.24	0.57
Unique Compusoft Private Limited*	-	0.00	0.00	-	-
Uni Products India	-	1.65	5.85	1.75	0.76
Sanwaria Texpro Private Limited	8.17	-	6.27	-	-
Reversal of Expenses/ Services Availed					
PV Lumens LLP	0.30	-	-	-	-
Commission Expenses					
Elmack Engg Services	-	-	0.79	-	-
Corporate Social Responsibility Expenses					
Shri Ashok Singhal Memorial Trust	1.50	0.50	1.50	6.20	-
Ramgarh Parishad	-	-	5.00	0.70	-
Shri Radhakishan Mahaveerprasad Pansari Charitable Trust	3.50	1.00	1.00	1.50	0.50
Vidya Vinay Sabha	2.00	-	-	6.50	10.50
Rotary Royales Foundation	-	0.10	0.10	0.25	0.05
Om Foundation	0.33	-	0.26	-	0.10
RVG Educational Foundation	-	-	12.50	-	0.11
Shri Krishna Gaushala, Ramgarh	0.15	0.10	0.35	-	-
Sangam Foundation	0.63	-	-	-	-
Salaries, Wages & Bonus to KMP^^					
Krishna Kumar Choudhary	7.12	7.12	14.25	10.02	10.32
Sureshkumar Pansari	39.00	39.00	78.00	51.75	34.25
Kapal Pansari	24.94	26.93	52.75	33.33	28.06
Munesh Singh Jadon	2.10	2.10	4.20	6.00	3.50
Sabrinathan Sampath	1.50	1.50	3.00	2.40	2.40
Keshav Choudhary	3.13	3.36	6.73	2.63	2.70

		Himanshu Kumar Shah	4.52	4.63	9.27	7.75	6.43
		Navin Agarwal	2.16	0.59	2.85	-	-
		Rajesh Goenka	26.40	26.79	55.91	-	-
		Richa Kedia	-	0.05	0.05	-	-
		Hinal Shah	0.76	0.52	1.13	-	-
		Salaries, Wages & Bonus to Relatives of KMP					
		Chaman Pansari	10.87	11.12	22.23	14.66	10.29
		Manju Pansari	-	1.10	1.10	2.64	1.88
		Meena Choudhary	-	1.02	1.02	1.75	1.75
		Gazal Pansari	-	1.38	1.38	3.31	2.72
		Priyanka Pansari	-	1.74	1.74	4.18	1.64
		Richa Vohra	-	1.00	1.00	1.22	1.22
		Rashi Choudhary	-	1.20	1.20	1.65	1.65
		Rishabh Goenka	5.51	0.55	4.62	-	-
		Shivam Navin Agarwal	0.30	0.08	0.36	-	-
		Employer's Contribution to Provident Fund and other funds					

		Krishna Kumar Choudhary	0.38	0.38	0.75	0.75	0.75
		Sureshkumar Pansari	0.38	0.38	0.75	0.75	0.75
		Kapal Pansari	0.38	0.38	0.75	0.75	2.09
		Chaman Pansari	0.38	0.38	0.75	0.75	1.04
		Manju Pansari	-	0.08	0.08	0.18	0.18
		Meena Choudhary	-	0.36	0.36	0.33	0.33
		Gazal Pansari	-	0.12	0.12	0.29	0.29
		Priyanka Pansari	-	0.13	0.13	0.32	0.11
		Keshav Choudhary	0.38	0.38	0.75	0.53	0.53
		Richa Vohra	-	0.36	0.36	0.27	0.27
		Rashi Choudhary	-	0.38	0.38	0.36	0.36
		Himanshu Kumar Shah	0.17	0.14	0.53	0.53	0.27
		Navin Agarwal	0.14	0.24	0.37	-	-
		Rajesh Goenka	0.35	0.06	0.46	-	-
		Hinal Shah	0.01	0.01	0.02	-	-
		Shivam Navin Agarwal*	0.02	0.00	0.02	-	-

		Interest Expenses					
		Krishna Kumar Choudhary	6.84	4.04	8.58	4.70	2.14
		Kapal Pansari	1.23	1.05	2.18	1.35	0.30
		Sureshkumar Pansari	7.54	7.00	11.88	16.74	0.72
		Meena Choudhary	-	1.82	3.04	3.40	2.83
		Chaman Pansari	-	2.13	2.14	4.00	0.16
		Manju Pansari	-	0.09	0.09	0.80	-
		Krishna Kumar Choudhary HUF	-	-	-	-	1.63
		Keshav Choudhary	2.05	1.43	2.96	2.90	0.87
		Rashi Choudhary	-	0.53	0.53	1.26	0.04
		Richa Vohra	-	0.61	0.95	1.18	0.40
		Radheyshyam Choudhary	-	0.62	0.62	1.17	-
		Munesh Singh Jadon	0.39	0.52	0.93	0.98	-
		Rent Expenses					
		CeePee Consultants	0.30	0.30	0.60	0.60	0.60
		CeePee Pharma Private Limited	18.51	17.63	35.26	1.93	-
		Krishna Kumar Choudhary	10.29	10.29	20.57	13.17	1.80
		Sureshkumar Pansari	10.29	10.64	20.93	14.37	3.00
		Choudhary Chemicals Industries Private Limited	1.00	0.91	1.88	1.71	1.55
		Uni Products India	0.35	0.35	0.71	0.60	0.60
		Chaman Pansari	-	0.30	0.30	1.20	1.20
		Gazal Pansari	-	0.30	0.30	1.20	1.20
		Manju Pansari	-	0.30	0.30	1.20	1.20
		Suresh Pansari HUF	-	0.30	0.30	1.20	1.20
		International Ribbon Manufacturing Company	0.21	0.21	0.42	0.42	0.42
		Sanwaria Texpro Private Limited	1.77	1.59	3.19	3.19	2.83
		Rent Received					
		PV Lumens LLP	3.16	3.01	6.02	6.02	-
		Sanwaria Texpro Private Limited	0.35	-	0.35	-	-
		Security Deposit Given					
		Krishna Kumar Choudhary	-	-	-	28.50	6.50
		Sureshkumar Pansari	-	-	-	28.50	6.50

		Cee Pee Pharma Private Limited	-	-	-	15.00	-	
		Security Deposit Repaid						
		Choudhary Chemicals Industries Private Limited	-	0.40	1.50	-	-	
		Chaman Pansari	-	1.20	1.20	-	-	
		Gazal Pansari	-	1.20	1.20	-	-	
		Manju Pansari	-	1.20	1.20	-	-	

		Suresh Pansari HUF	-	1.20	1.20	-	-	
		Sureshkumar Pansari	-	1.20	1.20	-	-	
		Borrowings (Loans taken)						
		Sureshkumar Pansari	162.50	375.00	729.50	924.50	119.00	
		Krishna Kumar Choudhary	30.58	13.56	66.06	54.40	8.10	
		Kapal Pansari	10.50	10.70	43.70	19.00	3.20	
		Meena Choudhary	-	1.00	1.00	-	19.50	
		Chaman Pansari	-	-	0.01	51.00	-	
		Krishna Kumar Choudhary HUF	-	-	-	-	25.40	
		Keshav Choudhary	7.88	-	12.50	4.20	30.50	
		Rashi Choudhary	-	-	-	6.90	8.46	
		Richa Vohra	-	-	-	2.10	15.76	
		Manju Pansari	-	14.50	14.50	18.50	-	
		Radheshyam Choudhary	-	-	-	15.00	-	
		Munesh Singh Jadon	-	-	-	-	2.36	
		Loans Repaid						
		Sureshkumar Pansari	20.50	518.50	825.07	799.64	113.20	
		Krishna Kumar Choudhary	20.00	5.26	5.34	2.93	19.88	
		Kapal Pansari	27.00	32.45	36.95	3.21	0.40	
		Meena Choudhary	-	0.19	40.40	1.76	1.01	
		Chaman Pansari	-	55.59	56.41	0.08	-	
		Krishna Kumar Choudhary HUF	-	-	-	-	29.80	
		Keshav Choudhary	-	1.82	1.88	5.81	0.31	
		Rashi Choudhary	-	16.98	16.50	0.04	0.00	
		Richa Vohra	-	6.60	14.60	0.66	4.04	

Manju Pansari	-	15.70	15.70	18.02	-
Radheshyam Choudhary	-	16.72	16.10	0.07	-
Munesh Singh Jadon	0.45	2.00	3.80	-	1.70
Advance Given					
Uni Products India	-	0.50	-	-	-
Legal & Professional Charges					
Kranti Singh	0.03	-	-	-	-
Recovery of Expenses					
PV Lumens LLP	1.13	2.36	5.97	-	-
Elmack Engg Services Private Limited*	0.00	-	-	-	-
Elmack Engg Services	-	0.18	0.63	-	-
Sanwaria Texpro Private Limited	0.37	0.03	1.62	-	-
CeePee Pharma Private Limited	-	0.62	0.62	-	-
Choudhary Chemicals Industries Private Limited*	-	0.00	0.00	-	-
Uni Products India	-	0.01	0.01	-	-
Services availed					
PV Lumens LLP	-	-	-	0.10	0.03
Purchase of Electrical Fittings and Computers					
PV Lumens LLP	-	0.02	0.03	0.60	0.19
Closing Balance					
Borrowings					
Krishna Kumar Choudhary	150.50	91.14	144.00	79.20	23.50
Sureshkumar Pansari	193.53	9.90	55.93	147.10	7.18
Kapal Pansari	12.15	1.10	29.67	21.90	4.89
Meena Choudhary	-	41.85	-	39.40	38.10
Chaman Pansari	-	2.73	-	56.40	1.88
Keshav Choudhary	50.50	31.47	44.00	32.00	31.00

Security Deposits		
Choudhary Chemicals Industries Private Limited	8.50	9.
Krishna Kumar Choudhary	50.00	50.
Sureshkumar Pansari	50.00	50.
Chaman Pansari	-	
Gazal Pansari	-	
Manju Pansari	-	
Suresh Pansari HUF	-	
CeePee Pharma Private Limited	15.00	15.
Trade Receivables		
PV Lumens LLP*	5.58	10.
Elmack Engg Services	-	0.
Elmack Engg Services Private Limited*	0.07	0.
Sanwaria Texpro Private Limited	72.81	48.
Unique Compusoft Private Limited	5.36	5.
Employee Advances		
Navin Agarwal	-	0.
Trade Payable		
PV Lumens LLP	-	0.
CeePee Pharma Private Limited	-	2.
CeePee Consultants	-	0.
International Ribbon Manufacturing Company	-	0.
Unique Compusoft Private Limited	-	
Sanwaria Texpro Private Limited	15.77	1.
Advances		
Uni Products India	-	0.
PV Lumens LLP	0.26	
Other Payables		
Sabarinathan Sampath	0.44	

Rashi Choudhary
Richa Vohra
Manju Pansari
Radheyshyam Choudhary
Munesh Singh Jadoun

Salary Payables
Kapal Pansari
Chaman Pansari
Priyanka Pansari
Richa Vohra
Krishna Kumar Choudhary
Sureshkumar Pansari
Meena Choudhary
Manju Pansari
Keshav Choudhary 32

Gazal Pansari	-	
Rashi Choudhary	-	0.
Himanshu Kumar Shah	0.45	0.
Munesh Singh Jadon	4.60	4.
Sabarinathan Sampath	1.11	1.
Navin Agarwal	0.19	0.
Rajesh Goenka	0.79	0.
Hinal Shah	0.07	0.
Shivam Navin Agarwal	0.04	0.

Non-Cash Transaction with related parties during the year

Nature of Transactions	**September 30, 2023**	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Number of Bonus Shares (Face Value Rs.5 per share)					
Chaman Pansari	-	-	-	2.28	-
Gazal Pansari	-	-	-	2.46	-
Kapal Pansari	-	-	-	2.94	-
Keshav Choudhary	-	-	-	7.04	-
Krishna Kumar Choudhary HUF	-	-	-	5.50	-
Krishna Kumar Choudhary	-	-	-	1.24	-
Manju Pansari	-	-	-	5.61	-
Meena Choudhary	-	-	-	6.12	-
Manju Pansari Jt Meena choudhary^	-	-	-	0.00	-
Priyanka Pansari	-	-	-	0.06	-
Suresh Pansari HUF	-	-	-	1.57	-
Sureshkumar Pansari	-	-	-	4.98	-

[*]Rs. 0.00 Millions denotes amount less than Rs. 10,000.
^ 0.00 Millions denotes number of shares less than 10,000.
*** Also are promoters or member of promoter group holding equity shares of the Company.*
^^ it excludes reimbursement of expenses to KMP.

Notes:
(1) Transactions with related party disclosed above includes the component of GST.
(2) In case of elimination of transactions/closing balances with Foreign Subsidiary, the difference is on account of Foreign Exchange rate Fluctuation.

For the six months ended September 30, 2023 and September 30, 2022 and in Fiscal 2023, 2022 and 2021, the arithmetic aggregate related party transactions was ₹ 888.86 million and ₹ 1,438.00 million, and ₹ 2,982.87 million, ₹ 2,322.23 million and ₹ 622.50 million, respectively. The percentage of the arithmetic aggregate related party transactions to our revenue from operations in the same periods was 1.63%, 2.86%, 3.16%, 2.49% and 1.05 %, respectively.

For details of the related party transactions eliminated during the period/year, see "*Restated Consolidated Financial Information – Related Party Transactions*" in Note 43 on page 378.

Remuneration of Key Managerial Personnel and Senior Management Personnel	The remuneration of directors and other members of Key Managerial Personnel and Senior Management Personnel identified in this RHP, during the years as mentioned below, was as follows: *(₹ in million)* **Remuneration* to KMP and SMP March 31, 2023 March 31, 2022 March 31, 2021** Krishna Kumar Choudhary 15.00 10.77 11.07 Sureshkumar Pansari 78.75 52.50 35.00 Kapal Pansari 53.50 34.08 30.15 Keshav Choudhary 7.48 3.16 3.23 Himanshu Kumar Shah 9.80 8.28 6.70 Hinal Tejas Shah 1.15 - - Navin Agarwal^ 3.22 - - Rajesh Goenka^ 56.37 - - **Remuneration includes, Salaries, Wages & Bonus and Employer's Contribution to Provident Fund and other funds. ^ For details of compensation paid to the members of Key Managerial Personnel of our Company in all capacities, please see "Our Management - Key Managerial Personnel" on page 290.*
Details of financing arrangements	Our Promoters, members of the Promoter Group, our Directors and their relatives have not financed the purchase by any person of securities of our Company other than in the normal course of business of such

	financing entity during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.
Weighted average price at which the specified securities were acquired by our Promoters in the last one year preceding the date of this Red Herring Prospectus	Our Promoters have not acquired any Equity Shares in the last one year preceding the date of this Red Herring Prospectus.

Average cost of acquisition of Equity Shares of our Promoters

The average cost of acquisition of Equity Shares for our Promoters as on the date of this Red Herring Prospectus is as set out below:

S. No.	Name of the Promoter	Number of Equity Shares held on a fully diluted basis	Average cost of acquisition per Equity Shares* (in ₹)
1.	Krishna Kumar Choudhary	1,296,750	1.89
2.	Sureshkumar Pansari	5,223,750	0.48
3.	Kapal Suresh Pansari	3,087,000	Nil**
4.	Keshav Krishna Kumar Choudhary	7,392,000	Nil**
5.	Chaman Pansari	2,394,000	Nil**
6.	Krishna Kumar Choudhary (HUF)	5,772,753	0.39
7.	Suresh M Pansari HUF	1,652,532	0.39

As certified by Pipara & Co LLP, Chartered Accountants, by way of their certificate dated January 29, 2024.
**Average cost of acquisition has been arrived at by considering only the cost of shares allotted to the Promoters on account of further issue and bonus issue, transfers, i.e. cost paid by Promoter for acquisition by way of subscription, bonus issue and acquisition from another shareholder divided by the total number of equity shares acquired by the above transactions.*

The selling price of the shares transferred by the respective Promoters to others is not netted off while calculating the average cost of acquisition. While calculating the average cost of acquisition of the shares in the hands of the individual, the cost of shares were considered as the price paid to the transferor against such acquisition of shares.

*** No consideration has been paid as the same is acquired by way of gift or bonus shares.*

Notes:

i. For the purpose of calculation of average cost of acquisition, the sub-division of shares has not been considered as an acquisition but the effect of such sub-division has been given for the purpose of average cost of acquisition as appearing in the above table, the Company has multiplied the shares acquired before sub-division of shares, i.e. shares acquired before February 22, 2022 by 2 for the computation of Average cost of acquisition.

ii. For determining the holding of individual promoters, shareholding of the Promoters includes equity shares held as first-holders only. Further, as on the date of this Red Herring Prospectus, our Company does not have any joint shareholding.

Details of price at which specified securities were acquired by our Promoters, and the members of

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Red Herring Prospectus, by our Promoters, and the members of the Promoter Group. The details of the prices at which these acquisitions were undertaken are stated below:

Name of the Shareholders	Date of acquisition*	Number of Equity Shares acquired	Acquisition price per Equity Share (in ₹)+
Promoters*			
Krishna Kumar Choudhary (HUF)	June 8, 2022	21	Nil**
Sureshkumar Pansari	March 31, 2022	4,975,000	Nil***

the Promoter Group, in the last three years preceding the date of this Red Herring Prospectus	Kapal Suresh Pansari March 31, 2022 2,940,000 Nil*** Chaman Pansari March 31, 2022 2,280,000 Nil*** Krishna Kumar Choudhary March 31, 2022 1,235,000 Nil*** Keshav Krishna Kumar Choudhary March 31, 2022 7,040,000 Nil*** Suresh M Pansari HUF March 31, 2022 1,573,840 Nil*** Krishna Kumar Choudhary (HUF) March 31, 2022 5,497,840 Nil*** Suresh M Pansari HUF March 31, 2021 11,648#^ 10# Suresh M Pansari HUF March 31, 2021 27,698#^ 10# Krishna Kumar Choudhary (HUF) March 31, 2021 121,398#^ 10# Krishna Kumar Choudhary (HUF) March 31, 2021 4,400#^ 10# Krishna Kumar Choudhary (HUF) March 31, 2021 11,648#^ 10# **Promoter Group*** Meena Choudhary May 19, 2022 21 3,620# Manju Suresh Pansari May 19, 2022 21 3,620# Manju Suresh Pansari March 31, 2022 5,606,960 Nil*** Meena Choudhary March 31, 2022 6,124,040 Nil*** Priyanka Kapal Pansari March 31, 2022 64,000 Nil*** Gazal Pansari March 31, 2022 2,457,080 Nil*** Manju Suresh Pansari March 31, 2022 40 Nil*** *+As certified by Pipara & Co LLP, Chartered Accountants by way of their certificate dated January 29, 2024. *Our Company sub-divided 994,855 equity shares of face value of Rs.10 each into 1,989,710 Equity Shares of face value of Rs. 5 each pursuant to its shareholders resolution dated February 22, 2022. Accordingly, the shareholding of our shareholders increased to reflect such sub-division. This table does not include details of the split. ** Gift.* ****Acquired by way of bonus issuance dated March 31, 2022 by our Company.* *#The share transfer forms for these transfers of equity shares to and from the Promoters and Promoter Group could not be traced as the relevant information was not available in the records maintained by our Company. Accordingly, we have relied on the corporate records maintained by the Company such as statutory registers, minutes of meetings of our board and shareholder, as applicable and annual returns filed by our Company. For details see "Risk Factors - Certain filings and instructions made in respect to transfer of shares of our Company are not traceable." on page 55.* *^ The equity shares acquired in this transaction had a face value of ₹10 per share* None of the shareholders of our Company have the right to appoint nominee directors. None of the shareholders of the Company will be offering their shares in the Offer.
Weighted average cost of acquisition of all shares transacted in last one year, 18 months and three years preceding the date of this Red Herring Prospectus	The details of the weighted average cost of acquisition of all shares transacted in last one year, 18 months and three years preceding the date of this Red Herring Prospectus are set out below: **Period Weighted average cost of acquisition (in ₹)** **Cap Price is 'x' times the weighted average cost of acquisition(1)** **Range of acquisition price: lowest price – highest price (in ₹)** Last one year preceding the date of this Red Herring Prospectus 311.00 [●] 311.00 Last 18 months preceding the date of this Red Herring Prospectus 311.00 [●] 311.00 Last three years preceding the date of this Red Herring Prospectus 33.40 [●]0.00^ to 3,620.00 *As certified by Pipara & Co LLP, Chartered Accountants, by way of their certificate dated January 29, 2024. ^No consideration has been paid as the Equity Shares have been acquired by way of a bonus issue or gift. (1)To be updated upon finalization of the Price Band.*
Size of the pre-IPO placement and allottees, upon completion of the placement	Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹1,500 million. The size of the Fresh Issue has been reduced by ₹1,500.00 million pursuant to the Pre – IPO Placement. Accordingly, the revised Fresh Issue size is up to ₹6,000.00 million.
Any issuance of Equity	Our Company has not issued any Equity Shares in the one year immediately preceding the date of this Red Herring Prospectus, for consideration other than cash.

Shares in the last one year for considera ti on other than cash	
Any split or consolida tio n of Equity Shares in the last one year	Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.
Exempti on from complyin g with any provision s of securities laws, if any, granted by SEBI	Our Company has not made any application under Regulation 300 of the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 168, 224, 309 and 400, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. 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 Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 23.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 309.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on ICT Distribution in India" dated January 19, 2024 (the "**Technopak Report**")* *prepared and issued by Technopak Advisors Private Limited, appointed by us by way of a resolution passed by our Board dated September 23, 2022 and exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the Technopak 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 has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Technopak Report is available on the website of our Company at https://rptechindia.com/page/investor. For more information, see "– Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by Technopak Advisors Private Limited, exclusively commissioned and paid for by us for such purpose." on page 74. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 18.*

Valuation Risk Factor

1. The Offer Price, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.

Our revenue from operations and restated profit after tax for Fiscal 2023 was ₹ 94,542.79 million and ₹ 1,233.43 million, respectively and our price to revenue from operations for Fiscal 2023 multiple is [●] times at the upper end of the Price Band. Our market capitalization to revenue from operations for Fiscal 2023 multiple is [●] times at the upper end of the Price Band.

The table below provides details of our price to earnings ratio and market capitalization to revenue from operations:

Particulars	**Price to Earnings Ratio***	**Market Capitalization to Revenue***
	At Offer Price	
For Fiscal 2023	[●]	[●]

***To be populated at Prospectus stage**

The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section titled "*Basis for Offer Price*" on page 145 and the Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such a market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and international markets, regulatory amendments or similar situations, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

Internal Risks

Risks Relating to the Business of our Company

2. We are dependent on various vendors, who are global technology brands, for the products we distribute. In Fiscals 2021, 2022 and 2023 and for the six months ended September 30, 2022 and September 30, 2023, revenues generated from distribution of products manufactured by our top eight global technology brands amounted to 83.15%, 82.42%, 82.11%, 82.50% and 82.39%, respectively, of our revenue from operations. Any delay or failure on part of such global technology brands to supply products may materially and adversely affect our business, profitability and reputation.

We do not manufacture any of the information and communications technology ("**ICT**") products we distribute. The ICT products that we sell through general trade, modern trade and e-commerce channels, are sourced from vendors and OEMs that are global technology brands. We distribute products of a diversified base of global technology brands. Set forth below are details of the global technology brands whose products we distribute, and the products purchased from our top eight global technology brands:

Particular	**As of/ For the Fiscal ended March 31,**			**As of/ For the six months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Number of global technology brands	45	50	53	48	52
Products purchased from our top eight global technology brands (₹ million)	46,114.31	72,474.25	76,319.35	39,214.51	48,367.39
Products purchased from our top eight global technology brands, as a percentage of our total purchases (%)	81.65%	76.90%	82.88%	73.31%	82.98%
Revenue from operations from top eight global technology brands (₹ million)	49,266.28	76,758.36	77,631.61	41,448.93	45,055.59
Revenue from operations from top eight global technology brands, as a percentage of revenue from operations (%)	83.15%	82.42%	82.11%	82.50%	82.39%

Our business is, therefore, dependent on our relationships with such global technology brands. In the event the global technology brands we serve reduce the number of products they offer through our distribution network, or are unwilling to continue to do business with us or intend to terminate or modify the terms of their contracts to our detriment, there could be an adverse effect on our business. The loss or deterioration of our relationship with any of our key global technology brands or the authorisation by global technology brands of additional distributors, the sale of products by global technology brands directly to our Channel Partners (who are collectively, Hybrid Resellers who sell to online market places and retail channels, regional distributors, stockist partners or sub-distributors, retailers, brand stores, system integrators, original equipment manufacturers and corporate resellers who sell to corporate customers), customers and end-users (instead of using us as the distributor of products), or our failure to establish relationships with new global technology brands or to expand the distribution and supply chain services that we provide, could adversely affect our business, results of operation and financial condition. In the three preceding Fiscals and six months ended September 30, 2023, we have terminated our agreement with one global technology brand, in July 2021. Set forth below are the revenues earned from sale of products manufactured by this global technology brand in the corresponding years/ periods:

Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
Revenue (₹ million)	**Percentage of revenue from operations (%)**	**Revenue (₹ million)**	**Percentage of revenue from operations (%)**	**Revenue (₹ million)**	**Percentage of revenue from operations (%)**	**Revenue (₹ million)**	**Percentage of revenue from operations (%)**	**Revenue (₹ million)**	**Percentage of revenue from operations (%)**
8.57	0.01%	0.19	0.00%	0.25	0.00%	0.11	0.00%	0.08	0.00%

Note: While the agreement was terminated in Fiscal 2022, ICT products already purchased by our Company which remained in inventory were also sold subsequently.

Any similar instances or termination by a global technology brand whose products we distribute could have an adverse impact on our results of operations. Further, any delay or failure on the part of the global technology brands whose products we distribute, to supply products in a timely manner or any deterioration in the quality of products supplied by the global technology brands, may adversely affect our business, profitability and reputation.

We typically enter into non-exclusive distribution agreements with global technology brands whose term ranges from one to five years and some have indefinite tenures, and often contain provisions permitting termination without cause, which might be immediate, or with notice periods ranging from 10 days to 60 days. Generally, each global technology brand has the ability to modify the terms and conditions of their agreements with us, such as reducing the amount or period of price protection available and return rights or reducing the levels of purchase discounts, rebates or marketing programs available to us with prior notice which in some cases may give us the ability to re-adjust our inventories and receivables. Additionally, the global technology brands we engage with may choose to undertake direct distribution or sale of products either by themselves or they may appoint other distributors for territories in which we distribute products.

As a consequence of any delay or failure on the part of global technology brands, or termination of distribution agreements with the global technology brands, we may also lose our Channel Partners. Any deterioration in our relationships with our Channel Partners could have an adverse impact on our business, financial condition and results of operations. See also "*Risk Factors - If we are unable to maintain our relationships with our Channel Partners or end-customers or if any of these parties change the terms of their arrangements with us, our business could be materially and adversely affected.*" on 42.

Further, any deterioration in the financial condition or business prospects of these global technology brands could reduce their ability to meet our requirements, which could in turn result in a significant decrease in our revenues. For instance, in 2009, a global technology brand whose products we distributed acquired the personal computing division of a competitor. This in turn temporarily impacted availability of products and product quality. While

this did not have any material impact on our operations, there can be no assurance that similar instances in future will not adversely impact our business, financial condition and results of operation.

Certain factors affecting supply of products we source from global technology brands and thereby impeding our access to products are political and economic instability in India or globally or political instability in certain states of India in which our global technology brands are located, the financial instability of the global technology brands, labour problems experienced by our global technology brands, the availability of raw materials to the global technology brands, merchandise quality issues, transport availability and cost, transport security, inflation, and other factors. Set forth below are details of the top five overseas/ foreign countries from where supply of products were shipped to our Company in the corresponding years/ periods:

Country	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Purchase s (₹ million)	**Percentage of total purchases (%)**	**Purchase s (₹ million)**	**Percentage of total purchases (%)**	**Purchase s (₹ million)**	**Percentage of total purchases (%)**	**Purchase s (₹ million)**	**Percentage of total purchases (%)**	**Purchase s (₹ million)**	**Percentage of total purchases (%)**
Malaysia	5,951.50	10.54%	7,631.71	8.10%	10,147.54	11.02%	5,274.10	9.86%	5,069.61	8.70%
Thailand	3,118.45	5.52%	4,696.19	4.98%	4,423.42	4.80%	2,311.39	4.32%	2,511.30	4.31%
China	3,265.43	5.78%	5,553.67	5.89%	10,549.86	11.46%	4,518.78	8.45%	4,446.69	7.63%
Hong Kong	3,975.16	7.04%	8,271.92	8.78%	5,301.27	5.76%	3,167.92	5.92%	3,283.42	5.63%

Singapore	2,895.54	5.13%	2,535.71	2.69%	2,236.70	2.43%	1,234.97	2.31%	1,343.60	2.31%

The operations of the global technology brands we serve are further subject to various operating risks, including breakdowns and failure of equipment, industrial accidents, employee unrest, severe weather conditions and natural disasters. For instance, the COVID-19 pandemic impacted global technology brands' business as a result of the nationwide lockdown imposed by the GoI. Similarly, the global shortage of semi-conductors could adversely impact the supply of certain ICT products that we distribute, which we may be unable to accurately assess owing to our limited experience in distributing semi-conductor products.

In the few preceding years, notable global technology brands have either exited the Indian market or significantly downsized their operations. For instance, Huawei pulled out its former subsidiary Honor from the Indian market in 2022. (*Source: Technopak Report*) Such action could lead to increased consolidation within global technology brands and limit the number of global technology brands whose products we distribute. Additionally, if global technology brands choose to increase their direct channels, such as through large enterprise customers, e commerce channels, the demand for our services would decline.

These factors may result in delay of supply of products we sell, which could have an adverse impact on our business, financial condition and results of operations.

3. Our business is dependent on global technology brands effectively maintaining, promoting or developing their brands and maintaining standard quality products including launching new information and communications technology products at regular intervals.

As of September 30, 2023, we were a national distribution partner for 52 global technology brands that include ASUS Global Pte. Ltd., Dell International Services India Private Limited, HP India Sales Private Limited, Lenovo India Private Limited, Logitech Asia Pacific Limited, NVIDIA Corporation, Intel Americas, Inc., Western Digital (UK) Limited, Schneider Electric IT business India Private Limited, Eaton Power Quality Private Limited, ECS Industrial Computer Co., Ltd., Belkin Asia Pacific Limited, TPV Technology India Pvt Ltd., LG Electronics India Pvt. Ltd. and Toshiba Electronic Components Taiwan Corporation. In Fiscals 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, the revenue from the top five global technology brands whose products we distributed was as follows:

Particular	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Revenue from top 5 global technology brands	42,906.45	72.42%	65,445.03	70.27%	64,115.41	67.82%	34,647.66	68.97%	36,711.89	67.13%

In the three preceding Fiscals and six months ended September 30, 2022 and September 30, 2023, we have discontinued distribution of products manufactured by certain global technology brands owing to commercial considerations, as set forth below:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Number of Global Technology Brands whose products we have discontinued distributing	6	6	3	3	6

There was no material impact of such discontinuation on the results of operations of our Company and certain ICT products already purchased by our Company from these global technology brands, which remained in inventory, were also sold subsequently.

Many factors are important for maintaining, developing and enhancing brands, and retaining customers of a brand, including increasing brand awareness through brand building initiatives and ensuring customer satisfaction by providing quality customer service. In the event of further development of technology or growing popularity of alternate products which global technology brands are unable to counter, the products of such global technology brands may become obsolete. In order to remain competitive, global technology brands need to develop, test, manufacture and commercialize new products in a timely manner. Since we do not manufacture the products that we distribute, there can be no assurance that the global technology brands whose products we distribute will be able to effectively promote, develop their brands or maintain standard quality of the products. Further, if the global technology brands whose products we distribute do not launch new products or innovate to keep up with evolving requirements and demands of customers, the demand for products of such global technology brands may witness a decline. For instance, we discontinued our distribution of the consumer product line for a certain global technology brand in Fiscal 2019 due to a decrease in demand for such products. While this did not have a material impact on our business and financial condition, similar instances with one or more global technology brands in future could adversely impact our business, financial condition and results of operations. In such cases, we endeavour to pre-empt such situations and liquidate our inventory early or return products to the global technology brands to reduce write-downs. We might not be able to find customers or Channel Partners who are willing to purchase our inventory of products manufactured by such global technology brands which do not have market demand. A slowdown in demand for existing products in our inventory could result in a write-down in the value of inventory on hand relating to such products.

We are not involved in the innovation of products, or in quality control of products manufactured by the global technology brands that we distribute. However, if any of the offerings which we distribute from time to time do not meet standards for quality and performance or customers' subjective expectations, our reputation and customer retention may be impacted, and the demand for such products, which we may already have inventory of, may decrease. If we fail to maintain our reputation or increase positive awareness of ICT products, or the quality of products declines due to our global technology brand partners being unable to maintain the required quality at their end, our business, financial condition and results of operations may be adversely affected.

4. If we are unable to maintain our relationships with our Channel Partners or customers or if any of these parties change the terms of their arrangements with us, our business could be materially and adversely affected.

We distribute ICT products to Channel Partners and customers, who are B2B end-customers. Accordingly, our sales are subject to demand variability by our Channel Partners and customers. We do not enter into long-term agreements with our Channel Partners or customers for purchase of our products or provision of solutions. Since our Channel Partners or customers are generally not obliged to continue purchasing products and/or services from us, or otherwise retain their business relationships with us, there is no assurance that their purchase orders or engagements will remain constant or increase or that we will be able to maintain or add to our existing customer base. Set forth below are certain details regarding our total number of customers, as well as new customers and customers we were unable to retain, based on the customers in Fiscal 2020:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months ended September 30, 2022	Six months ended September 30, 2023
Total customers	8,834	9,401	9,996	8,663	8,407

New customers	2,318	2,205	2,314	1,420	979
Customers not retained	1,678	2,202	2,556	2,828	3,341

Notes:
New customers refers to customers who have billed for the first time during the relevant Fiscal.
Customers not retained refers to customers who have not billed in any of the four quarters of a Fiscal.

While the level and timing of orders we receive vary for multiple reasons, including seasonal buying by end-users and general economic conditions, we may also witness reduced orders owing to our customers receiving better prices, terms and conditions from our competitors. In Fiscal 2022, 47.55% of our customers were repeat customers (or customers with whom we transact in each quarter of the Fiscal) and more than 90.49% of our revenue from operations were generated from such repeat customers. In Fiscal 2023, 47.59% of our customers were repeat customers and more than 91.77% of our revenue from operations were generated from such repeat customers. For the six months ended September 30, 2022, 70.45% of our customers were repeat customers and more than 97.01% of our revenue from operations were generated from such repeat customers while for the six months ended September 30, 2023, 71.79% of our customers were repeat customers and more than 99.34% of our revenue from operations were generated from such repeat customers. Customers submitting a purchase order may cancel, reduce or delay their orders. If we are unable to anticipate and respond to the demands of our Channel Partners or customers, we may lose customers because we have an inadequate supply of products to cater to their particular requirements. If there is a consolidation in the Channel Partner landscape, or Channel Partners and customers wish to change the terms of their typical contracts with us, we may not be able to negotiate terms which are beneficial to us or which are financially viable. If we are unable to negotiate mutually agreeable terms with such parties, we may lose our Channel Partners or end-customers. We may be unable to maintain or grow the size of our Channel Partner or customer base or the level of engagement of our Channel Partners. This could materially and adversely affect our business, financial condition, cash flows and results of operations.

5. Our gross margins are low, which magnifies the impact of variation in revenue, operating costs, bad debts and interest expense on our operating results.

The ICT products industry witnesses intense price competition, owing to which gross margins are typically low (*Source: Technopak Report*). The table below provides our gross margins, defined as revenue from operations less purchases of stock-in-trade and changes in inventory of stock-in-trade as a percentage of revenue from operations in the years/ periods indicated:

Particular	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**

Gross margins (defined as revenue from operations less purchases of stock-in-trade and changes in inventory of stock-in-trade)	3,458.07	5.84%	5,159.21	5.54%	5,402.42	5.71%	2,695.03	5.36%	3,023.03	5.53%

For reconciliation of gross margin, see "*Other Financial Information – Reconciliation of Gross Margin to Revenue from Operations*" on page 398.

Owing to *inter alia* increased competition arising from industry consolidation, overcapacity, price reduction and low demand for certain ICT products, we may be unable to maintain or improve our gross margins. These low gross margins magnify the impact of variations in revenue, operating costs, bad debts and interest expense on our operating results. A portion of our operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, we may not be able to reduce our operating expenses as a percentage of total income to mitigate any further reductions in gross margins in the future. We may need to offer customers more credit or extended payment terms or need to reduce our prices in order to remain competitive. If we cannot proportionately decrease our cost structure in response to competitive price pressures, our business and operating results could suffer.

We also receive purchase discounts and rebates from certain of the global technology brands we serve based on various factors, including sales or purchase volume and breadth of customers. A decrease in net sales could negatively affect the level of volume rebates received from the global technology brands we serve and thus, our gross margins. Because some purchase discounts and rebates from the global technology brands we serve are based on percentage increases in sales of products, it may become more difficult for us to achieve the percentage growth in sales required for larger discounts due to the current size of our revenue base. A decrease or elimination of purchase discounts and rebates from the global technology brands we serve could adversely affect our business and operating results.

6. We are reliant on our relationships with certain online marketplaces and disruptions to such relationships or changes in their business practices, may adversely affect our business and our financial condition, results of operations and cash flows.

We are witnessing a growth in competition from online retailers who have been able to offer products at competitive prices. E-commerce has emerged as the most preferred channel in last six – eight years owing to the availability of brands and their entire product range along with competitive pricing, when compared to any offline point of sale. E-commerce platforms have led to an increase in demand of technology products in the country by allowing ease of browsing, product availability and timely delivery. (*Source: Technopak Report*)

We are reliant on online marketplaces for the sale of a portion of the products that we distribute, and in Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2022 and September 30, 2023, ₹ 11,088.69 million, ₹ 12,896.05 million, ₹ 12,192.35 million, ₹ 7,734.71 million and ₹ 11,115.42 million or 18.71%, 13.85%, 12.90%, 15.40% and 20.33%, respectively, of our revenue from operations was derived from our sales to online marketplaces. If our competitors offer online marketplaces and retailers more favourable terms or have more products available to meet their needs or utilize the leverage of broader product lines to be sold through them, these online marketplaces and retailers may de-emphasize or decline to offer products that we supply. Additionally, global technology brands may directly sell their products in the online marketplace, and eliminate the requirement for our services. Further, we cannot assure you that we will be able to secure promotions on online marketplaces, and our inability to do so may affect visibility of the global technology brands whose products we distribute on these online marketplaces. Once we fulfil the purchase orders, we do not have control over the prices

at which our products are sold by the online marketplaces. Accordingly, online marketplaces may sell products distributed by us at larger discounts than what we offer, making purchases from such marketplaces more lucrative than purchasing directly from us.

Purchase orders made by online marketplaces may also be amended or cancelled prior to finalization. Further, the online marketplaces and distributors have the right to verify and determine whether the products supplied by us are in accordance with the specifications stated in purchase orders. In the event the products are not as per the specifications of the purchase orders, the customers may reject the entire consignment at the time of the delivery.

We are also responsible for collecting the damaged or defective products. In addition, the online retail channels of online marketplaces may be disrupted due to technological disruptions. Should such amendments, cancellations or disruptions occur, it may adversely impact our supply schedules and inventories. In addition, in certain possible scenarios, the online marketplaces or distributors may have the right to return the products to us, and in certain situations where there are a high number of returns, we may be required to re-purchase the entire quantity of products at the original price we sold them for. For certain of such purchase orders, the purchase orders may be terminated by the relevant online marketplace or distributor if there are delays in the delivery of products.

The online marketplaces could change their business practices, such as inventory levels, or seek to modify their trading terms, such as payment terms. While we have not had instances of significant delays in collecting payment from online marketplaces in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that we will not face such instances in the future. Further, delays in scheduling deliveries may result in cancellation of orders or delayed payments. We may face the pressure to modify our trading terms if the online marketplaces are unable or unwilling to continue observing our distribution model. Additionally, unexpected changes in inventory levels or other practices by the online marketplaces or other customers could negatively affect our business, cash flows and results of operations. We intend to maintain or further develop our existing relationships with online marketplaces that retail products distributed by us, and continue to jointly promote our global technology brands and products on their platforms. Any such potential increase in collaboration and information sharing could render us more susceptible to the risks stated above.

We cannot assure you that we will be able to effectively offset the advantages that our competitors in the online business may have and grow our business in a similar fashion like our online competitors, or that the competition we face would not drain our financial or other resources. If we are unable to adequately address such competitive pressures, our business, financial condition, results of operations and cash flows may be adversely affected.

7. We could be subject to product liability claims, which may have a material adverse impact on us.

Due to the nature of our business, we face a risk of the products that we distribute containing quality issues or undetected errors or defects. These may result from the design or manufacture of the product, or from the software or other parts used in the product, over which we have no control. We may face the risk of legal proceedings and claims being brought against us by our customers on account of sale of any defective or misbranded products.

We may also sell certain ICT components at prices that are significantly lower than the cost of the equipment or other goods in which such components are incorporated. As a result, we may face claims for damages (such as consequential damages) that are disproportionate to the revenues and profits we receive from the components involved in the claims. Certain products that we distribute may be found to be defective, and in some cases, we may be made party to proceedings where the end-product is defective, and not the components that we have distributed.

While we typically have provisions in our agreements with global technology brands that hold the global technology brands accountable for defective products, our ability to avoid such liabilities may be limited as a result of differing factors, such as the inability to exclude such damages due to applicable laws of the specific jurisdiction where the business is conducted. For instance, in our contracts with a global technology brand, we are required to indemnify the global technology brand for any product liability claims by end customers. While we have not been subject to any product liability or defect claims in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that we will not be subject to such claims in the future. Our business and reputation may be adversely affected as a result of a significant quality or performance issue in the products sold by us, if we are required to pay for the associated damages. Further, when relying on contractual liability exclusions, we could lose customers if their claims are not addressed to their satisfaction.

In addition, serious quality issues can expose us to product liability or recall claims in the event that the products we distribute fail to meet the required quality standards, or are alleged to cause harm to customers. While we are generally not held accountable for such claims, we may face the risk of legal proceedings and product liability claims being brought against us, legitimate or otherwise, by various entities including consumers, redistributors and government agencies for various reasons including for defective products sold. There can be no assurance that we will be able to recover cost of such liability or recall from the global technology brands of such products, in a timely manner, and without initiating legal proceedings. Enforcement of provisions in our agreements that hold global technology brands liable for defective products can be a time-consuming and expensive legal process. For further information, see "*Risk Factors - Our international operations expose us to complex management, legal, tax and economic risks. Our purchase and supply arrangements may be governed by the laws of foreign jurisdictions and disputes arising from such arrangements may be subject to the exclusive jurisdiction of foreign* *courts*" on page 67. A product recall or a product liability claim may also adversely affect our reputation and brand image, as well as entail significant costs in excess of our available insurance coverage, which may adversely affect our reputation, business and results of operations.

8. Certain of our contracts or distribution agreements may have restrictive covenants and can typically be terminated without cause, which could negatively impact our business, results of operation and financial condition.

We have entered into distribution agreements with certain of the global technology brands for distribution of ICT products. These agreements may contain restrictive covenants that prevent us from selling competing products without the approval of the global technology brand, or may require us to mandatorily purchase a certain volume of the products for distribution. In the event of default or breach of covenants, our suppliers have the right to take action, including initiation of legal proceedings, against us. There can be no assurance that we will be able to comply with these covenants or that we will be able to obtain consents that are necessary for us to take actions we believe are required for the growth and expansion of our business.

Majority of the global technology brands we serve typically retain us on a non-exclusive basis. These global technology brands may terminate their contracts with us with or without cause. Additionally, our contracts with such global technology brands are typically without any commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of the global technology brands we serve, and there exist a number of factors relating to the global technology brands we serve that are outside our control that might result in the termination of a contract or the loss of a global technology brand, including change in global technology brands' business strategies, including by way of moving distribution assignments to our competitors, or directly distributing products to end-users. In the past, we have experienced one instance where our distribution agreement with a global technology brand which contributed a significant portion of our revenues in Fiscal 2018 was terminated during the period without cause. Termination of a contract or distribution agreement, or termination of multiple such agreements, due to any of the aforesaid factors could affect our business, results of operation and financial condition.

9. We have witnessed negative cash flows in the past, with net cash used in operating activities of ₹ 1,097.54 million, ₹ 3,152.05 million, ₹ 1,145.53 million, ₹ 989.17 million and ₹ 2,856.73 million in Fiscals 2021, 2022 and 2023, and the six months ended September 30, 2022 and September 30, 2023, respectively. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

The following table sets forth certain information relating to our restated consolidated statements of cash flows for the years/periods indicated:

Particulars	**Fiscal**			**For the six months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
	(₹ million)				
Net cash used in operating activities	(1,097.54)	(3,152.05)	(1,145.53)	(989.17)	(2,856.73)

In the six months ended September 30, 2023, our restated profit before tax was ₹ 1,026.11 million, which was primarily adjusted for finance costs of ₹ 539.90 million and depreciation and amortisation expense of ₹ 90.63

million. Our working capital adjustments to our net cash flows used in operating activities in the six months ended September 30, 2023 primarily comprised a decrease in other financial assets of ₹ 0.70 million in the six months ended September 30, 2023 which was offset by an increase in trade and other receivables of ₹ 5,046.93 million; an increase in inventories of ₹ 6,628.66 million; increase in other assets of ₹ 1,178.22 million; and increase in trade payable and other liabilities of ₹ 8,628.56 million. In the six months ended September 30, 2022, our restated profit before tax was ₹ 894.08 million, which was primarily adjusted for finance costs of ₹ 398.36 million and depreciation and amortisation expense of ₹ 72.68 million. Our working capital adjustments to our net cash flows used in operating activities in the six months ended September 30, 2022 primarily comprised a decrease in other financial assets of ₹ 23.84 million which was offset by an increase in trade and other receivables of ₹ 629.41 million; an increase in inventories of ₹ 5,945.13 million; increase in other assets of ₹ 974.37 million; and increase in trade payable and other liabilities of ₹ 5,501.66 million.

In Fiscal 2023, our restated profit before tax was ₹ 1,646.26 million, which was primarily adjusted for finance costs of ₹ 863.16 million and depreciation and amortization expense of ₹ 166.70 million. Our working capital adjustments to our net cash flows used in operating activities for Fiscal 2023 primarily comprised an increase in inventories of ₹ 2,940.94 million, increase in other assets of ₹ 1,225.36 million and a decrease in trade payables and other liabilities of ₹ 1,859.99 million, partially offset by a decrease in trade and other receivables of ₹ 2,819.48 million. In Fiscal 2022, our restated profit before tax was ₹ 2,398.47 million, which was primarily adjusted for finance costs of ₹ 536.84 million, foreign exchange loss of ₹ 81.67 million and depreciation and amortization expense of ₹ 116.86 million. Our working capital adjustments to our net cash flows used in operating activities in Fiscal 2022 primarily comprised an increase in inventories of ₹ 6,267.71 million and an increase in trade and other receivables of ₹ 3,627.66 million, partially offset by an increase in trade payables and other liabilities of ₹ 4,977.48 million. In Fiscal 2021, our restated profit before tax was ₹ 1,788.68 million, which was primarily adjusted for finance costs of ₹ 288.51 million, and depreciation and amortisation expense of ₹ 75.08 million. Our working capital adjustments to our net cash flows used in operating activities for Fiscal 2021 primarily comprised an increase in trade payables and other liabilities of ₹ 1,465.27 million and an increase in other assets of ₹ 170.44 million. This was partially offset by an increase in trade and other receivables of ₹ 3,478.32 million, and an increase in inventories of ₹ 686.84 million. For further information, see "*Restated Consolidated Financial Information*" on page 309.

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows*" on page 431.

10. Our EBITDA Margin was 3.63% in Fiscal 2021, which decreased to 3.28% in Fiscal 2022 and further to 2.83% in Fiscal 2023. There can be no assurance that we will be able to maintain our EBITDA Margin in future.

While our EBITDA was ₹ 2,152.27 million, ₹ 3,052.17 million and ₹ 2,676.12 million in Fiscals 2021, 2022 and 2023, respectively, we witnessed decrease in our EBITDA Margin from 3.63% in Fiscal 2021 to 3.28% in Fiscal 2022 and further to 2.83% Fiscal 2023 owing to increased expenses incurred as a result of increase in foreign exchange loss due to fluctuations in currency, as well as increase in employee benefits expenses, resulting in reduced profit. Our EBITDA were ₹ 1,365.12 million and was ₹ 1,656.64 million while our EBITDA Margin was 2.72% and 3.03% for six months ended September 30, 2022 and September 30, 2023. For further information on our EBITDA and EBITDA Margin, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 400. There can be no assurance that our EBITDA or EBITDA Margin will not decrease in future or that we will be able to maintain present levels of profitability, owing to elevated expenses or other factors outside our control.

11. We purchase inventory in anticipation of sales, and if we fail to manage our inventory effectively during that period or if the inventory value declines, our business and results of operations could be adversely affected.

We purchase inventory from global technology brands on projected sales and demand forecasts and if we fail to manage our inventory effectively, our business and results of operations may be adversely affected. As such, we provide partial payments to global technology brands in order to secure our inventory.

The table below provides purchases of stock-in-trade as a percentage of revenue from operations in the years/ periods indicated:

Particular	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Purchases of stock-in trade	56,475.92	95.32%	94,242.88	101.19%	92,081.22	97.40%	53,489.46	106.47%	58,290.73	106.59 %

We acquire products through a combination of purchase orders, supplier contracts, and open orders, in each case based on projected demand. In the event that there is an abrupt and substantial decline in demand for one or more of the products that we supply, a change in product development plans, or an unanticipated change in technological requirements for any of the products that we distribute, we may be required to record additional accruals for cancellation fees that may be payable with respect to such orders, which would adversely affect our results of operations. The products we source may become obsolete or less relevant if we fail to predict accurately future development trends or adapt to the evolving market demand. Our reputation and results of operations will continue to depend on our ability to anticipate these changes accurately and to expand our product portfolio and solution offerings to meet our customers' evolving needs.

We are under several price revision programs and sales acceleration programs, and are able to postpone payment due dates and cancel backlog orders to reduce excess inventory. We also have a stock rotation policy that allows us to readjust our aging inventory arising out of unanticipated changes in technological requirements. While we are generally able to mitigate against excess inventory procurement to prevent interest costs and also liquidation cost or loss of sales, markdowns or write-offs, we cannot assure you that our measures will be effective or that we will not experience excess inventory. Further, while we strive to predict technological trends, market dynamics and changes in product demand, we cannot assure you that we will successfully do so each time or that we will be able to maintain the most optimal inventory in the future. In addition, in situations that the inventory does not have the stock that the customer is looking for, we face the risk of our customer opting to buy the product from our competitor. Further, any damage or destruction to our merchandising at our warehouses may impact our operating results.

We estimate our sales based on the forecast, demand and requirements for the forthcoming season. In general, the orders are placed a few days before the actual delivery of products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our warehouses, for speedy supply to our customers. The inventories as of March 31, 2021, 2022 and 2023 and as of September 30, 2022 and September 30, 2023 was ₹ 5,725.32 million, ₹ 11,993.03 million, ₹ 14,933.97 million, ₹ 17,938.16 million and ₹ 21,562.63 million, respectively, which amounts to 35 days, 37 days, 55 days, 57 days and 64 days of inventory level for the corresponding periods.

We may fail to accurately predict order quantities, and may experience significant inventory overhang in the event demand for a particular product or global technology brand whose products we distribute declines. While we perform a detailed review of our inventory based on multiple factors including demand forecasts, product life cycle status, product development plans, current sales levels and component cost trends, certain of our inventories may lose value in the future due to circumstances including future demand or market conditions for our products being less favourable than forecasted, unforeseen technological changes or changes to the product development plans of the global technology brands whose products we distribute, that negatively impact the utility of any of our inventories, or significant deterioration in the financial condition of one or more of our global technology brands to whom we have made an inventory prepayment. While we have not had significant inventory overhang, write-downs or pricing markdowns in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that this will continue to be the case in the future. Further, we are exposed to the risk that our inventory value may decline, and protective terms under our brand agreements may not adequately cover the decline in value, which in turn may affect our business, results of operation and financial condition.

We might also underestimate the demand for certain products, and be unable to supply such products in the required quantities, leading our customers to purchase these products from our competitors. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or natural conditions may adversely impact the supply of the products and local transportation. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. While we have not experienced any material supply disruptions in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that this will continue to be the case in the future, including due to a shortage of semi-conductor chips. Such disruption to supply would mean that our customer does not get the product he/she wants which would allow the customer to go to our competitors and this would materially and adversely affect our business, profitability and reputation. In addition, disruptions in the delivery of products to our warehouses may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. Any or all of these factors could reduce availability of products that are in demand, thereby reducing our sales, which in turn could adversely affect our reputation and business prospects, thereby impacting our profitability and financial performance.

12. Increasing competition in the information and communications technology products distribution industry may create certain pressures that may adversely affect our business, prospects, results of operations, cash

flows and financial condition.

The ICT products distribution industry is highly competitive in India, with our main competitors being Savex Technologies Private Limited, Ingram Micro India Private Limited, and Redington (India) Limited (*Source: Technopak Report*). We also compete with other large multinational and national enterprise computing solutions distributors, as well as numerous other smaller, specialized competitors who generally focus on narrower market sectors, products, or industries. We compete mainly in the re-selling and distribution of ICT products market, where the factors on which distributors compete include, among others:

- Product offerings;
- Service offerings;
- Supply chain, infrastructure and retail network capabilities including channel partner and distribution network, and warehouse, sales offices and service centres network;
- Relationship with retail channel partners;
- Relationship with brands;
- Associated brand names of vendors and products;
- Availability of skilled resources in sales and marketing, servicing, training, customer management and channel partner onboarding;
- Timeliness of delivery, including distribution network and quality; and
- Ability to meet working capital requirements.

The size of our competitors varies across market sectors, as do the resources allocated by competitors to sectors in which we operate. We may face competition from larger competitors with significant resources and which benefit from economies of scale and scope, in addition to consolidation in the industry which may create larger players that we are unable to compete with. Our larger competitors may have a more extensive customer or supplier base than us in one or more of its market sectors. If our competitors develop and implement certain cost efficient business strategies, they may be able to offer products similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and customer needs, our competitors may be more successful at selling their products. If we are unable to provide our customers with products that suit their tastes and preferences at competitive prices or successfully market those products to current and prospective customers, our business, results of operations and financial condition may suffer. We may face competition in states and countries where we currently operate, as well as in states and countries in which we expect to expand our operations and may have limited or no experience. There is significant competition within each market sector and geography that creates pricing and margin pressure and the need for constant attention to improve service and product offerings and increase market share. Other competitive factors include rapid technological changes, product availability, credit availability, speed of delivery, ability to tailor solutions to changing customer needs, and quality and depth of product lines and training, as well as service and support provided by the distributor to the customer. For instance, the effect of tariffs imposed by India or foreign countries on the components required

in the manufacture of products we distribute, may drive up the prices of such products. While we attempt to pass on price increases to our customers, our competitors may be able to absorb the impact of tariff hikes better, without requiring to pass them on to the customers. This would provide our competitors an advantage in pricing, leading to lower demand for products that we supply.

Our Company also faces competition from companies in the logistics and product fulfilment, catalogue distribution, and e-commerce supply chain services markets. As we continue to expand our business into new areas in order to stay competitive in the market, we may encounter increased competition from our current or new competitors, making it difficult to retain our market share. Additionally, we believe that our ability to compete also depends in part on factors outside of our control, such as our competitors' processes, and the extent of our competitors' responsiveness to their customers' needs. Our inability to compete adequately and effectively may have a material adverse effect on our business prospects, financial condition and results of operations. We cannot assure you that our Company will be able to successfully compete within this increasingly competitive industry.

13. The reputation and consumer goodwill associated with our brand name is critical to the success of our business. An inability to maintain or enhance the popularity of our brand among brands and customers may adversely impact our business prospects and financial performance.

Our brand is critical to our business success, and affects our ability to maintain and enhance the popularity of our Company. Our ability to develop our brand name and retain goodwill is dependent on the perception the brands we serve or Channel Partners have of us, and recognition of product quality, variety of products, market penetration, accessibility of products that we distribute, and our marketing and business promotional initiatives. We have undertaken brand-building initiatives to increase our brand recall and brand preference. We conduct in house events with our Channel Partners such as 'Partner Connect', a platform that connects brands with target Channel Partners and helps them increase visibility in different markets, launch public relations initiatives including product launches, partner interview series and media engagement, and engage in advertising on digital and traditional media. Any negative publicity or perception of Channel Partners or customers relating to the quality of products that we supply, range of the portfolio of products supplied by us, pricing strategy, among others, may adversely impact public perception of the products that we distribute. Customers may initiate proceedings in consumer courts against us and such allegations of low-quality products or misbranding, even when false or unfounded, could tarnish the image of products supplied by us and our partner global technology brands.

An inability to manage any of the above factors or an inability of our marketing and business promotional initiatives to distinguish and strengthen our brand may adversely impact the value and perception of our Company and our goodwill and consequently our business prospects and financial performance. They may also limit our Company's ability to successfully obtain new licences or authorisations from global technology brands and manufacturers to distribute technology products. Due to the extremely competitive nature of the industry in which we operate, further enhancing the popularity of our brand as a distributor as compared to Channel Partners or customers purchasing directly from the manufacturers of such products or from our competitors, may require us to make investments, including market penetration, and increase our marketing, advertising and sales promotion expenses.

The table below provides details of our advertisement expenses and sales promotion expense in the years/ periods indicated:

Particular	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**For the six months ended September 30, 2022**		**For the six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Advertisement expenses and sales promotion expense	84.27	0.14%	195.81	0.21%	151.17	0.16%	38.17	0.08%	77.57	0.14%

However, there can be no assurance that any such investments in the future may be adequate or successful. While we have been developing and promoting our brand name since inception and will continue to invest in building and maintaining our brand name's value in the future to compete effectively, we may not be able to do so successfully or in a cost-effective manner.

Our Company has made an application for registration of trademark in connection with our logo. Unauthorized use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our business, financial condition, cash flows and results of operations. We have in the past encountered unauthorized usage by sellers of our maximum retail price stickers for their sales or promotions. While we have taken steps to prevent such incidents, our Company has received complaints on e-mail in June, 2022, claiming that persons representing themselves as authorised dealers of our Company have taken advance money from the complainants in relation to products sold by our Company and thereafter disappeared with the advance money, without delivering the promised products. Further, fake emails have been circulated in connection with the 30 Series NVIDIA Founder Edition graphics card through fake email ids purporting to be from our Company. While our Company has not been involved in these matters, we cannot assure you that such matters will not recur in the future or will nevertheless be associated with our Company. There can be no assurance that similar instances will not occur in future and we will be able to address all such instances effectively. As our business expands into new markets and regions and as the industry in which we operate becomes increasingly competitive, maintaining and enhancing the image of our brand name may become increasingly difficult and expensive. An inability to enhance the visibility of our brand name may adversely impact consumer goodwill and brand recall, and consequently our business prospects and financial performance.

14. We earn a significant portion of our revenue from operations from products manufactured by global technology brands that we import into India. In addition, our Subsidiaries, Rashi Peripherals Pte. Ltd. and ZNet Technologies Private Limited, and our branch situated in Singapore, are engaged in export of products. Our inability to handle risks associated with import and export of products could affect our business and revenue from operations.

Our Company imports ICT products of certain global technology brands. The ICT products that our Company returns to global technology brands owing to defects or quality control concerns are reflected in the audited financial statements of our Company as ‘exports’. Further, (i) products that are sold by our Subsidiary incorporated in Singapore, Rashi Peripherals Pte. Ltd., to countries outside Singapore, (ii) products that are sold by our Subsidiary incorporated in India, ZNet Technologies Private Limited, to countries outside India, and (iii) products that are sold by our Company’s branch located in Singapore, to countries outside Singapore, are each recorded as exports.

Set forth below are details of our revenues from products that we import, as well as the cost of such imports, in the corresponding periods:

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Six months ended September 30, 2022**	**Six months ended September 30, 2023**
Cost of imported products (₹ million)	20,656.40	32,488.03	35,149.36	18,610.99	17,869.84
Cost of imported products, as a percentage of total purchases (%)	36.58%	34.47%	38.17%	34.79 %	30.66%

Set forth below are details regarding our exports:

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**For the six months ended September 30, 2022**	**For the six months ended September 30, 2023**
Revenue from exports sales* by our Company (₹ million)	1,111.92	1,516.45	2,444.83	1,271.56	816.09
Revenue from our export sales* as a percentage of revenue from operations (%)	1.88%	1.63%	2.59%	2.53%	1.49%

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**For the six months ended September 30, 2022**	**For the six months ended September 30, 2023**
Revenue from exports by Rashi Peripherals Pte. Ltd (₹ million)	356.66	1,173.59	1,120.50	836.64	363.42
Revenue from exports by Rashi Peripherals Pte. Ltd., as a percentage of our revenue from operations **(%)**	0.60%	1.26%	1.19%	1.67%	0.66%
Revenue from exports by ZNet Technologies Private Limited. (₹ million)	36.88	40.45	43.55	11.57	4.19

Revenue from exports by ZNet Technologies Private Limited. as a percentage of our revenue from operations (%)	0.06%	0.04%	0.05%	0.02%	0.01%

* *Revenue from export sales does not include sales within the group.*

Our import and export of ICT products as part of our operations are subject to, among other risks and uncertainties, the following:

• demand for the products distributed by us, within and outside India;
• social, economic, political, geopolitical conditions and adverse weather conditions, such as natural disasters, pandemics and epidemics, civil disturbance, terrorist attacks, war or other military action; • changes in laws, regulations and policies, including restrictions on trade, import and export license requirements, tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment, general economic conditions, competition, transportation costs and import duties; and • fluctuations in foreign currency exchange rates, affecting the value of our assets, such as export receivables and various investments, the cost of certain inventory and non-inventory items. For further information, see "*Risk Factors - We face foreign exchange risks that could adversely affect our results of operations and cash flows*." on page 75.

For instance, pursuant to the notification dated August 3, 2023, issued by the Directorate General of Foreign Trade ("**DGFT**", and such notification, the "**Notification**") the Import Policy of Items under HSN 8471 of Chapter 84 of Schedule-I (Import Policy) of ITC (HS), 2022 was amended. As per the Notification, import of laptops, tablets, all-in-one personal computers, and ultra small form factor computers, servers under HSN 8471 is 'Restricted' with immediate effect. Exemption from import licencing is given to one such item, except servers, per consignment. Exemption from import licencing is provided for up to 20 items per consignment for research and development, testing, benchmarking and evaluation, repair and return and product development purposes. By a notification dated August 4, 2023 issued by the DGFT, the Notification has been made effective from November 1, 2023, whereby import consignments can be cleared until October 31, 2023 without a licence for restricted imports. For clearance of import consignments with effect from November 1, 2023, a valid licence for restricted imports will be required. This import restriction is intended to promote domestic manufacturing of laptops, tablets, among others, as well as limiting the supply of such products from China. It will help in further expanding the organised play in ICT products distribution market in India. (*Source: Technopak Report*) There can be no assurance that global technology brands will be able to successfully set up manufacturing and/or assembly operations in India, and will be able to successfully replace the products that they typically import with those made in India. Further, while we have received the relevant license for import of restricted items which is valid up to September 30, 2024, we cannot assure you the license will be renewed in a timely manner or at all. The imposition of further import restrictions could result in a decrease in the volume of products that we distribute, in addition to other consequences that cannot be anticipated at present. Should these or other risks materialise, they could adversely affect our import and export of products and have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

15. We rely on revenue generated from our lifestyle and IT essentials vertical and our Personal Computing, Enterprise and Cloud Solutions vertical for our sales revenue. Any sudden fall in the revenues from either of these verticals may adversely affect our financial condition and profitability.

We primarily operate the following two business verticals: (i) Personal Computing, Enterprise and Cloud Solutions ("**PES**"): Under this vertical we distribute personal computing devices, enterprise solutions, embedded designs/ products and cloud computing; and (ii) Lifestyle and IT essentials ("**LIT**"): This includes the distribution of products such as (i) components that include graphic cards, central processing units ("**CPUs**") and motherboards; (ii) storage and memory devices; (iii) lifestyle peripherals and accessories that include keyboard, mice, web cameras, monitors, wearables, casting devices, fitness trackers and gaming accessories; (iv) power equipment such as UPS and invertors; and (v) networking and mobility devices.

The table below sets forth details of our revenues across our business verticals for the years/ periods indicated:

Vertical	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Revenue from Operations (₹ million)	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**
PES – Personal computing, enterprise and cloud solutions	33,460.58	56.47%	53,530.07	57.48%	52,922.23	55.98%	28,477.28	56.68%	31,165.52	56.99%
LIT – Lifestyle and IT essentials	25,789.90	43.53%	39,604.31	42.52%	41,620.56	44.02%	21,762.08	43.32%	23,519.58	43.01%
Total	**59,250.48**	**100.00%**	**93,134.38**	**100.00%**	**94,542.79**	**100.00%**	**50,239.36**	**100.00%**	**54,685.10**	**100.00%**

We command significant market share in India in product categories such as processors (45%), graphics cards (47%), pen drives (42%), hard drives (29%), keyboards and mice (21%), monitors (27%), UPS (13%), laptops (10%), desktops (10%), routers (33%), and switches (10%) in Fiscal 2023. (*Source: Technopak Report*) We believe we have been successful in these verticals due to our deep knowledge of product assortment, pricing dynamics and strong supplier relationships. Any changes in customer preferences, increased competition, change in margin by global technology brands, changing trends or any other reason, could decrease our revenue and profitability from these verticals and may result in an adverse effect on our business, financial condition and results of operations. In addition, any unforeseen circumstances that we may not be able to accurately identify to present, could lead to a similar fluctuation in our revenue and operating results.

16. As of September 30, 2023, we had contingent liabilities which have not been provided for in our financial statements and could adversely affect our financial condition.

As of September 30, 2023, our contingent liabilities that have not been provided for in the Restated Consolidated Financial Information, were as follows:

Particulars	**As of September 30, 2023**
	(₹ million)
(i) Bank guarantees	1,595.63
(ii) Letters of Credit	1,490.02
(iii) Bills pending for collection*	0.00
(iv) Claims not acknowledged as debts	16.57
(v) Disputed Tax demands	
-Direct Tax	11.09
-Indirect Tax	2,814.33
Total	**5,927.64**

**₹ 0.00 million denotes amounts less than ₹ 10,000.*
1. No Provision have been made for disputed claims against us not acknowledged as debts, as the management is hopeful of successfully contesting the same in appeal.

2. Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. We do not expect the outcome of the matters stated above to have material adverse impact on our financial condition, results of operation or cash flows. We do not envisage any likely reimbursement in respect of the above.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further information, see "*Restated Consolidated Financial Information – Note 37*" on page 372.

17. We have significant credit exposure to our Channel Partners and other customers, and negative trends in their businesses could cause us significant credit loss and negatively impact our cash flow and liquidity position.

We extend credit to our Channel Partners and other customers for a significant portion of our sales to them. Set forth below are details of our products that were initially sold on credit:

Particular	**As of/ For the Fiscal ended March 31,**			**As of/ For the six months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Value of products initially sold on credit (₹ million)	50,733.67	81,920.14	85,490.95	46,502.41	49,633.83
Value of products initially sold on credit, as a percentage of our revenue from operations (%)	85.63%	87.96%	90.43%	92.56%	90.76%

Resellers have a period of time, generally 30 to 60 days after the date of invoice, to make payment. As a result, we are susceptible to the risk that our customers will not pay for the products they purchase. While we try to mitigate such incidents by conducting diligence on our Channel Partners and their financial condition, credit insurance and market feedback to minimize our credit exposure of any non-payments, we cannot assure you that such measures will be successful or that we will be able to recover our trade receivables and monies owed to us. In Fiscals 2021, 2022 and 2023 and six months ended September 30, 2022 and September 30, 2023, we have initiated legal action to recover ₹ 49.70 million, ₹ 43.54 million, ₹ 6.24 million, ₹ 4.09 million and ₹ 18.34 million, respectively, or 0.08%, 0.05%, 0.01%, 0.01% and 0.03% of our revenue from operations, respectively, of products which we had provided to customers on credit. For information regarding legal proceedings in connection with non-recovery of dues from customers, see "*Outstanding Litigation and Material Developments*" on page 443. Our credit exposure risk may increase due to liquidity or solvency issues experienced by our Channel Partners or customers as a result of an economic downturn, including the current downturn, or a decrease in ICT spending by end-users. If we are unable to collect payment for products distributed by us to customers or if such customers are unable to pay for the products in a timely manner, it will be more difficult or costly to utilize receivable-based financing, which could negatively impact our cash flow and liquidity position.

18. Our Company, Directors, Promoters and Subsidiaries are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

There are outstanding legal and regulatory proceedings involving our Company, Directors, Promoters and Subsidiaries which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Further, our Company along with our customers received a letter from an end consumer noting certain irregularities regarding BIS marks of the products supplied. This letter was also marked to the Chief Vigilance Officer, New Delhi ("**CVO**"). While we have not received any notice or communication from the CVO, we may face proceedings in this regard in the future. The summary of such outstanding material legal and regulatory proceedings as on the date of this Red Herring Prospectus is set out below:

Name of Entity	**Criminal Proceedings**	**Tax Procee din gs**	**Statutory or Regulator y Proceedings**	**Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years**	**Material civil litigations**	**Aggregate amount involved* (₹ million)**
			Company			
By the Company	95	NIL	NIL	NIL	3	505.62 [(2)]
Against the Company	1	85**	6***	NIL	2	4,121.89 [(3)]
			Directors			
By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	2[#]	NIL	2	NIL	1.33[(4)]
			Promoters			
By the Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against the Promoters	NIL	3[#]	NIL	3	NIL	1.36[(5)]
			Subsidiaries			
By the Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
Against the Subsidiaries [(1)]	1	NIL	NIL	NIL	1	Not quantifiable

** To the extent quantifiable.*
*** Tax matters involving our Company. Our Company has received eight notices intimating certain discrepancies in the returns filed and seeking certain clarifications in this regard. As the financial impact of notices intimating discrepancies are not ascertainable, these eight notices have not been included here.*
**** While not a statutory or a regulatory proceeding, our Company has also received three notices from Competition Commission of India, one from Deputy Commissioner of Police, Crime Branch, Surat and one each from Commissioner of Police, West Bengal and Inspector of Police, Chandannagar Police Commissionerate, West Bengal in the past with request for information. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments –Regulatory notices received by our Company" on page 447.*
#Two of the directors have received notices from the Directorate of Commercial Taxes, West Bengal, regarding their obligation to enroll under the West Bengal State Tax on Professions, Trades, Callings, and Employments Act, 1979. As no amount has been claimed by the authorities in the notice, and the financial impact of these notices is not ascertainable, these two notices have not been included here. [(1)] Our Subsidiary is also a party to a trademark infringement related matter which is not quantifiable at this stage. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments – Other Material Pending Litigation against our Subsidiaries" on page 450.
[(2)] Inclusive of an aggregate of ₹290.95 million involved in the 91 cases filed by our Company under Negotiable Instruments Act, 1881. For further information, see "Legal and Other Information - Outstanding Litigation and Material Developments – 'Criminal Proceedings initiated by our Company' on page 445.
[(3)] Inclusive of an aggregate of ₹ 4,087.28 million involved in the 85 tax matters to which our Company is a party. [(4)] 1.33 million involved in the 2 tax litigations to which our Directors are a party and excludes settlement fees paid for the disciplinary actions initiated by SEBI.
[(5)] ₹1.36 million includes the number of cases and amount involved for cases against Promoters, who are also the Directors of the Company

and excludes settlement fees paid for the disciplinary actions initiated by SEBI.

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

Further, as a consumer facing business, we also receive customer complaints on various platforms. While these are not currently outstanding litigation, we cannot assure you that they will not be in the future. Further, we also cannot assure you that any of these on-going matters will be settled in favour of our Company, Promoters, Directors or Subsidiaries, respectively, or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Promoter, Subsidiaries and Directors in the future. An adverse outcome in any such proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation and divert the time and attention of our management. For further information, see "*Tax claims against our Company, Subsidiaries, Promoters and Directors*" under the section "*Outstanding Litigation and Material Developments*" on page 451.

19. Certain filings and instructions made in respect to transfer of shares of our Company are not traceable.

Neither we nor our Promoters have been able to trace share transfer forms in relation to shares transferred by and to our Promoters, except for (i) transfer of 102,500 equity shares from Krishna Kumar Choudhary (HUF) to Krishna Kumar Choudhary, (ii) transfer of 23,298 equity shares to Krishna Kumar Choudhary from Meena Choudhary, Manju Suresh Pansari, Krishna Kumar Choudhary (HUF) and Suresh M Pansari HUF, (iii) transfer of 4,400 Equity Shares from Suresh M Pansari HUF to Sureshkumar Pansari, each dated June 25, 2020. For information regarding share transfer by and to our Promoters, see "*Capital Structure – Build-up of Promoter's shareholding in our Company*" on page 116. Despite having conducted an extensive search of records by our Company including at our Registered and Corporate Office and confirmations received from our Promoters based on the searches conducted of their respective offices and residences and in consultation with their respective advisors, they have not been able to retrieve the aforementioned documents, and accordingly, we have relied on other documents, including minutes of meetings of our board of directors and shareholders, as applicable, annual returns filed by our Company, gift deeds and statutory registers (including share transfer registers) for such matters.

20. The impact of the COVID-19 pandemic had an adverse effect on our business, results of operations, financial condition and cash flows.

The outbreak of the COVID-19 pandemic, as well as government measures to reduce the spread of COVID-19 pandemic, have had a substantial impact on our operations. The impact of the pandemic on our business, operations and financial performance have included and may continue to include the following:

- Temporary shutdown of our branches, service centres (including warehouses) for several weeks in March and April 2020. In particular, the period of national lockdown mandated by the GoI between March 23, 2020 to May 23, 2020, resulted in complete ban on distribution operations, which significantly impacted our business, revenue from operations and cash flows in the relevant periods. We were able to increase our distribution as the COVID-19 pandemic progressed, and consequently our revenue from operations showed steady increase, at ₹ 59,250.48 million, ₹ 93,134.38 million and ₹ 94,542.79 million in Fiscals 2021, 2022 and 2023, respectively and were ₹ 50,239.36 million and ₹ 54,685.10 million for the six months ended September 30, 2022 and September 30, 2023, respectively. Further future regulatory restrictions relating to the pandemic interrupting our operations may also affect our ability to effectively manage our sales and product inventory.

- Disruptions of the services we receive from third-parties including our suppliers and transportation and logistics partners, due to sporadic availability of manufactured goods, fluctuating and unpredictable demands, and disruptions in supply chain. As of March 31, 2021, 2022 and 2023 and as of September 30, 2022 and September 30, 2023, our trade receivables were ₹ 7,923.76 million, ₹ 11,521.47 million, ₹ 8,716.20 million, ₹ 12,143.44 million and ₹ 13,775.26 million and accounting for 13.37%, 12.37%, 9.22%, 24.17% and 25.19%, respectively, of our revenue from operations.

- Compliance with evolving government regulations, including with respect to social distancing measures and sanitization practices. For instance, we instituted multiple staggered shifts for employees and limited physical interactions with our Channel Partners. Although we are currently in compliance with such guidelines, any failure in the future to fully comply or adhere to the measures and guidelines or any other similar regulations could lead to the imposition of penalties, fines or other sanctions, which could have an adverse impact on our business.

In response to the COVID-19 pandemic, the RBI allowed banks and lending institutions to offer moratoriums to their customers to defer payments under loan agreements until August 31, 2020. However, we did not avail moratoriums offered by banks and lending institutions. We have availed of facilities under the Emergency Credit Guarantee Loan schemes, amounting to ₹ 632.00 million, of which ₹ 476.28 million was outstanding as of March 31, 2023 and ₹ 397.28 million was outstanding as of September 30, 2023. As of March 31, 2023, this outstanding amount represented 4.47% of our total borrowings while as of September 30, 2023, this outstanding amount represented 2.85% of our total borrowings (as per balance sheet, where total borrowings include Non-Current Liabilities: Borrowings and Current Liabilities: Borrowings).

Additionally, there can be no assurance that we will be able to successfully achieve our business plan or expansion strategies in the event of subsequent waves of the COVID-19 pandemic or any other pandemic in India that lead to additional restrictive measures or hamper overall economic recovery including any new strains such as new JN.1 variant. We cannot assure you that in the event of another COVID-19 wave additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of COVID-19.

In addition, if our Key Managerial Personnel or a significant percentage of our workforce is unable to work due to illness, quarantine, limitations on travel or other government restrictions in connection with any pandemic, our operations may be negatively impacted. An outbreak or perceived outbreak of COVID-19 or a similar pandemic could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and prospects. Also see "*Financial Information*" on page 309.

21. Any disruption or shutdown of our warehouse facilities, or failure to achieve optimal capacity utilisation at such facilities could adversely affect our business, results of operations and financial condition

We store our inventory in our warehouses across India, from where products are distributed. As of September 30, 2023, we had 63 warehouses, which are typically located in proximity to our branches. We store our inventory at our warehouses, and transport ICT products from warehouses to our customers, based on orders received. While we monitor the inventory at our warehouses through an ERP system, and closely track capacity and utilisation of our warehouses, if there is any disruption to the operations at our warehouses, or if we experience any shutdowns of our warehouses due to factors beyond our control, our supply chain and operations will be adversely affected, impacting our ability to honour our contractual obligations, which may expose us to legal claims. We have witnessed two instances in the past three Fiscals and the six months ended September 30, 2023, in Secunderabad and Delhi, where our warehouses had temporarily been seized in connection with ongoing tax proceedings. There was no material impact of the temporary seizure of the two warehouses on the results of operations of our Company.

In addition, we plan our operations and take on distribution obligations factoring in the capacity of our warehouses, our delivery network and other factors. Failure to achieve optimal capacity utilisation of our warehouses would lead to inefficiencies in our operations, which may materially and adversely affect our cash flows, business, future financial performance and results of operations.

22. Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, cash flows and results of operations.

We are required to obtain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out/ undertake our operations. These approvals, licenses, registrations and permissions may be subject to numerous conditions. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition. Some of our approvals may have expired in the ordinary course of business, for which we have made applications with the relevant authorities which are pending as of the date of this Red Herring Prospectus. These include renewal of certain registrations under the relevant shops and establishments legislations in certain states, trade licence and other miscellaneous labour registrations. For further information on the nature of approvals and licenses required for our business and details of approvals and licenses yet to be renewed, see "*Government and Other Approvals*" on page 456. In addition, we have, and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time in the ordinary course.

There is no assurance that such approvals and licenses will be granted or renewed in a timely manner or at all by the relevant governmental authorities. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in imposition of penalties by relevant authorities, and may also prevent us from carrying out our business. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us

to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

23. Our business requires working capital. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial condition.

Our business is working capital intensive. We have high working capital requirements to maintain sufficient inventory of products for steady supply. In addition, we require working capital for certain costs such as employee benefits expense, lease payments, domestic logistics costs. We may meet part of the working capital requirements through additional borrowings in future. A significant amount of our working capital is required for meeting operating expenses of our business, which is the purchase of ICT products from global technology brands, before payment is received for the sale of such products to our customers.

Our Company's working capital details as at as at March 31, 2021, March 31, 2022, March 31, 2023 and as at September 30, 2022 and September 30, 2023 was ₹ 7,767.89 million, ₹ 13,140.91 million, ₹ 16,287.90 million, ₹ 15,153.30 million and ₹ 20,530.93 million, as certified by Pipara & Co LLP, Chartered Accountants, through their certificate dated January 29, 2024.

Our working capital requirements may increase if the payment terms in our agreements with customers include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables, short-term borrowings and the cost of availing such working capital funding.

Growth in our operations may result in increase in the quantum of current assets, particularly trade receivables. Our inability to obtain adequate amount of working capital at such terms which are favourable to us, in a timely manner or at all, may also have an adverse effect on our financial condition. Continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. We cannot assure you that we will be successful in arranging adequate working capital through borrowings or cash flows from operations. Our inability to maintain sufficient cash flows, credit facilities and other sources of funds, in a timely manner or at all, to meet our working capital requirements may adversely affect our operations and financial condition. For more information, see "*Objects of the Offer – Details of the Objects – Funding working capital requirements of our Company - Basis of estimation of working capital requirement"* on page 138.

24. We are dependent on third-party transportation providers for the delivery of products distributed by us and for provision of security services at our branches and warehouses.

Our success depends on the uninterrupted supply and transportation of products that we distribute. We rely on the global technology brands we serve to deliver products to our warehouses. We further deliver products from our warehouses to our customers and Channel Partners. For the purposes of delivery of products to and from our warehouses, we rely on third-party transportation and logistics providers. We typically enter into non-exclusive agreements with such transportation providers for the delivery of products. We are therefore dependent on transportation and logistics companies that we engage. Although we have not encountered any significant disruption to the supply and transportation of products in the past three Fiscals, the operating restrictions/ lockdowns consequent to the outbreak of the COVID-19 pandemic temporarily affected our ability to transport products in the first quarter of Fiscal 2021. There can be no assurance that any such disruptions will not occur in the future as a result of these or other factors and that such disruptions will not be material.

The table below provides our freight and forwarding expenses as a percentage of revenue from operations in Fiscals 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months ended September 30, 2022		Six months ended September 30, 2023	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Freight and forwarding expenses	75.56	0.13%	107.73	0.12%	167.67	0.18%	72.89	0.15%	83.47	0.15%

Although we do not rely on limited operators for transportation of our products, transportation strikes may have an adverse effect on supplies and deliveries. In addition, products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. A failure to deliver our products in an efficient and reliable manner could have an adverse effect on our business, financial condition and results of operations. Any recompense received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers.

Further, we rely on third party service providers for security at our branches and warehouses. Any failure of such agencies in providing their service could lead to theft or cause damage to goods stored at the warehouse, which could adversely affect our services. While we factor interruptions resulting in cost increase as variable margin increases in our contracts with our third-party service providers, we may nonetheless be required to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

25. Our Company is involved in certain tax matters, the outcome of which may adversely affect our results of operations and financial condition.

As on the date of this Red Herring Prospectus, our Company is a party to 85 tax litigation matters with the aggregate amount involved being ₹4,087.28 million. These matters are currently pending. The outcome of legal proceedings generally, regardless of the merits, is inherently uncertain and there can be no assurance that we will prevail in these matters. In addition, litigation and related matters are costly and may divert the attention of management and employee resources that would otherwise be engaged in other activities, which could adversely impact the business and operations of our Company. If we are unable to prevail in these matters, business, results of operations, liquidity, cash flows, and financial condition of our Company could be adversely affected. For further information, see "*Tax claims against our Company, Subsidiaries, Promoters and Directors*" under section "*Outstanding Litigation and Material Developments*" on page 451.

26. A portion of our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 130. As on the date of this Red Herring Prospectus, our funding requirements are based on management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on current conditions and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds for (i) prepayment or scheduled re-payment of a portion or all of certain outstanding borrowings availed by our Company; (ii) funding working capital requirements of our Company; and (iii) general corporate purposes in the manner specified in "*Objects of the Offer*" on page 130, the amount of Net Proceeds to be actually used will be based on our management's discretion. Owing to the nature of the Objects for which we propose to use the Net Proceeds, we have not entered into any definitive agreements to use the Net Proceeds. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. Our internal management estimates may exceed fair market value or the

value that would have been determined by third-party appraisals, which may require us to reschedule or reallocate our capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

27. The Objects of the Offer include funding working capital requirements of our Company, which is based on certain assumptions and estimates.

The Objects of the Offer include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, see "*Objects of the Offer - Funding working capital requirements of our Company*" on page 138. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

28. Our success depends on employees with technical knowledge and reliable sales teams, who are able to maintain quality and consistency in customer service. Our inability to attract or retain sales personnel or employees with technical knowledge could adversely affect our business, financial condition and results of operations.

Our business is manpower intensive and the success of our business depends on maintaining skilled sales personnel and employees with technical knowledge, who are able to liaise with the global technology brands we serve, as well as our customers. This is dependent on our ability to attract, hire, train, and retain skilled personnel particularly for sales and technical functions, monitor them continuously on key service parameters and guide them regularly. We had 1,433 employees as of September 30, 2023, including 549 employees in our sales and marketing team and 64 employees in our technical support team. Across our operations, we experienced attrition (calculated as employees who have left/ total employees) of 14.47%, 18.25% and 19.71% in Fiscals 2021, 2022 and 2023, respectively and 11.42% (unannualized) and 8.51% (unannualized) for the six months ended September 30, 2022 and September 30, 2023, respectively. We may not always be able to retain our personnel or find and hire personnel with the necessary experience or expertise. In addition, we may need to increase the overall compensation and other benefits in order to attract and retain personnel in the future and that may affect our costs and profitability. There can be no assurance that we will be able to recruit and retain the right personnel and functional experts or will be successful in delivering consistent services.

29. Any failure to maintain quality of customer service and deal with customer complaints could materially and adversely affect our business and operating results.

Our business is significantly affected by the overall size of our customer base which range from corporates to individuals, and this customer base is determined by our ability to provide quality customer service. As of September 30, 2023, we had 135 employees involved in customer support, including our after-sales services. Set forth below are details of customer complaints received by us during the years/ periods indicated:

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Six months ended September 30, 2022**	**Six months ended September 30, 2023**
Number of customer complaints	153	30	54	31	36

We provide customer support at all stages to our customers, through e-mail and telephone support via a dedicated customer care number. If we fail to provide quality customer service, our customers may be less inclined to buy our products or recommend us to new customers, and may channel their purchase through our competitors. Our ability to ensure a satisfactory customer experience for a large part depends on our suppliers' ability to provide high-quality products and services. Customer complaints also typically relate to the miscommunication or

misunderstanding on quality of products or inquiries in relation to products or services, questions on the invoices raised, complaints on delivery details, complaints about defective products or inadequate services, as well as matters which do not involve any default or deficiency on our part. However, failure to maintain the quality of customer services or satisfactorily resolving customer complaints, could harm our reputation and our ability to retain existing customers and attract new customers, which may materially and adversely affect our business, financial condition, cash flows and results of operations. Further, negative customer feedback, complaints or claims against us in consumer forums or otherwise, can result in diversion of management attention and other resources, which may adversely affect our business operations. We have been, and may, from time to time, be involved in litigation involving customer claims against our products.

30. Our past performance may not be indicative of our future growth. An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.

We have experienced stable growth over the past three Fiscals and six months ended September 30, 2022 and September 30, 2023. Our revenue from operations has increased at a CAGR of 26.32% from ₹ 59,250.48 million in Fiscal 2021 to ₹ 94,542.79 million in Fiscal 2023 and were ₹ 50,239.36 million and ₹ 54,685.10 million, respectively for the six months ended September 30, 2022 and September 30, 2023. However, there can be no assurance that our growth strategy will be successful or that we will be able to continue to expand further, or at the same rate. Since inception, we have added additional sub-segments of products we distribute, implemented additional distribution channels and grown our employee base to include individuals with domain knowledge and familiarity with the nature of business.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands in the industry, obtaining new licences and authorisations to distribute third-party brand products, compete with existing companies in our markets, consistently exercise effective quality control, hire and train qualified personnel to upsell or cross sell our distributed products. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. We may face increased risks when we enter new product markets in India and internationally, and may find it more difficult to hire, train and retain qualified employees in new regions. Further, our General Trade channel historically also included certain sales done through our website. However, as of the date of this Red Herring Prospectus, we have discontinued sales through our website. Accordingly, our results of operations for subsequent periods may not be comparable to our performance prior to the discontinuation of sales done through our website.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our workforce. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

31. Our Company's business relies on the reliable performance of its information technology systems and any interruption or abnormality in the same may have an adverse impact on our business operations and profitability.

Our Company has an ERP system which integrates and collates data of purchase, sales, reporting, accounting, inventory, shipping etc. from across our branches, service centres and our warehouses. Our Company also relies on third party providers for providing data hosting services (partially cloud) and internet links. A downtime in services of any of these providers or if any of these software, hardware or applications become unavailable due to extended outages, interruptions or because they are no longer available on commercially reasonable terms, it could result in delays. Delays in order processing are reduced as our Company utilizes the physical billing procedure in case there is a downtime in the information technology systems. The physical billing procedure is subject to human errors and frauds, which may affect our reputation and profitability.

Our Company utilises its information technology systems to monitor all aspects of its businesses and relies to a significant extent on such systems for the efficient operation of its business, including, the monitoring of inventory

levels, the allocation of products to warehouses and branches and budget planning. Our Company's information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete, which may affect its ability to maintain connectivity with our branches and warehouses. We cannot assure you that we will be successful in developing, installing, running and migrating to new software systems or systems as required for its overall operations. Even if our Company is successful in this regard, significant capital expenditures may be required, and we may not be able to benefit from the investment immediately. Sales also may be affected if our customers are unable to access our price and product availability information. We also rely on the internet, and in particular electronic data interchange, for a large portion of our orders and information exchanges with the global technology brands we serve and our customers. Disruptions or slowdowns of the internet could impair our order processing or timely exchange of information with the global technology brands we serve and our customers. All of these may have a material adverse impact on our Company's operations and profitability.

Also, our Company cannot guarantee that the level of security it presently maintains is adequate or that its systems can withstand intrusions from or prevent improper usage by third parties. Also, our computer networks may be vulnerable to unauthorised access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by third parties or employees. For further information on cyber-attacks we have witnessed, see "*Risk Factors - Our Subsidiary, ZNet Technologies Private Limited, is engaged in providing cloud computing services, and its technology and practices may face data privacy and security concerns. Software bugs, security breaches, and attacks on the systems of ZNet Technologies Private Limited could result in the improper disclosure and use of user data and interference with its users and customers' ability to use its products and services, harming our business operations and reputation*" on page 61. we cannot assure you that our security systems in place can prevent any such attacks in the future or that we will be able to handle such attacks effectively. Our Company's failure to continue its operations without interruption due to any of these reasons may adversely affect our Company's results of operations.

32. Our Subsidiary, ZNet Technologies Private Limited, is engaged in providing cloud computing services, and its technology and practices may face data privacy and security concerns. Software bugs, security breaches, and attacks on the systems of ZNet Technologies Private Limited could result in the improper disclosure and use of user data and interference with its users and customers' ability to use its products and services, harming our business operations and reputation.

There are significant concerns about practices adopted by cloud computing services with regard to the collection, use, disclosure, or security of personal information or other data-privacy-related matters. The products and services provided by our Subsidiary involve the storage and transmission of proprietary and other sensitive information, and bugs, theft, misuse, defects, vulnerabilities in such products and services, and security breaches expose us to a risk of loss of this information, improper use and disclosure of such information, litigation, and other potential liability. Systems and control failures, security breaches, failure to comply with privacy policies set out by our Subsidiary, and/or inadvertent disclosure of user data could result in government and legal exposure, seriously harm our reputation and brand and, therefore, our business, and impair our Subsidiary's ability to attract and retain users or customers. We expect to continue to expend significant resources to maintain security protections that shield against bugs, theft, misuse, or security vulnerabilities or breaches.

Our Subsidiary may experience cyber-attacks and other attempts to gain unauthorized access to its systems. It may also experience future security issues, whether due to employee error or malfeasance or system errors or vulnerabilities in our or other parties' systems, which could result in significant legal and financial exposure. Government inquiries and enforcement actions, litigation, and adverse press coverage could harm our business. We may be unable to anticipate or detect attacks or vulnerabilities or implement adequate preventative measures. Attacks and security issues could also compromise trade secrets and other sensitive information, harming our business. In addition to our efforts to mitigate cyber-attacks, our Subsidiary makes significant investments in safety, security, and efforts to combat misuse of its services and unauthorized access to user data by third parties, including investigations and review of platform applications that could access the information of users of its services.

Our Company has adopted an access management policy and an information security policy, which collectively lay out the framework for our cybersecurity measures and means for protecting information assets from unauthorized access and ensure confidentiality, availability and integrity of such information assets. While we have witnessed 265 instances of attempted cyber-attacks between December 28, 2022 and January 2, 2023 which have been blocked by our firewalls, we cannot assure you that such attacks or security breaches will not occur or be successful in future. In addition, while we have dedicated significant resources to privacy and security incident response capabilities, including periodic cyberattack drills and security audits, our response process, particularly during times of a natural disaster or pandemic (including COVID-19), may not be adequate, may fail to accurately assess the severity of an incident, may not respond quickly enough, or may fail to sufficiently remediate an incident. In the three preceding Fiscals and six months ended September 30, 2023, our Company has not faced any instances of data leaks. While we strive to comply with the relevant laws and regulations, and factor the costs for compliance into our budget and working capital requirements, the cost of compliance may be high and increase as laws and regulations become increasingly complex, or as we expand our nationwide network and distribution channels. Any failure to comply with laws and regulations can result in negative publicity and diversion of management time and effort and may subject us to significant liabilities and other penalties. Further, we do not maintain any cyber-crime insurance policy. As a result, we may suffer significant legal, reputational, or financial exposure, which could harm our business, financial condition, and operating results.

33. We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions among others include sales, purchases, services, membership fee expenses, corporate social responsibility donations, salaries, wages and bonus to KMPs, salaries, wages and bonus to relatives of KMPs, contribution to provident fund and other funds, interest expenses, rent expenses, rent received, security deposit provided, borrowings availed, loans repaid, services availed, assets purchased, security deposits, other receivables and salary payables. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and have not been prejudicial to the interests of our Company. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. For instance, certain members of our Promoter Group use property that has been leased by our Company, and our Company uses certain properties that are leased from members of our Promoter Group. For further information, see *"Our Management — Interest in Property"* on page 273. Further, certain Promoter Group entities are beneficiaries of insurance policies that our Company pays for.

The table below provides details of our aggregate amount of related party transactions for Fiscals 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023:

Vertical	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Aggregate amount of related party transactions	622.50	1.05%	2,322.23	2.49%	2,982.87	3.16%	1,438.00	2.86%	888.86	1.63%

For further information, see "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Consolidated Financial Information - Related Party Disclosure – Note 43*" on pages 28 and 378, respectively.

34. Our growth strategy to expand into new geographic areas exposes us to certain risks, which if we are unable to manage, may have a material adverse effect on our operations.

We have a multi-channel pan-India distribution network and support our logistics and supply operations with our in-house infrastructure. Our pan-India distribution network includes 50 branches, 50 service centers and 63 warehouses covering 680 locations in India through an ecosystem of 8,402 Channel Partners, as of September 30, 2023. As a part of our strategy, we intend to deepen our penetration in the markets in which we currently participate and also enter into emerging markets. As part of our growth strategy, we may be exposed to risks, which may arise due to lack of familiarity and understanding of the economic conditions, demography, trends, consumer tastes and preference and culture of such areas. For further information, see "*Our Business - Strategies - Deepen penetration across India and widen channel network*" on page 239. The risks involved in entering new markets and expanding operations, may be higher than expected, and we may face significant competition in such markets.

The table below sets out information on the length of our agreements with certain key global technology brands we served, as of September 30, 2023:

Brands	**ASUS Global Pte. Ltd.**	**Logitech Asia Pacific Limited**	**Lenovo India Private Limited**	**HP India Sales Private Limited**	**Dell International Services India Private Limited**	**NVIDIA Corporation**	**Western Digital (UK) Limited**	**Intel Americas, Inc.**
No of Years of Relationship	25	12	13	12	8	7	8	9

Any potential expansions into new geographical regions, could subject us to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation in that region;
- ability to understand consumer preferences and local trends in such new regions;
- exposure to expropriation or other government actions; and political, economic and social instability; and
- right location for setting up our branch, service centre or warehouse.

Further, there can be no assurance that even if we are able to successfully implement our plan to deepen geographical penetration, we may be able to effectively manage our expanded operations. If we are not able to manage the risk of such expansion it could have a material adverse effect on our operations.

35. We have branches, services centres, warehouses located across India and any adverse development affecting such regions may have an adverse effect on our business, prospects, financial condition and results of operations.

As of September 30, 2023, we had one of the largest ICT products distribution networks in India. (*Source: Technopak Report*) We operated branches in 50 cities that operate as sales and service centers and warehouses in 28 States and Union Territories in India across 680 locations in India. Further, as of September 30, 2023, our 63 warehouses have stored and distributed 10,508 SKUs. For further information, see *"Our Business – Our Value Proposition – Customer Value Proposition – Availability of diverse range of products", "Our Business – Financial and Operational Information", "Our Business – Business Strengths – Pan-India and multi-channel distribution footprint backed by dedicated in-house infrastructure", "Our Business – Business Strengths – Scalable business model supported by advanced technology stack" and "Our Business – Business Operations – Network – Warehouses"* on pages 227, 230, 232, 220 and 244, respectively. We may, in the future, purchase, operate or acquire more branches, service centres and warehouses depending on the utilisation and demand. We may also be required to cease operations at or close down branches in the event of reduced activity or under utilization of our existing branches. For instance, we have ceased operations at two branches in the last three Fiscals and six months ended September 30, 2023, and moved them to different locations, owing to reduced transactions at such branches. In effective utilization of our operational capabilities and ineffective utilization of our capacities could impact our business and performance. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local governments in the regions where we operate, or where we may in future purchase, operate or acquire service centres and warehouses, could adversely affect operations at our warehouses. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or diseases heightened or particular to the region, may adversely impact the supply of products and local transportation.

Any such adverse development affecting continuing operations at our warehouses could result in significant loss from inability to meet inventory schedules and service sales orders appropriately, which could materially affect our business reputation within the industry. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, market share, profitability and reputation.

36. We may seek to expand our product portfolio and target emerging product areas. If such products do not witness demand that we expect them to, our business and results of operations may be adversely affected.

We plan to target emerging IT product segments in their developmental stages and establish product expertise allowing us to keep our broad product line current with emerging trends. For further information, see "*Our Business – Business Strategies*" on page 238. We expect that this will enable us to effectively introduce new technology to our reseller customers while simultaneously allowing us to establish a preferred position in servicing emerging global technology brands. We also intend to expand further in our embedded segment, and enter into new sub-segments such as printing and scanning solutions and associated software, and endpoint security. Our focus on such product diversification may expose us to new operational, regulatory and market risks as well as risks associated with additional capital requirements as well as other considerable risks, including:

- our inability to integrate new operations, personnel, products, services and technologies;
- unforeseen or hidden liabilities, including exposure to lawsuits associated with new product quality and sales;
- the diversion of resources from our existing businesses;
- failure to comply with laws and regulations as well as industry or technical standards of product categories into which we seek to diversify;
- our inability to generate sufficient revenues to offset the costs and expenses behind focussing our resources on the new product categories; and
- potential loss of, or harm to employees or customer relationships.

Any of these events could disrupt our ability to manage our business, which in turn could have a material adverse effect on our financial condition and results of operations. Such risks could also result in our failure to derive the intended benefits of the product diversification, and we may be unable to benefit from such expansion initiatives, which may adversely impact our growth and prospects.

37. We may be subject to employee unrest, slowdowns and increased wage costs, which may have an adverse effect on our business, operations, our cash flow and financial condition.

As of September 30, 2023, we had 1,433 employees, with 549 employees being dedicated sales and marketing personnel. The table below provides our employee benefits expense as a percentage of our revenue from operations in the corresponding years/ periods:

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2022**		**Six months ended September 30, 2023**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**	**Revenue from Operations (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Employee benefits expense	787.41	1.33%	1,142.80	1.23%	1,360.22	1.44%	664.51	1.32%	735.27	1.34%

As on the date of this Red Herring Prospectus, our employees are not unionised. However, in the event that employees seek to unionise, it may become difficult for us to maintain flexible labour policies, which may increase our costs and adversely affect our business. We believe our employees and personnel are critical to maintain our competitive position. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Although we have not experienced any labour unrest, we cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Due to the nature of our business, we need to hire temporary and contractual labourers which makes our operations vulnerable to regional labour unions. Further, our third-party suppliers may experience strikes or other labour disruptions and shortages that could affect our operations, possibly for a significant period of time, result in increased wages, shortage in manpower and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition. A potential increase in the salary scale of our employees as a result of organisation or unrest, or a disruption in services from our employees or contract manufacturers due to potential strikes, could adversely affect our business operations and financial condition.

38. We may be subject to fraud, theft, employee negligence or similar incidents.

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking or delivery. Our industry typically encounters some inventory loss on account of employee theft, fraud and general administrative error. We have in the past experienced such incidents, including certain minor instances of theft. For further information, see "*Outstanding Litigation and Material Developments – Litigation involving our Company – Outstanding Criminal Litigation involving our Company – Criminal Proceedings by our Company*" on page 445. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. In addition, while we have implemented safety measures such as CCTV cameras in key product handling vicinities to monitor the movement of inventory, instituting in-out systems and policies for employees, we cannot assure you that such measures will be effective or that we will not experience such incidents in the future.

Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have an adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

39. Non-compliance with, and changes in, safety, health, environmental, labour and other laws could adversely affect our business, results of operations and cash flows.

We are, and may be, subject to a broad range of safety, health, environmental and labour laws in the jurisdictions in which we operate in the ordinary course of our business. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, any environmental damage or pollution and the presence of such substances or materials. Failure to comply with these laws can result in penalties or other sanctions. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the discharge hazardous substances or other pollutants as a result of us disposing of goods or waste, particularly electronic waste, into the air, soil or water may nevertheless cause us to be liable to the Government of India or to third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance, which may adversely affect our financial condition and results of operations. Similarly, we may be subject to penalties if we are not in compliance with labour legislations and fail to make appropriate contributions as required by law. Accordingly, compliance with, and changes in, safety,

health, environmental and labour laws may increase our compliance costs and as a result adversely affect our financial condition and results of operations.

40. Some of our branches, service centres and warehouses are located on premises held by us on a leasehold basis. We cannot assure you that the lease deeds governing these premises will be renewed upon termination or that we will be able to obtain other premises on same or similar commercial terms.

While our Registered and Corporate Office is located on our owned property, certain of our branches, services centres and warehouses are located on leasehold premises, and the agreements governing the premises may expire in the ordinary course. The respective leases for our branches, service centres and warehouses have a term ranging between one year and nine years, and certain of these lease deeds are also with related parties, on an arms' length basis. We cannot assure you that we will continue to be able to continue operating out of our existing premises or renew our existing leases on acceptable terms or at all. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations. In case of any deficiency in the title of the owners from whose premises we operate, breach of the contractual terms of any lease deed, or leave and license agreements, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavorable to us, or if they terminate our agreements, we may suffer a disruption in our operations and will have to look for alternate premises. For instance, we have received a legal notice on December 28, 2022 in connection with our branch in Jabalpur claiming that our tenancy of the relevant plot is illegal since the lessor did not have authorization to lease out the plot and was restrained from doing so by an order of a city civil court. We have subsequently terminated our lease for our branch in Jabalpur.

In addition, certain of our lease deeds include provisions specifying fixed increases in rental payments over the respective terms of the lease deeds. While these provisions have been negotiated and are specified in the lease deeds, they will increase our costs of operation and therefore may materially and adversely affect our results of operation if we are not able to consistently increase our sales for the subsequent years.

Where we do not have an option to renew a lease deed, we must negotiate the terms of renewal with the lessor, who may insist on a significant modification to the terms and conditions of the lease deed. If a lease deed is renewed at a rate substantially higher than the existing rate, or if any existing favourable terms granted by the lessor are not extended, we must determine whether it is desirable to renew on such modified terms. If we are unable to renew leases for our sites on acceptable terms or at all, we will have to close or relocate the relevant facility, which would eliminate the sales/services that those facilities would have contributed to our revenues during the period of closure, and could subject us to construction, renovation, relocation and other costs and risks.

We may be delayed or be unable to enter a definitive lease deed for various reasons, some of which are beyond our control, which may result in us not being able to recover deposits placed with relevant owners. Further, in the event such letters of intent lapse or are terminated, we may have to identify suitable alternate locations for which we may have to expend significant time and resources. In addition, lease deeds are required to be duly registered and adequately stamped under Indian law and if one of our lease deeds is not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India subject to penalties along with the requisite stamp duty prescribed under applicable Indian law being paid. For instance, lease deeds for our branches in Kolkata, Chennai, Jaipur, Guwahati and Bhubaneshwar have not been registered.

41. One of our Subsidiaries, ZNet Technologies Private Limited, has incurred losses after tax in the last three Fiscals and six months ended September 30, 2022 and September 30, 2023.

Our Subsidiary, ZNet Technologies Private Limited, has incurred losses after tax in the last three Fiscals and six months ended September 30, 2022 and September 30, 2023, as set forth in the table below:

Subsidiary	**Fiscal**			**Six months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
	(₹ million)				
ZNet Technologies Private Limited	(21.89)	(22.38)	(36.67)	(84.35)	(41.80)

There can be no assurance that ZNet Technologies Private Limited or our other Subsidiary will not incur losses in the future which may have an adverse effect on our reputation and business. For further information regarding our Subsidiaries, see "*History and Certain Corporate Matters*" on page 260.

42. Our previous Statutory Auditors have included matters of emphasis on the basis of preparation of special purpose consolidated financial statements.

Our previous Statutory Auditors have included the following Emphasis of Matters in the audit reports on our special purpose consolidated financial statements:

Fiscal 2021:

"We draw attention to Note 1.2 to the 2021 Special Purpose Consolidated Ind AS Financial Statements, which describes the purpose and basis of preparation. The 2021 Special Purpose Consolidated Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the special purpose restated consolidated financial information in relation to the proposed initial public offering of the Company. As a result, the 2021 Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any another purpose. The 2021 Special Purpose Consolidated Ind AS Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of preparation of the special purpose restated consolidated financial information and is not to be used, referred to or distributed for any other purpose without our prior written consent. Our opinion is not modified in respect of this matter."

Other than as mentioned above, there are no adverse reservations/ qualifications/ adverse remarks/ made by our previous Statutory Auditors in their auditor's reports on the audited financial statements as of and for the year ended March 31, 2021, or by our Joint Statutory Auditors as of and for the year ended March 31, 2022 and March 31, 2023 and as of and for the six months ended September 30, 2022 and September 30, 2023. There can be no assurance that any similar emphasis of matters will not form part of our financial statements for future periods.

43. Our international operations expose us to complex management, legal, tax and economic risks. Our purchase and supply arrangements may be governed by the laws of foreign jurisdictions and disputes arising from such arrangements may be subject to the exclusive jurisdiction of foreign courts.

We have entered, and we may in the future enter, into purchase and supply agreements that are governed by laws outside India. Accordingly, we are subject to risks inherent in operating abroad, such as exposure to foreign currencies and the attendant risks, including exchange rate volatility and translation risk arising from foreign currency transactions being translated into Indian rupees for the purposes of our consolidated financial statements. We will also be subject to laws of any other country in which we may operate in future, which may differ in various respects from similar Indian laws and may require us to expend additional resources and engage advisors in the relevant jurisdictions to ensure compliance with applicable laws and the regulatory regime at all times. We may be exposed to such risks in course of our operations in Singapore as well. We have acquired 75.73% stake in our Singapore subsidiary as of the date of this Red Herring Prospectus compared to our stake of 51.46% as of March 31, 2022, and consequently may be exposed to additional risks stemming from our increased control. We may not be familiar with the tax regime in the relevant countries, and may not be able to procure expert advice in a timely manner, or at all. We may be exposed to the risk of penalties for non-compliance with legal requirements in our day to day operations.

In addition, to the extent our purchase and supply arrangements are governed by laws of territories outside India, disputes arising from such arrangements are subject to the exclusive jurisdiction of courts situated in such territories. There can be no assurance that we will be able to contest such disputes effectively, or that such courts will determine disputes in accordance with Indian legal precedents which we may be more familiar with.

We may also undertake transactions in countries or with persons that are subject to international sanctions. This may in turn open us to regulatory action. As a consequence, our international operations may expose us to adverse effects on our financial condition and results of operations.

44. Grants of stock options under any employee stock option plans may result in a charge to our statement of profit and loss and, to that extent, reduce our profitability and financial condition.

As on the date of this Red Herring Prospectus, we have not granted options under our ESOP plan. However, we may in future grant options or establish additional employee stock option schemes or plans, under which eligible employees may participate, subject to the requisite approvals having been obtained. Grants of stock options result in a charge to our statement of profit and loss and reduce, to that extent, our reported profits in such periods.

Under Ind AS, based on share based payments expenses recognized under Ind AS, the grant of stock options under ESOPs will result in a charge to our profit and loss account equal to the fair value of options as at the date of grant.

45. We are dependent on certain of our Promoters, our senior management team, and Key Managerial Personnel, and the loss of our Key Managerial Personnel or senior management may adversely affect our growth and performance.

We are dependent on the continued contributions of certain of our Promoters, Krishna Kumar Choudhary, Sureshkumar Pansari, Kapal Suresh Pansari and Keshav Krishna Kumar Choudhary, who have spearheaded our growth. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the growth and development of business and operations and the strategic directions taken by our Company. In addition, while we remunerate our senior and key managerial personnel based on bottom line performances to maintain lower costs, we may need to increase their overall compensation and other benefits in order to attract and retain such personnel in the future and that may affect our costs and profitability. While there have not been any resignations or changes to our key managerial personnel in the past three Fiscals and six months ended September 30, 2023, except as disclosed in "*Our Management - Changes in the Key Managerial Personnel and Senior Management Personnel during the last three years*" on page 291, we cannot assure you that we will be able to retain these individuals or find adequate replacements in a timely manner, or at all.

46. We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. Further, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. As of November 30, 2023, we had total outstanding consolidated financial indebtedness of ₹ 15,693.69 million. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from or intimations to certain lenders include, amongst others, (i) undertaking or permitting any merger, de-merger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or any class of them or effecting any scheme of amalgamation or reconstruction including creation of any subsidiary or permitting any company to become its subsidiary; (ii) making any investment whether by way of deposits, loans or investments in share capital or otherwise, in any concern; (iii) effecting any change in the capital structure in any manner whatsoever; (iv) undertaking any new business or operations or project or diversification, modernization or substantial expansion of existing businesses or operations or of any project during the currency of the facilities; (v) any change in the directors, beneficial owners, management or managerial remuneration of the borrower; (vi) any change in ownership/ control of the borrower; (vii) making any investment (excluding fixed deposits, mutual funds or similar nature investments) beyond a stipulated limit in a particular financial year; (viii) entering into any management contract or similar arrangement whereby its business or operations are managed by any other person; (ix) amending provisions of major constitutive documents or change in constitution; (x) any acquisition or investment in a company by our Subsidiaries or our Company, except where such acquisition or investment is made in the ordinary course of trading; (xi) dilution in the shareholding of promoters in our Company; (xii) availing any further loan or facility and/ or undertaking any guarantee obligations on behalf of any third party. While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time. While we have not defaulted on any covenants in financing agreements in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that this will continue to be the case in the future. We may avail of non-fund based bank guarantees which contain restrictive covenants, which may in turn adversely affect our business, results of operations, cash flows and financial condition.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements, that include, among others, acceleration of amounts due under such facilities, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. A default by us under the terms of any financing agreement may also trigger a cross-default under some of our other financing agreements, or any other agreements or instruments of our containing cross-default provisions, which may individually or in aggregate, have an adverse effect on our operations, financial position and any credit ratings. For further information regarding our borrowings, see "*Financial Indebtedness*" on page 440.

Changes to government policies may create restrictions on our ability to raise capital. Further, we are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further, under certain of our financing agreements, the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate/MCLR rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. Further, in recent years, the GoI has taken measures to control inflation, which included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows, and financial condition.

47. Certain unsecured loans have been availed by us which may be recalled by lenders.

As of November 30, 2023, we had availed unsecured loans aggregating to ₹ 466.76 million, from banks and certain of our Promoters, members of the Promoter Group and other persons. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to acceleration of payments under such credit facilities, which may adversely affect our Company. For further information, see "*Financial Indebtedness*" on page 440 and "*Restated Consolidated Financial Information – Note 20. Non Current Borrowings"* on page 361.

48. We may not be able to successfully undertake or integrate our acquisitions or investments, which may negatively affect their performance and respective contributions to our results of operations.

Changes to governmental policies may create restrictions on our ability to enter into acquisition transactions with non-Indian companies. If we undertake any strategic acquisitions or make any investments, there can be no assurance that we will be able to successfully integrate our acquisitions or anticipate and overcome the challenges arising from any acquisition and investment. In integrating the companies or businesses that we acquire, we may encounter challenges such as legal, regulatory, contractual, or labour issues; difficulties arising from the consolidation of corporate and administrative functions, and difficulties in integrating finance and accounting systems, policies and procedures. Integrating, synergising and consolidating our acquisitions and investments and managing any complementary business, assets and technologies, may take significant time and resources and, even if successful, may not yield their expected benefits. There is no assurance that we can effectively integrate new acquisitions with our current operations.

We may not be able to transfer skills and experience from one market to another, or recruit, train and retain skilled and qualified management personnel, administrative, sales and marketing personnel or be able to deliver consistent quality of service across the markets we expand into. The failure to successfully integrate any acquired businesses may result in damage to our reputation and/or lower levels of revenue, earnings or operating efficiencies than those we have achieved or might have achieved if we had not acquired such businesses. Furthermore, even if we are able to integrate the former operations of acquired businesses successfully, we may not be able to realise the potential cost savings, synergies and revenue enhancements that were anticipated from the integration, either in the amount or within the time frame that we expect, and the costs of achieving these benefits may be higher than, and the timing may differ from, our expectations. Acquired businesses may have unknown or contingent liabilities, including liabilities for failure to comply with laws and regulations or

unforeseen legal, contractual, labour or other issues, and we may become liable for the past activities of such businesses.

If we fail to integrate businesses that we acquire successfully in the future, manage the growth in our business pursuant to such acquisition or realise anticipated cost savings, synergies or revenue enhancements associated with such acquisitions, our ability to compete effectively, our business, financial condition and results of operations may be materially adversely affected. Once the acquired businesses are operational, we may experience a gestational period where losses are incurred in the initial financial periods after commencing operations.

49. We rely on financing from banks or financial institutions to carry on our business operations, and inability to obtain additional financing on terms favourable to us or at all could have an adverse impact on our financial condition. If we are unable to raise additional capital, our business and future financial performance could be adversely affected.

As of November 30, 2023, we had total outstanding consolidated financial indebtedness of ₹ 15,693.69 million. Our existing operations and execution of our business strategy may require substantial capital resources and we may incur additional debt to finance these requirements in the future. However, we may be unable to obtain sufficient financing on terms satisfactory to us, or at all. If interest rates increase it will be more difficult to obtain credit. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. We cannot assure you that we will have sufficient capital for our current operations, any future expansion plans that we may have and our ability to complete such expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any unfavourable change to terms of borrowings may adversely affect our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

There can be no assurance that we will be able to comply with our current financing agreements or continue to access funds, including by way of short-term borrowings, on acceptable terms or at all. While we seek to mitigate against such risks by exploring favourable funding options from banks/financial institutions, there is no assurance that we will be successful in doing so. Any failure to obtain the requisite funds to meet our requirements or expand or modernize existing capabilities could result in our inability to effectively compete with other players in the healthcare industry, which could have a material adverse effect on our profitability, cash flows and results of operations.

50. Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition.

The cost and availability of our capital depends on our credit ratings. Credit ratings reflects the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium term revenue visibility and operating cycle. CRISIL Ratings has assigned us a long term rating of 'CRISIL A/Positive' and a short term rating of CRISIL A1 to our bank facilities *vide* its ratings rationale dated March 8, 2023.

While we have not had any downgrade in our credit ratings in the past three Fiscals and six months ended September 30, 2023, we cannot assure you that this will continue to be the case in the future. Any downgrade in our credit ratings could increase borrowing costs, result in an event of default under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows. In addition, any downgrade in our credit ratings could increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future and adversely affect our business, results of operations and financial condition.

51. Our growth and profitability depend on the level of consumer confidence and spending in India and the overseas jurisdictions in which we operate.

Our results of operations are sensitive to changes in overall economic and political conditions that impact consumer spending. The Indian ICT market, in particular, is very sensitive to broad economic changes, and retail purchases tend to decline during recessionary periods. Many factors outside of our control, including interest rates, volatility of India's and the world's stock markets, inflation, tax rates and other government policies, and unemployment rates can affect consumer confidence and spending. The domestic and international political environments, including conflicts, political turmoil or social instability, may also affect consumer confidence and reduce spending, which could affect our growth and profitability.

52. We may be subject to risks of infringement claims.

While we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. We cannot assure you that we will not be involved in such intellectual property disputes in the future, including disputes relating to our pending trademark applications. We may also be exposed to claims resulting from potential infringement by global technology brands whose products we distribute. For instance, our Subsidiary is a party to a trademark infringement related matter which is not quantifiable at this stage. For further information, see "*Legal and Other Information - Outstanding Litigation and Material Developments – Other Material Pending Litigation against our Subsidiaries*" on page 450.

Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights. While such claims by third parties have not been made to us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

53. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. For instance, we rely on third party service providers and external agencies for transportation, loading and unloading of material, and for the provision of skilled personnel. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no instances of non compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

54. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds towards (i) prepayment or scheduled re-payment of a portion or all of certain outstanding borrowings availed by our Company; (ii) funding working capital requirements of our Company; and (iii) general corporate purposes in the manner specified in "*Objects of the Offer*" on page 130. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

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

55. Our business is subject to seasonal and cyclical volatility due to which there may be fluctuation in the sales of products which could lead to higher closing inventory position, which may adversely affect our business.

We offer products that our consumers require and our success is dependent on our ability to meet our consumers' requirements. The corporate consumer spending is heavily dependent on the economy and, to a large extent, during festival periods and the end of the financial year, in the months of September and March. Any year also has phases of lean sales. We have historically experienced seasonal fluctuation in our sales, with higher sales volumes associated with the festive period in the third quarter of each Fiscal, owing to the culture of buying large value assets around festive seasons. These seasonal variations in consumer demand subjects our business to a considerable degree of volatility. As a result, our revenue and profits may vary during different quarters of the financial year and certain periods may not be indicative of our financial position for a full financial year or future quarters or periods and may be below market expectations. Further, any unanticipated decrease in demand for our products during our peak selling season could result into higher closing inventory position, which may lead to sale and liquidation of inventory getting delayed against the trajectory under normal course of business, which could adversely affect our financial position and business operations. Fluctuations in the technology distribution market affect the inventory owned by us, since merchandise usually must be manufactured and stored in advance of the season and frequently before the trends are evidenced by customer purchases. In addition, the cyclical nature of the technology distribution business requires us to carry a significant amount of inventory, especially prior to peak selling seasons when we build up our inventory levels. For instance, we build up inventory during the festive season, during school reopening periods, bi-annual or annual business closures.

Also, since our business is seasonal in nature, we are vulnerable to non-availability of products during the peak season when there is high demand for ICT products. Such instances may lead to our customers approaching our competitors which may, in turn, lead to a reduction in our customer base. Further, we will be vulnerable to demand and pricing shifts and to suboptimal selection and timing of merchandise production. If sales do not meet expectations, too much inventory may lower planned margins. The occurrence of these events could adversely affect our cash flows, financial condition and business operations.

56. Our Promoters, certain of our Directors and Key Managerial Personnel are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

In addition to regular remuneration or benefits and reimbursement of expenses, our Promoters, certain of our Directors and KMPs of our Company are otherwise interested in our Company. This interest is to the extent of their shareholding in our Company, their rights to the extent of any dividends, bonuses or other distributions on such Equity Shares, their rights in relation to certain properties leased by them to our Company along with their rights with respect to certain unsecured loans extended by them and other related parties to our Company, certain leased by our Company to entities in which they are interested and insurance policies of our Company where certain entities in which they are interested are beneficiaries of such policies. We cannot assure you that our Promoters, Directors and our KMPs will exercise their rights as Shareholders to the benefit and best interest of our Company. As Shareholders of our Company, our Promoters, Directors or KMPs may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 266 and 293, respectively.

57. Our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiaries may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, conflicts of interest may arise out of common business objects between our Company, Subsidiaries and Group Companies.

A conflict of interest may occur between our business and the business of such ventures in which our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiaries are involved with, which could have an adverse effect on our operations. Our Promoters, Directors, Key Managerial Personnel and related entities may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

Some of our Subsidiaries may have common business objects with our Company. For instance, Rashi Peripherals Pte. Ltd. also distributes ICT products and has common business objects with our Company, and two of our Promoters namely, Krishna Kumar Choudhary and Sureshkumar Pansari are shareholders of Rashi Peripherals Pte. Ltd. We cannot assure you that there will not be any conflict of interest between our Company or our Subsidiaries or Group Companies. There can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

58. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.

Our insurance policies currently cover our inventory and our warehouses and transit of goods from our warehouses to our branches / customers. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our branches, warehouses, service centres or corporate offices are located. Although we maintain insurance coverage such as fire policy, burglary policy for our inventory, and insurance for our employees, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. We have also obtained liability insurance for our directors. We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. While there have not been any such instances in the past three Fiscals and six months ended September 30, 2023, where our claims have exceeded the coverage amount, any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us.

The table below provides details of our aggregate coverage of the insurance policies on property, plant and equipment as a percentage of our net block of property, plant and equipment and capital work-in-progress for the periods indicated:

Particulars	**As of March 31, 2021**	**As of March 31, 2022**	**As of March 31, 2023**	**As of September 30, 2022**	**As of September 30, 2023**
Aggregate coverage of the insurance policies on property, plant and equipment obtained by us (₹ million)	91.31	174.05	164.53	169.17	181.69
As a percentage of our net block of property, plant and equipment and capital work in-progress (%)	16.51%	29.95%	28.40%	31.18%	32.23%

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain losses which may not be covered by the Company, which we have not ascertained as on the date. Therefore, we cannot assure you that we will continue to accurately ascertain and maintain adequate insurance policies for losses that may be incurred in the future. For further information on the insurance policies availed by us, see "*Our Business - Insurance*" on page 252.

59. Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by Technopak Advisors Private Limited exclusively commissioned and paid for by us for such purpose.

We have availed the services of an independent third-party research agency, Technopak Advisors Private Limited, appointed by our Company by way of a resolution passed by our Board dated September 23, 2022, to prepare an industry report titled "*Industry Report on ICT Distribution in India*" dated January 19, 2024 for purposes of inclusion of such information in this Red Herring Prospectus to confirm our understanding of the industry in which we operate. The Technopak Report is a paid report and is subject to various limitations and based upon certain assumptions that are subjective in nature. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. The Technopak Report uses certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Red Herring Prospectus in this context. Given the scope and extent of the Technopak Report, disclosures are limited to certain excerpts and the Technopak Report has not been reproduced in its entirety in this Red Herring Prospectus, but is available on the website of the Company at https://rptechindia.com/page/investor. For further information, including disclosures made by Technopak Advisors Private Limited in connection with the preparation and presentation of their report, see "*Certain Conventions, Use of Financial Information, Industry and Market Data and Currency of Presentation*" on page 18.

60. The average cost of acquisition of Equity Shares by the Promoters may be less than the Offer Price.

The average cost of acquisition of Equity Shares by the Promoters may be less than the Offer Price. The details of the average cost of acquisition of Equity Shares held by the Promoters are set out below:

S. No.	**Name of the Promoter**	**Number of Equity Shares held on a fully**	**Average cost of acquisition per Equity**

		diluted basis	Shares*(in ₹)
1.	Krishna Kumar Choudhary	1,296,750	1.89
2.	Sureshkumar Pansari	5,223,750	0.48
3.	Kapal Suresh Pansari	3,087,000	Nil**
4.	Keshav Krishna Kumar Choudhary	7,392,000	Nil**
5.	Chaman Pansari	2,394,000	Nil**
6.	Krishna Kumar Choudhary (HUF)	5,772,753	0.39
7.	Suresh M Pansari HUF	1,652,532	0.39

*As certified by Pipara & Co LLP, Chartered Accountants, by way of their certificate dated January 29, 2024. *Average cost of acquisition has been arrived at by considering only the cost of shares allotted to the promoters on account of further issue and bonus issue, transfers, i.e. cost paid by promoter for acquisition by way of subscription, bonus issue and acquisition from another shareholder divided by the total number of equity shares acquired by the above transactions.*

The selling price of the shares transferred by the respective promoters to others is not netted off while calculating the average cost of acquisition. While calculating the average cost of acquisition of the shares in the hands of the individual, the cost of shares were considered as the price paid to the transferor against such acquisition of shares.

***No consideration has been paid as the same is acquired by way of gift and bonus shares.*

Notes:

(i) For the purpose of calculation of average cost of acquisition, the sub-division of shares has not been considered as an acquisition but the effect of such sub-division has been given for the purpose of average cost of acquisition as appearing in the above table The Company has multiplied the shares acquired before sub-division of shares, i.e. shares acquired before February 22, 2022 by two for the computation of average cost of acquisition

(ii) For determining the holding of individual promoters, shareholding of the Promoters includes equity shares held as first-holders only. Further, as on the date of this Red Herring Prospectus, our Company does not have any joint shareholding.

61. Our Promoters and Promoter Group will continue to exercise significant influence over us after completion of the Offer.

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group hold 89.65% of the issued and outstanding equity share capital of our Company. Post listing, our Promoters and Promoter Group will continue to exercise significant influence over us through their shareholding after the Offer. In accordance with applicable laws and regulations, our Promoters will have the ability to exercise, directly or indirectly, a significant influence over our business.

62. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

In the preceding one year from the date of this Red Herring Prospectus, our Company has issued Equity Shares pursuant to issues at a price that may be lower than the Offer Price. For further information, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 107. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing.

63. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

We have foreign currency payables for and the sale of our products, and are therefore, exposed to certain foreign exchange risk between the Indian Rupee and U.S. dollars and other foreign currencies. We have not adopted a formal hedging policy. Any significant fluctuation in the value of the Indian Rupee against such currencies including as noticed recently in the case of the US Dollar, may adversely affect our results of operations. While we may pass on foreign exchange risks to our corporate customers in terms of pricing, we cannot assure you that we will successfully be able to do so to a sufficient degree, if at all, or that our financial condition will not be negatively impacted by any adverse foreign exchange fluctuations. Any appreciation of foreign currencies against the Indian Rupee may result in reduction of our margins and consequently have an adverse effect on business and result of operations. Also see, "*Financial Information – Note 41. Financial Risk Management*" on page 375.

64. Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.

Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We have paid dividends of ₹ nil, ₹ 0.99 million and ₹ 1.05 million in Fiscals 2021, 2022 and 2023 and ₹ 1.05 million and ₹ 20.89 million, in the six months ended September 30, 2022 and September 30, 2023, respectively. We have not paid any dividend since October 1, 2023 until the date of this Red Herring Prospectus. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in future consistent with our past practices, or at all. For information pertaining to dividend declared by our Company in the past, see "*Dividend Policy*" on page 308 of this Red Herring Prospectus.

65. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and

industry measures may vary from any standard methodology that is applicable across the Indian information technology distribution industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian information technology distribution industry, many of which provide such non GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Red Herring Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Other Financial Information – Non-Generally Accepted Accounting Principles Financial Measures ("Non- GAAP Measures")*" on page 395.

External Risks

Risks Related to India

66. 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 exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

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.

67. 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/or 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. The ongoing conflict between Russia and Ukraine, and Israel and Palestine, has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property

or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS CoV-2 virus and the monkeypox virus. Another outbreak of any new variant of COVID-19 pandemic such as the new JN.1 variant or future outbreaks of SARS-CoV-2 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.

68. 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 and other jurisdictions we operate in by international rating agencies 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.

69. Changing laws, rules or regulations and legal uncertainties 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 industry in which we operate, which could lead to new compliance 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 prices of raw materials and thereby increase our operational cost. For information on the laws applicable to us, see "*Key Regulations and Policies*" on page 254.

The Income Tax Act, 1961 ("**IT Act**") was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. 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 the COVID -19 pandemic, the GoI 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 Services Tax Act, 2017 and Customs Tariff Act, 1975.

Further, with the implementation of GST, we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the IT Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the GoI has notified the Finance Act, 2023 ("**Finance Act**"), which has introduced various amendments to the IT Act, wherein a few sections have become effective from April 1, 2023 and the remaining shall come into force as and when may be notified by the Central Government. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Similarly, changes in other laws may require additional compliances and/or result in us incurring additional expenditure. 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.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, 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. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

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.

71. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.

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

accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

72. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. Further, the Competition (Amendment) Act, 2023, which is due to come into force on the date notified by the Central Government in the Official Gazette, has introduced changes to the merger control regime, provisions on behavioral issues as well as the enforcement framework under the Competition Act.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows, and prospects.

73. Investors may not be able to enforce a judgment of a foreign court against us, our Directors and executive officers in India respectively, except by way of a law suit in India.

Our Company is a company incorporated under the laws of India and all of our Directors are located in India. All of our Company's assets, 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. For the purpose of section 44A of the CPC, 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 Code of Civil Procedure, 1908 ("**CPC**"). 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 under the FEMA 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.

Risks Relating to the Equity Shares and this Offer

74. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

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

Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares. Further, 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;