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(Please scan this QR code to view the Draft Prospectus)

Nukleus Office Solutions Limited

(formerly Nukleus Office Solutions Private Limited)

Corporate Identification Number: U70101DL2019PLC355618

Our Company was originally incorporated as "Nukleus Office Solutions Private Limited" at Delhi as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated September 27, 2019, issued by the RoC. Subsequently, our Company was converted to a public limited company and the name of our Company changed to 'Nukleus Office Solutions Limited' and a fresh certificate of incorporation dated July 29, 2024 was issued by the RoC. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 167 of the Draft Prospectus.

Registered Office: 1102, Barakhamba Tower, 22 Barakhamba Road, Connaught Place, New Delhi - 110 001, India; Tel. No.: +91 11 428 111 09

Corporate Office: Nukleus Co-working & Managed Offices, Plot No 29, Sector 142, Noida - 201 305, Uttar Pradesh, India

Contact Person: Pooja Jaiswal, Company Secretary & Compliance Officer;

Telephone: +91 96670 49487; **E-mail:** cs@nukleus.work; **Website**: www.nukleus.work

Corporate Identity Number: U70101DL2019PLC355618

NOTICE TO THE INVESTORS: ADDENDUM TO THE DRAFT PROSPECTUS DATED SEPTEMBER 15, 2024 FILED ON DECEMBER 23, 2024 ("THE ADDENDUM")

INITIAL PUBLIC OFFER OF UP TO 13,54,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF NUKLEUS OFFICE SOLUTIONS LIMITED ("COMPANY" / "ISSUER") FOR CASH AT A PRICE OF ₹ 234 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 224 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 3,170.23 LAKHS.

THE ISSUE INCLUDES PROMOTERS' CONTRIBUTION OF 2,89,800 EQUITY SHARES AGGREGATING UP TO ₹ 678.13 LAKHS BY THE PROMOTERS ("PROMOTERS' CONTRIBUTION") AND A RESERVATION OF UP TO 53,400 EQUITY SHARES AGGREGATING UP TO ₹ 124.96 LAKHS FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE PROMOTERS' CONTRIBUTION AND MARKET MAKER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE (EXCLUDING PROMOTERS CONTRIBUTION) AND THE NET ISSUE SHALL CONSTITUTE 26.41% AND 25.09%, RESPECTIVELY, OF THE POST-ISSUE PAIDUP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 288 OF THE DRAFT PROSPECTUS.

This Addendum is in reference to the Draft Prospectus filed with BSE Limited in relation to the Issue. Potential Bidders may note the following:

1. The Issue Price has been finalised as ₹ 234 per Equity Share of face value ₹ 10 each and the Issue Size is ₹ 3,170.23 lakhs and the same should be read in the Draft Prospectus at all other places accordingly.

2. The chapter titled "**Summary of the Issue Document**" on page 16 of the Draft Prospectus has been updated with (i) Restated net asset value per share (in ₹) under the table of "**Summary of selected financial information**" and (ii) Elimination of the foot note below the table pertaining to Income Tax demands / Notices before CIT Appeals / TDS demands under "**Summary of Outstanding Litigations**".
3. The chapter titled "**Risk Factors**" on page 23 has been updated with (i) Risk factor 1 have been modified and (ii) Additional Risk Factor pertaining to financial statement are included.
4. Under the chapter titled "**Summary of financial information**" on page 49, the total for Assets for the Fiscal 2023 should be read as "**735.68**".
5. The Company has entered into Market Making Agreement and Underwriting Agreement. The details of the said agreement, alongwith the underwriting commitment has been updated under the Chapter "**General Information**"
6. The Chapter "**Capital Structure**" has been updated with the post issue capital details and the table of capital buildup under "**Capital Structure - History of Equity Share Capital of our Company**" on page 60 of the Draft Prospectus shall be replaced with the issue price as Nil in case of the issuance of bonus shares and Issue price as 10 in case of the transfer of shares.
7. The summary table disclosing the centres to be opened in Financial Year 2024-25 appearing on page 91 under "**Capital expenditure and security deposit towards establishment of new centres**" has been updated under the Chapter "**Objects of the Issue**"
8. The Chapter titled "**Industry Overview**" has been updated
9. The chapter titled "**Our Management**" and "**Our Promoters and Promoter Group**" on page 170 and 184 has been updated.
10. The chapter titled "**Our Group Companies**" on page 188 has been updated with (i) Capital structure, Shareholding Pattern and financial information of Krishna Infosolutions Private Limited, and (ii) Nipun Gupta and Puja Gupta are the partner instead of proprietor in PSL Associates.
11. In the chapter titled "**Restated Financial Information**", the headings (i) "**Restated Information of Assets & Liabilities"**; (ii) "**Note 1: Share Capital- Notes to Restated financial Information";** and (iii) "**Point O in the Significant Accounting Policies, related to Earnings Per Share**" has been updated.
12. The table "**Before the Adjustment of Bonus Shares**" under the heading "**Other Financial Information**" has been updated.
13. The chapter titled "**Management Discussion And Analysis Of Financial Conditions And Results Of Operations**" on page 253 of the Draft Prospectus has been updated with (i) Depreciation and Amortisation Expenses appearing in the section "Comparison of Fiscal 2023 to Fiscal 2022" and (ii) Capital Expenditures
14. The chapter titled "**Government And Other Approvals**" on page 271 has been updated to include additional three ISO certificates.
15. The chapter titled "**Other Regulatory And Statutory Disclosures**" on page 276 of the Draft Prospectus has been updated with inclusion and elaboration of details appearing in the section "**Eligibility for the Issue**".

The changes in this Addendum are to be read in conjunction with the Draft Prospectus and accordingly, the corresponding references in the Draft Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements and updates the information in the Draft Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Prospectus. Please note that all other details / information included in the Draft Prospectus will be suitably updated, including to the extent stated in this Addendum, along with other factual updates, as may be applicable, in the Prospectus, as and when filed with the RoC, SEBI and the Stock Exchanges. Investors should not rely on the Draft Prospectus or this Addendum for any investment decision, and should read the prospectus, as and when it is filed with the RoC, SEBI and the Stock Exchanges before making an investment decision with respect to the Issue.

The Equity Shares offered in the Issue 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 absent registration under the U.S. Securities Act or 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 (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in the Draft Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Prospectus as "QIBs") pursuant to Section 4(a) of the U.S. Securities Act and (b) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

This Addendum shall be available on the website of the Stock Exchanges i.e., www.bsesme.com, www.bseindia.com, the website of our Company i.e. www.nukleus.work and the website of the Lead Manager, i.e., Sundae Capital Advisors Private Limited at www.sundaecapital.com. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

Place: Noida
Date: December 23, 2024

For **Nukleus Office Solutions Private Limited**
On behalf of the Board of Directors

Sd/-
Nipun Gupta
Managing Director

ISSUE PROGRAMME			
ISSUE OPENS ON	[●]	**ISSUE CLOSES ON ***	[●]

* The UPI mandate end time and date shall be at 5:00 p.m. on the Issue Closing Day.

TABLE OF CONTENTS

SUMMARY OF THE ISSUE DOCUMENT

The chapter titled "Summary of the Issue Document" on page 16 of the Draft Prospectus shall be updated, with the following details, under relevant sub-heading (i) The details provided regarding the Restated Net Asset Value per share (in ₹) should be read as ₹ 62.52 for FY 2022-23 and ₹ 16.66 for FY 2023-24, instead of ₹ 62.53 and ₹ 262.20, respectively under the table of "Summary of selected financial information" and (ii) Deletion of the erroneous note relating the Income Tax demands / Notices before CIT Appeals / TDS demands amounting to ₹ 320.41 lakhs under "Summary of Outstanding Litigations" and all other places in the Draft Prospectus.

Summary of Restated Financial Statements

The details of certain financial information as set out under the SEBI ICDR Regulations as at and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, as derived from the Restated Financial Information are set forth below:

(₹ in lakhs unless otherwise stated)

Particulars	As at and for the Financial Year ended March 31, 2024	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022
Equity Share Capital	251.76	16.00	16.00
Net Worth	419.52	100.04	32.76
Revenue from operations	1,712.76	1,088.07	340.78
Total Income	1,716.41	1,089.76	342.42
Restated profit after tax	119.72	67.27	10.64
Basic earnings per Equity Share with a nominal value of ₹ 10 (in ₹)	19.71	12.94	2.05
Diluted earnings per Equity Share with a nominal value of ₹ 10 (in ₹)	19.71	12.94	2.05
Restated net asset value per share (in ₹)	16.66	62.52	20.48
Long term borrowings (A)	-	-	-
Short term borrowings (B)	571.45	28.23	-
Total borrowings (A+B)	571.45	28.23	-

For further details, see "Other Financial Information" on page 246.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Directors and Promoters as on the date of the Draft Prospectus, is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Other material civil proceedings	Aggregate amount involved (₹ in lakhs) #
Company						
By our Company	-	-	-	NA	-	-
Against our Company	-	-	-	NA	-	-
Directors						
By our Directors	-	-	-	NA	-	-
Against our Directors *	-	11	-	NA	-	6.50
Promoters						
By our Promoters	-	-	-	NA	-	-

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Other material civil proceedings	Aggregate amount involved (₹ in lakhs) #
Against our Promoters	-	2	-	-	-	121.81
Group Companies						
By our Group Companies	Not applicable				-	-
Against our Group Companies	Not applicable				-	-

* excludes litigations which are included under Promoters
# amount not ascertainable under 2 cases

For further details of the outstanding litigation proceedings involving our Company, Directors and Promoters, see "Outstanding Litigation and Material Developments" on page 265.

RISK FACTORS

Pursuant to the Stock Exchange Observations, we undertake to update/replace the Internal Risk Factors 1 and 24 as appearing in the Draft Prospectus with the disclosure made hereunder and also to include an additional Internal risk factor pertaining to error in the audited financial statement in the section titled "Risk Factors" of the Draft Prospectus and the Prospectus.

Internal Risk Factor 1:

We have substantial indebtedness which requires significant cash flows to service, and limits our ability to operate freely.

As of August 31, 2024, we had total borrowings (including current and non-current borrowings) of ₹ 967.54 lakhs. For details on the nature of our outstanding borrowings as on August 31, 2024, see "***Financial Indebtedness***" on page 249. We may also incur additional indebtedness in the future. The table below sets forth certain information on our total borrowings, net borrowings, net borrowings to total equity ratio, debt service coverage ratio and EBITDA / Interest Expenses, as of the dates indicated:

Particulars	**Financial year ended March 31,**		
	2024	**2023**	**2022**
Non-current borrowings (₹ lakhs) (A)	-	-	-
Current borrowings (₹ lakhs) (B)	571.45	28.23	-
Total Borrowings (₹ lakhs)(1) (C = A+B)	571.45	28.23	-
EBITDA (₹ lakhs)	327.53	140.23	19.00
Interest Expenses (₹ lakhs)	18.31	-	-
Net Borrowings (₹ lakhs) (D)(2)	-10.73	23.65	-4.65
Total Equity (₹ lakhs) (E)	419.52	100.04	32.76
Net Borrowings to Total Equity ratio (F = D/E) (in times)(3)	-0.03	0.24	-0.14
Debt service coverage ratio (in times)(4)	8.66	-	-
EBITDA / Interest Expenses (in times)(5)	17.89	-	-

(1) Total borrowings is computed as sum of non-current and current borrowings.
(2) Net Borrowings is computed as Total Borrowings minus cash and cash equivalents and other balances with Banks.
(3) Net Borrowings to Total Equity ratio is computed as Net Borrowings divided by Total Equity
(4) Debt service coverage ratio is calculated as earnings for debt service (net profit before tax + non-cash operating expenses (depreciation and amortisation) + finance cost + other adjustments such as gain on sale of property, plant and equipment) divided by debt service (finance cost and lease payments + principal repayments of long term borrowings).
(5) EBITDA/Finance Costs is calculated as EBITDA divided by Finance Costs.

Further, given that a significant portion of our borrowings comprises floating rate borrowings, any increase in interest rates may increase our finance costs, which may adversely affect our business, results of operations, cash flows and financial condition. The table below sets forth the break-up of our fixed and floating rate borrowings and exposure of our borrowings to interest rate changes as at the dates indicated:

Particulars	**Financial year ended March 31,**		
	2024	**2023**	**2022**
Floating Rate Borrowings (A) (₹ lakhs)	571.45	28.23	-
As a % of total borrowings	100%	100%	-
Fixed Rate Borrowings (B) (₹ lakhs)	-	-	-
As a % of total borrowings	-	-	-
Total Borrowings (A+B) (₹ lakhs)	**571.45**	**28.23**	**-**

As of March 31, 2024, we had total secured borrowings (current and non-current borrowings) of ₹ 571.45 lakhs. These borrowings are secured, inter alia, through a charge or mortgage over the movable properties and current assets of our Company, including existing and future receivables and current assets in favor of lenders. For further details, see "***Financial Indebtedness***" on page 249. In the event we fail to service our debt obligations, the lenders have the right to enforce the security in respect of our secured borrowings and dispose of our assets to recover the amounts due from us. If we lose cash flow of all or some of the receivables and current assets as a result of the enforcement of security by a lender, our business, financial condition, results of operation, cash flows and ability to meet our routine cash payment obligations would be adversely affected. Further, our Promoters have issued guarantees for the secured borrowings availed by our Company.

Internal Risk Factor 24:

There have been certain instances of delays / incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely be affected.

In the past, there have been certain instances of incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. Except as mentioned in the Draft Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

The following are the instances of delayed filings with the Registrar of Companies (RoC) in the past:

Form Type	Due Date of Filing	Actual Date of Filing	Delay in Filing (in days)	Reasons for delay
AOC-4	September 30, 2021	November 26, 2022	422	Limited administrative resources
AOC- 4	September 30, 2022	May 17, 2023	229	
ADT-1	December 31, 2020	January 27, 2021	27	
INC-27 & INC-33	June 30, 2024	July 02, 2024	2	

The penalty for the said delay is discretionary and cannot be quantified. Further, we cannot assure you that such non-compliances will not occur in the future. Therefore, if the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors / officers in relation to the same, our business and financial condition could be adversely affected.

New internal risk factor to be included in the Prospectus

There are certain errors noticed in our notes to the audited financial statements for the Fiscal 2024, 2023 and 2022 which do not require any corrective adjustment in the financial information. Any penalty or action taken by any regulatory authorizes for such erroneous disclosure may lead to penal action against our Company under the provisions of the Companies Act, 2013 for an amount of ₹ 10,000 and in case of continuing contravention of provisions of the Companies Act, 2013, with a further penalty of ₹ 1,000 each day subject to a maximum of ₹ 2,00,000 in case of a company and ₹ 50,000 in case of officer in default.

There are certain errors noticed in our notes to the audited financial statements for the Fiscal 2024, 2023 and 2021, details of which are as under:

Financial Year	Disclosure made in the Audit Report and notes for the said financial statements	Remarks
FY 2021-22	The notes to the financial statements shows that reserves and surplus were not included in shareholder's equity during the calculation of Return on Equity (ROE)	The Company has filed an application with Hon'ble Regional Director, Northern Bench and Registrar of Companies, NCT of Delhi & Haryana on December 20, 2024 for compounding of the
FY 2022-23	Said error w.r.t. calculation of ROE was carried in the financial year 2022-23 too	
FY 2023-24	Said error w.r.t. calculation of ROE was carried in the financial year 2023-24 too	

	said error vide application SRN no. N24885063.

However, such errors do not require any corrective adjustment in the financial statements. There are no specific penalties under the provisions of the Companies Act, 2013 for the inadvertent error (non-financial) into the financial statement of the Company for the said fiscal years. However, the Company may be liable to pay penalties under miscellaneous provisions i.e. Section 450 of the Companies Act, 2013, which is a general penal provision. The penalty under the said provision is ₹ 10,000 and in case of continuing contravention of provisions of the Companies Act, 2013, with a further penalty of ₹ 1,000 each day subject to a maximum of ₹ 2,00,000 in case of a company and ₹ 50,000 in case of officer in default or any other person. Any penalty or action taken by any regulatory authorizes in future for such erroneous disclosures under the Companies Act, 2013 or any other law could impact the financial position of our Company to that extent.

SUMMARY OF FINANCIAL INFORMATION

The details provided regarding the total Assets (Current and Non-Current Assets) (₹ in Lakhs) should be read as ₹735.68 instead of ₹35.68 for FY 2022-23, respectively under the chapter of "Summary of selected financial information" which are as under:

Restated Information of Assets & Liabilities
(All amount in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES				
1. Shareholder's Funds				
a. Share Capital		251.76	16.00	16.00
b. Reserves and Surplus		167.76	84.04	16.76
c. Money Received against Share Warrants		-	-	-
2. Share Application Money Pending Allotment				-
3. Non-Current Liabilities				-
a. Long-Term Borrowings		-	-	-
b. Deferred Tax Liabilities (Net)	3	-	-	-
c. Other Long-Term Liabilities	4	621.89	478.91	233.54
d. Long Term Provisions		-	-	-
4. Current liabilities				-
a. Short-Term Borrowings	5	571.45	28.23	-
b. Trade Payables: -	6			-
i. Total Outstanding Dues of Micro Enterprises and Small Enterprises	6.1	-	-	-
ii. Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	6.2	180.80	72.87	25.07
c. Other Current Liabilities	7	58.99	26.04	28.64
d. Short Term Provisions	8	83.22	29.60	6.89
		1,935.86	**735.68**	**326.89**
ASSETS				
1. Non-Current Assets				
a. Property, Plant & Equipment & Intangible Assets	9			
i. Property, Plant and Equipment	9.1	543.13	226.64	15.86
ii. Intangible Assets				-
iii. Capital Work-in-Progress	9.2	204.50	-	-
iv. Intangible Assets under Development				-
b. Non-Current Investments	10	-	-	-
c. Deferred Tax Assets (Net)	3	28.02	6.64	0.97
d. Long Term Loans and Advances		-	-	-
e. Other Non-Current Assets	10	258.93	174.76	55.22
2. Current Assets				-
a. Current Investments		-	-	-
b. Inventories		-	-	-
c. Trade Receivables	11	99.93	117.17	51.97
d. Cash and Cash Equivalents	12	582.18	4.58	4.65
e. Short Term Loan and Advances	13	-	8.63	140.39
f. Other Current Assets	14	219.16	197.25	57.83
		1,935.86	**735.68**	**326.89**
Restated Significant Accounting Policies and Notes to Accounts	1 to 14			

GENERAL INFORMATION

The Issuer has appointed the Market Marker and also entered into the underwriting agreement, details of which shall be read as under and should be read in the document accordingly at all other places:

Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter, namely Sundae Capital Advisors Private Limited and Nikunj Stock Brokers Limited.

Pursuant to the terms of the Underwriting Agreement dated December 20, 2024 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares Underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
Sundae Capital Advisors Private Limited 404, 4th floor, Vaibhav Chambers Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, Maharashtra, India Tel. No. +91 96 6785 9191 / +91 22 4515 5887 Email: nukleus.ipo@sundaecapital.com Investor Grievance e-mail id: grievances.mb@sundaecapital.com Website: www.sundaecapital.com SEBI Regn. No.: INM000012494 Contact Person: NitiN Somani	1,59,750	373.81	15.00%
Nikunj Stock Brokers Limited A-92, Ground Floor, Left Portion Kamla Nagar New Delhi - 110 007, India Tel. No. +91 11 4703 0017/18 E-mail: complianceofficer@nikunjonline.com Investor Grievance e-mail id: ig.nikunj@nikunjonline.com Website: www.nikunjonline.com SEBI Regn. INZ000169335 Contact Person: Mr. Anshul Aggarwal	9,05,250	2,118.28	85.00%
Total	**10,65,000**	**2,492.10**	**100.00**

** Includes 53,400 Equity Shares of the Market Maker Reservation Portion*

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated December 20, 2024 with the following Market Maker, to fulfil the obligations of Market Making for this Issue:

Nikunj Stock Brokers Limited
A-92, Ground Floor, Left Portion
Kamla Nagar
New Delhi - 110 007, India
Tel. No. +91 11 4703 0017/18
E-mail: complianceofficer@nikunjonline.com
Investor Grievance e-mail id: ig.nikunj@nikunjonline.com
Website: www.nikunjonline.com
SEBI Regn. INZ000169335
Contact Person: Mr. Anshul Aggarwal

Nikunj Stock Brokers Limited, registered with BSE SME Platform will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.

3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to sell their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ 234 per share the minimum Lot Size is 600 Equity Shares thus minimum depth of the quote shall be 140,400 until the same, would be revised by BSE.

4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.

8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME from time to time.

9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

15. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

16. Risk containment measures and monitoring for Market Maker: BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

17. Punitive Action in case of default by Market Maker: BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

18. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

19. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

    - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

    Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

20. The following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

21. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the Issue Size and as follows:

Issue Size	**Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)**	**Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)**
Up to ₹ 20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

22. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE from time to time.

23. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

The chapter titled "Capital Structure" on page 60 of the Draft Prospectus shall be updated, with the following details, under relevant sub-heading:

(i) The bonus issue dated January 05, 2024, allotted 360,000 shares, for which the issue price should be read as Nil instead of Rs. 10.As a result, the form of consideration should be read as Nil instead of Cash.

(ii) Shares gifted to Sukhbir Singh Jandu should be read as Share transferred to Sukhbir Singh Jandu on page no. 62-63, as a result 200 shares transferred dated October 15, 2019, by Nipun Gupta and Puja Gupta (100 shares each), as a result heading "**History of build-up of Promoters and Promoter Group shareholding and lock-in of Promoters' shareholding (including Promoters' contribution)** " has been updated.

(iii) As the underwriting agreement has been signed, the capital structure has been updated with the Issue Price. Further, other information in the Draft Prospectus should be read accordingly.

CAPITAL STRUCTURE

The Equity Share Capital of our Company, as on the date of the Draft Prospectus and after giving effect to the Issue is set forth below.

(in ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A	**Authorised Share Capital**		
	60,00,000 Equity Shares having Face Value of ₹ 10 each	6,00,00,000	-
B	**Issued, Subscribed and Paid-up Share Capital before the Issue**		
	26,77,200 Equity Shares having Face Value of ₹ 10 each	2,67,72,000	-
C	**Present Issue**		
	Issue of up to 13,54,800 Equity Shares having Face Value of ₹ 10 each	1,35,48,000	31,70,23,200
	Which includes		
	• Promoters Contribution for 2,89,800 Equity Shares having Face Value of ₹ 10 each	28,98,000	6,78,13,200
	• Reserved for the Market Maker for 53,400 Equity Shares having Face Value of ₹ 10 each	5,34,000	1,24,95,600
	• Net Issue to the public for 10,11,600 Equity Shares having Face Value of ₹ 10 each	1,01,16,000	23,67,14,400
D	**Issued, Subscribed and Paid up Share Capital after the Issue**		
	40,32,000* Equity Shares having Face Value of ₹ 10 each	4,03,20,000	-
E	**Securities Premium Account**		
	Before the Issue (in ₹ lakhs)		284.09
	After the Issue* (in ₹ lakhs)		3,318.84#

* Subject to the Basis of Allotment
# Before adjustment of expenses towards the Issue

(1) The Issue has been authorised by our Board pursuant to the resolution passed at its meeting dated February 01, 2024 and has been authorised by our Shareholders pursuant to the shareholders' resolution dated August 14, 2024. For further information, see "The Issue" and "Other Regulatory and Statutory Disclosures" on pages 48 and 276, respectively
(2) For details in relation to the changes in the authorised share capital of our Company since incorporation, see 'History and Certain Corporate Matters - Amendments to our Memorandum of Association' on page 167.

Notes to the Capital Structure

1. **History of Equity Share Capital of our Company**

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

Date of allotment	No of equity shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consider-ation	Nature of allotment	Cumulative number of equity shares	Name of allottees
On Incorporation	10,000	10	10	Cash	Subscription to the Memorandum of Association	10,000	Initial subscribers to the Memorandum of Association, namely Nipun Gupta and Puja Gupta
March 01, 2021	1,50,000	10	10	Cash	Rights Issue	1,60,000	Promoters of the Company, under rights issue, namely Nipun Gupta and Puja Gupta
January 05, 2024	3,60,000	10	Nil	Nil	Bonus Issue	5,20,000	Allotments of bonus shares to the existing shareholders of the Company in the ratio of 2.25:1 (i.e. Two and a quarter new Equity Shares for every one Equity Share held), namely Nipun Gupta, Puja Gupta and Sukhbir Singh Jandu
March 16, 2024	19,97,600	10	10	Cash	Rights Issue	25,17,600	Promoters of the Company, under rights issue, namely Nipun Gupta and Puja Gupta
August 23, 2024	159,600	10	188	Cash	Private Placement	26,77,200	Private placement to 12 non promoter individuals / entities *

* The details of allottees are as under:

Name	No. of shares allotted
Sudhir Kumar Bansal	5,320
Meetika Bansal	5,320
Vikesh Bansal	5,320
Richa Gupta	5,320
Pradeep Gupta	5,320
Chaitanay Gupta	5,320
Parul Sarraf	5,320
Tarun Sarraf	5,320
Shreyan Sarraf	5,320
Neeraj Manchanda	5,320
Mayank S Agarwal	53,200
35 North Ventures Private Limited	53,200
Total	**1,59,600**

2. History of Preference Share Capital of our Company

Our Company has not issued any preference shares since incorporation.

3. Shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves

Our Company has not issued Equity Shares out of revaluation reserves since its incorporation. Further, except as disclosed below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash:

Date of allotment	No. of Shares allotted	Face value per Share (in ₹)	Issue price per Share (in ₹)	Nature of allotment	Benefits accrued to our Company
January 05, 2024	3,60,000	10	Nil	Allotment of bonus shares to the existing shareholders of the Company in the ratio of 2.25:1 (i.e. Two and	Nil, except for expansion of capital base of our Company

				a quarter new Equity Shares for every one Equity Share held)

4. Issue of Equity Shares pursuant to scheme of arrangement

Our Company has not allotted any Equity Shares or Preference Shares pursuant to any scheme of arrangement approved under Sections 230-234 of the Companies Act, 2013.

5. Issue of Equity Shares at a price lower than the Issue Price in the last one year

Except for allotment of the following shares, and as disclosed in "Capital Structure - Notes to the Capital Structure" above, our Company has not issued any equity shares at a price which is lower than the Issue Price during a period of one year preceding the date of the Draft Prospectus:

Date of allotment	No. of Shares allotted	Face value per Share (in ₹)	Issue price per Share (in ₹)	Nature of allotment
January 05, 2024	3,60,000	10	Nil	Allotment of bonus shares to the existing shareholders of the Company in the ratio of 2.25:1 (i.e. Two and a quarter new Equity Shares for every one Equity Share held)
March 16, 2024	19,97,600	10	10	Allotment of equity shares on rights basis
August 23, 2024	159,600	10	188	Private placement to non promoter individuals / entities

6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme

7. History of build-up of Promoters and Promoter Group shareholding and lock-in of Promoters' shareholding (including Promoters' contribution)

As on the date of the Draft Prospectus, our Promoters hold, in aggregate, 25,16,948 Equity Shares, which constitute 94.01% of the issued, subscribed and paid-up Equity Share capital of our Company prior to the Issue. The details regarding our Promoter and Promoter Group shareholding is set out below:

(a) Build-up of Promoter and Promoter Group shareholding in our Company

Set forth below is the build-up of our Promoter's shareholding since the incorporation of our Company:

Date of allotment / transfer	No. of Equity Shares allotted / acquired	Face Value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Nature of consider-ation	Nature of transaction	% of the pre Issue Equity Share Capital	% of the post Issue Equity Share Capital
Nipun Gupta							
September 27, 2019	5,000	10	10	Cash	Subscription to the Memorandum of Association	0.19%	0.12%
October 15, 2019	(100)	10	10	Cash[1]	Transfer of shares	0.00%	0.00%
March 01, 2021	50,000	10	10	Cash	Rights Issue	1.87%	1.24%
January 05, 2024	1,23,525	10	Nil	Bonus	Bonus Issue	4.61%	3.06%
March 16, 2024	6,86,200	10	10	Cash	Rights Issue	25.63%	17.02%
May 30, 2024	(1)	10	34	Cash[2]	Transfer of shares	-*	-*
May 30, 2024	(1)	10	Nil	Gift[3]	Transfer of shares	-*	-*
Total	**8,64,623**					**32.30%**	**21.44%**

[1] Shares transferred to Sukhbir Singh Jandu
[2] Shares transferred to Kainpangala Gopalkrishna Sriharshabhat for achieving seven members for conversion of company from private limited to public limited
[3] Shares gifted to Lata Gupta for achieving seven members for conversion of company from private limited to public limited
* Negligible

Date of allotment / transfer	No. of Equity Shares allotted / acquired	Face Value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Nature of consider-ation	Nature of transaction	% of the pre Issue Equity Share Capital	% of the post Issue Equity Share Capital
Puja Gupta							
September 27, 2019	5,000	10	10	Cash	Subscription to the Memorandum of Association	0.19%	0.12%
October 15, 2019	(100)	10	10	Cash[1]	Transfer of shares	0.00%	0.00%
March 01, 2021	1,00,000	10	10	Cash	Rights Issue	3.74%	2.48%
January 05, 2024	2,36,025	10	Nil	Bonus	Bonus Issue	8.82%	5.85%
March 16, 2024	13,11,400	10	10	Cash	Rights Issue	48.98%	32.52%
May 30, 2024	(1)	10	34	Cash[2]	Transfer of shares	-*	-*
May 30, 2024	(1)	10	Nil	Gift [3]	Transfer of shares	-*	-*
Total	**16,52,323**					**61.72%**	**40.98%**

[1] Shares transferred to Sukhbir Singh Jandu
[2] Shares transferred to Ajay Singhania for achieving seven members for conversion of company from private limited to public limited
[3] Shares gifted to Nirmal Gupta for achieving seven members for conversion of company from private limited to public limited
* Negligible

Date of allotment / transfer	No. of Equity Shares allotted / acquired	Face Value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Nature of consider-ation	Nature of transaction	% of the pre Issue Equity Share Capital	% of the post Issue Equity Share Capital
Lata Gupta							
May 30, 2024	1	10	Nil	Gift[1]	Transfer of Shares	-*	-*
Total	**1**					**-***	**-***

[1] Gift from Nipun Gupta for achieving seven members for conversion of company from private limited to public limited
* Negligible

Date of allotment / transfer	No. of Equity Shares allotted / acquired	Face Value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Nature of consider-ation	Nature of transaction	% of the pre Issue Equity Share Capital	% of the post Issue Equity Share Capital
Nirmal Gupta							
May 30, 2024	1	10	Nil	Gift[1]	Transfer of Shares	-*	-*
Total	**1**					**-***	**-***

[1] Gift from Puja Gupta for achieving seven members for conversion of company from private limited to public limited
* Negligible

As of the date of the Draft Prospectus, none of the Equity Shares held by our Promoters and Promoter Group are pledged or are otherwise encumbered.

(b) Details of minimum Promoters' contribution locked in for three years or any other period as may be prescribed under applicable law

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this Issue (“**Promoter’s Contribution**”). The lock-in of the Promoters’ Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and to the subscribed by them as part of Promoters’ Contribution under the Issue, in aggregate, as a part of Promoters’ Contribution constituting atleast 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoter’s Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of the Draft Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations. Details of Promoters’ Contribution are as provided below:

Name of the Promoter	No. of Equity Shares locked-in	Date of allotment / transfer	Face Value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Nature of transaction	% of the post Issue Equity Share Capital	Lock-in period
Nipun Gupta	4,898	September 27, 2019	10	10	Subscriber to the Memorandum of Association of the Company	0.12%	3 years
	50,000	March 01, 2021	10	10	Rights Issue	1.24%	3 years
	1,23,525	January 05, 2024	10	Nil	Bonus Issue	3.06%	3 years
	[●]	*	10	234	Promoters Contribution under the Issue	[●]	3 years
Puja Gupta	4,898	September 27, 2019	10	10	Subscriber to the Memorandum of Association of the Company	0.12%	3 years
	1,00,000	March 01, 2021	10	10	Rights Issue	2.48%	3 years
	2,36,025	January 05, 2024	10	Nil	Bonus Issue	5.85%	3 years
	[●]	*	10	234	Promoters Contribution under the Issue	[●]	3 years
Total ➔	[●]					[●]	

** Being Promoters Contribution under the Issue, the date of allotment will be finalised subsequent to the Issue Closing Date and subject to the approval of the basis of allotment by the Stock Exchange.*

Our Promoters have confirmed to our Company and the Lead Manager that the acquisition of equity shares already held by our promoters has been financed form their internal accruals and no loans or financial assistance from any banks or financial institutions have been availed of by them for this purpose. Further, for acquisition of Equity Shares as Promoters Contribution, our Promoters have utilised money from [●].

The minimum Promoters’ contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as ‘promoter’ under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters’ contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following: -

(a) The Equity Shares offered for minimum 20% Promoters’ contribution have not been acquired in the three years preceding the date of the Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters’ contribution;

(b) The Equity Shares issued as bonus and forming part of the Promoters Contribution have been issued against Equity Shares which are otherwise not ineligible for computation of Promoters’ contribution

(c) The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of the Draft Prospectus at a price lower than the Issue Price;

(d) Our Company has not been formed by the conversion of a partnership firm into a Company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;

(e) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;

(f) All the Equity Shares of our Company held by the Promoter are held in dematerialized form prior to filing of the Draft Prospectus; and

(g) The Equity Shares offered for Promoters' contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters' contribution subject to lock-in.

(c) Details of share capital locked in for one year or any other period as may be prescribed under applicable law

In terms of the SEBI ICDR Regulations, except for the Promoters' Contribution which shall be locked in as above the entire pre-Issue Equity Share capital of our Company, including those Equity Shares held by our Promoters in excess of Promoter's Contribution, i.e. 19,97,602, shall be locked in for a period of one year from the date of Allotment as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-Issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 160,252 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

(d) In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares, if any, which are subject to lock in shall contain the inscription "Non-transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the depository.

(e) Pledge of locked-in Equity Shares

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the Issuer for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.

- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan. However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

(f) Transferability of Locked in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lockin period stipulated has expired.

We further confirm that our Promoters contribution of 20% of the post Issue equity share capital does not include any contribution from Alternative Investment Fund, Foreign Venture Capital Investors, Scheduled Commercial Banks, Public Financial Institutions or Insurance Companies registered under IRDA.

(g) Sales or purchases of Equity Shares or other specified securities of our Company by our Promoter, the members of our Promoter Group and/or our Directors and their relatives during the six months immediately preceding the date of the Draft Prospectus.

Except as under, none of our Promoter, members of our Promoter Group, and/or our Directors and their relatives have sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of the Draft Prospectus:

Date of transfer	Name of buyer	Name of seller	No. of shares	Consideration (per share in ₹)	Reason for transfer
May 30, 2024	Kainpangala Gopalkrishna Sriharshabhat	Nipun Gupta	1	34	For achieving minimum seven members as required for conversion of Company from private limited to public limited
May 30, 2024	Lata Gupta	Nipun Gupta	1	Nil *	
May 30, 2024	Ajay Singhania	Puja Gupta	1	34	
May 30, 2024	Nirmal Gupta	Puja Gupta	1	Nil *	

* Gift for Nil consideration.

8. Shareholding Pattern of our Company

(i) The table below presents the shareholding pattern of our Company as on the date of the Draft Prospectus:

Category	**Category of shareholders**	**No. of shareholders**	**No. of fully paid up Equity Shares held**	**No. of partly paid up Equity Shares held**	**No. of shares underlying Depository Receipts**	**Total no. of shares held**	**Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)**	**No. of voting rights held in each class of securities**				**No. of shares underlying outstanding convertible securities (including warrants)**	**Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)**	**No. of locked in shares**		**No. of shares pledged**		**No. of Equity Shares held in dematerialised form**
							(as a % of (A+B+C)	**No. of voting rights**			**Total as % of (A+B+C)**			**No. (a)**	**As a % of total shares held (b)**	**No. (a)**	**As a % of total shares held (b)**	
(I)	**(II)**	**(III)**	**(IV)**	**(V)**	**(VI)**	**(VII) = IV + V + VI**	**(VIII)**	**Class (Equity)**	**Class Y**	**Total**	**(IX)**	**(X)**	**(XI) = (VII) + (X) as a % of (A+B+C)**	**(XII)**		**(XIII)**		**(XIV)**
(A)	Promoter & Promoter Group	4	25,16,948	-	-	25,16,948	94.01	25,16,948	-	25,16,948	94.01	-	-	-	-	-	-	25,16,948
(B)	Public	15	1,60,252	-	-	1,60,252	5.99	1,60,252	-	1,60,252	5.99	-	-	-	-	-	-	1,59,602
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**19**	**26,77,200**	**-**	**-**	**26,77,200**	**100.00**	**26,77,200**	**-**	**26,77,200**	**100.00**	**-**	**-**	**-**	**-**	**-**	**-**	**26,76,550**

9. Details of equity shareholding of the major shareholders of our Company:

(a) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as on the date of the Draft Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage of the pre-Issue equity share capital
1	Puja Gupta	16,52,323	61.72%
2	Nipun Gupta	8,64,623	32.30%
3	Mayank S Agarwal	53,200	1.99%
4	35 North Ventures Private Limited	53,200	1.99%

(b) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of 10 days prior to the date of the Draft Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage of the pre-Issue equity share capital
1	Puja Gupta	16,52,323	61.72%
2	Nipun Gupta	8,64,623	32.30%
3	Mayank S Agarwal	53,200	1.99%
4	35 North Ventures Private Limited	53,200	1.99%

(c) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of one year prior to the date of the Draft Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage of the pre-Issue equity share capital
1	Puja Gupta	1,04,900	65.56
2	Nipun Gupta	54,900	34.31

(d) Set forth below is a list of shareholders holding 1% or more of the issued and paid-up equity share capital of our Company, as of two years prior to the date of the Draft Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage of the pre-Issue equity share capital
1	Puja Gupta	1,04,900	65.56
2	Nipun Gupta	54,900	34.31

10. Except for the allotment of equity shares as bonus issue and right issue by the Company on January 05, 2024 and March 16, 2024 respectively and transfer of shares on May 30, 2024 for achieving minimum seven members for conversion of our Company from private limited to public limited, (for details, see "Capital Structure - History of build-up of Promoters and Promoter group shareholding and lock-in of Promoter's shareholding" on page 62), none of our Promoters and/or our Directors and their relatives have sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of the Draft Prospectus.

11. As on the date of filing of the Draft Prospectus, the total number of Shareholders of our Company are 19.

12. As on the date of the Draft Prospectus, all Equity Shares held by our Promoters are held in dematerialized form.

13. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of the Draft Prospectus and the date of closing of the Issue shall be reported to the Stock Exchange within 24 hours of such transactions and details of such transaction shall also be included in the Price Band Advertisement.

14. None of our Promoters, member of our Promoter Group or any of the Directors or their relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of the Draft Prospectus.

15. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives, have financed the purchase by any other person of securities of our Company, other than the normal course of business, during a period of six months immediately preceding the date of filing of the Draft Prospectus.

16. Our Company, any of our Directors and the Lead Manager have not entered into any buy back arrangements for purchase of Equity Shares from any person.

17. The Equity Shares issued and transferred pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of the Draft Prospectus.

18. Except to the extent of the Promoters Contribution under the Issue, none of our other Promoters or members of our Promoter Group will participate in the Issue. Further, none of our Promoters or members of our Promoter Group will receive any proceeds from the Issue.

19. No person connected with the Issue shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Applicant for making an Application, except for fees or commission for services rendered in relation to the Issue.

20. As on the date of the Draft Prospectus, the Lead Manager and their respective associates (as defined in the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

21. Except as disclosed in this section, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person an option to receive Equity Shares as on the date of the Draft Prospectus.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

OBJECTS OF THE ISSUE

On page 91 of the Draft Prospectus, the summary table for the indicative year wise break up of opening of new centres should be read as under:

Details of the Objects

1. Capital expenditure and security deposit towards establishment of new centres

Our Company shall have the flexibility to open new centres as per the estimates of our management and business requirements, which may change from time to time. The indicative year wise break up of opening of new centres is as under:

Financial Year	Nature of location	No. of Centres	No. of Seats	Indicative Super build up Area (in sq. ft.)
2024-25	Central Delhi, Bengaluru and Gurugram	3	780	60,000
2025-26	Ahmedabad, Bengaluru	2	520	40,000
Total		**5**	**1,300**	**100,000**

INDUSTRY OVRVIEW

The Industry Overview has been updated with latest Industry as under:

*Unless otherwise indicated, the information in this section is obtained or extracted from "Commercial Office Spaces & Flexible Office Spaces in India" dated September 03, 2024 ("**Industry Report**") prepared and released by Dun & Bradstreet Information Services India Private Limited ("**D&B**") and exclusively commissioned by and paid for by us. A copy of the Industry Report is available on the website of our Company at www.nukleus.work . The data included herein includes excerpts from the Industry Report and may have been re-classified by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue) that has been left out or changed in any manner. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on, this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

***There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate**. Industry sources and publications generally state that the information contained therein as been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

While preparing its report, D&B has also sourced information from publicly available sources, including our Company's financial statements available publicly.

Global Macroeconomic Scenario
The global economy, which grew by 3.3% in 2023, is expected to record a sluggish growth of 3.2% in 2024 before rising modestly to 3.3% in 2025. Between 2021 – 2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China, the largest manufacturing hub of world, was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The Chinese Government took several steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

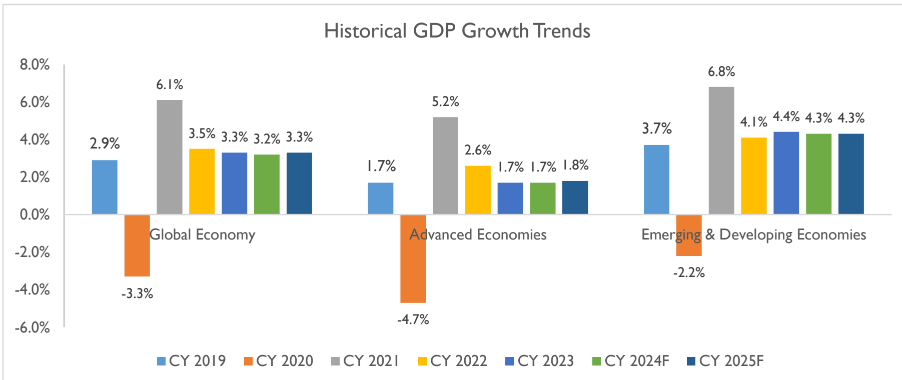
Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

Global GDP Growth Scenario
The global economy started to rise from its lowest levels after countries started to lift the lockdown in 2020 and 2021. The pandemic lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.

Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades, seen in 2022, forced most of the central banks to tighten their fiscal policies. Russia's invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living.

Further, despite initial resilience earlier in 2023, marked by a rebound in reopening and progress in curbing inflation from the previous year's highs, the situation remained precarious. Economic activity lagged behind its pre-pandemic trajectory, particularly in emerging markets and developing economies, leading to widening disparities among regions. Numerous factors are impeding the recovery, including the lasting impacts of the pandemic and geopolitical tensions, as well as cyclically-driven factors such as tightening monetary policies to combat inflation, the reduction of fiscal support amidst high debt levels, and the occurrence of extreme weather events. As a result, global growth declined from 3.5% in CY 2022 to 3.3% in CY 2023.

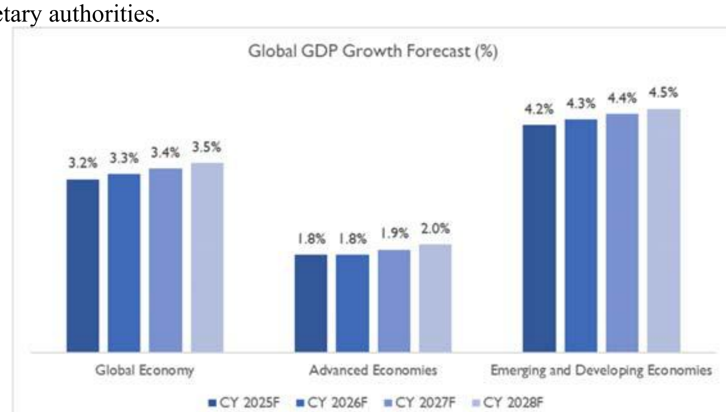


Source – IMF Global GDP Forecast Release July 2024

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

In the current scenario, global GDP growth is estimated to have recorded a moderate growth of 3.3% in CY 2023 as compared to 3.5% growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

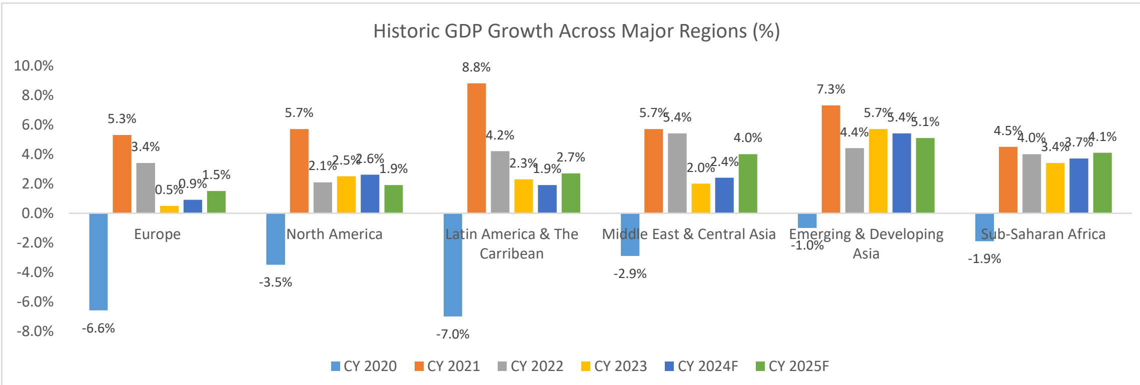
Slowed growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record a flat growth of 3.2% in CY 2024. The crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP. Inflation forced central banks to adopt tight monetary policies. After touching the peak in 2022, inflationary pressures slowly eased out in 2023. This environment weighs in for interest rate cuts by many monetary authorities.



Source – IMF Global GDP Forecast Release 2024, D&B Estimates

GDP Growth Across Major Regions

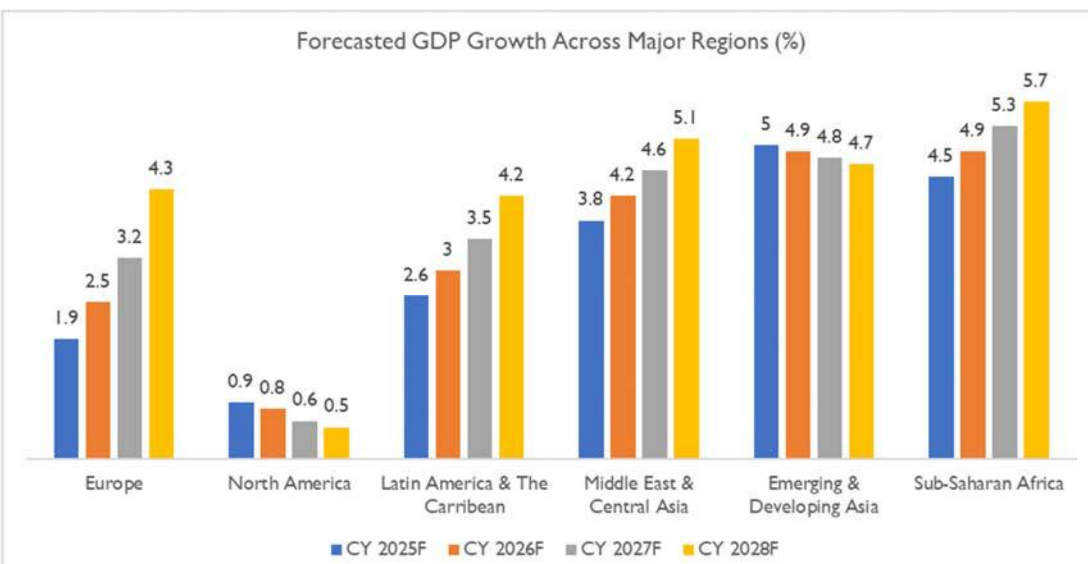
GDP growth of major regions including Europe, Latin America & The Caribbean, Middle East & Central Asia, and Sub-Saharan Africa, were showing signs of slow growth and recession between 2020 – 2023, but leaving Latin America & The Caribbean, 2024 is expected to show resilience and growth. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia etc.) is expected to decrease from 5.4% in CY 2023 to 5.2% in CY 2024, while in the United States, it is expected to decrease from 2.5% in CY 2023 to 2.1% in CY 2024.



Source-IMF World Economic Outlook July 2024 update

Except for Emerging and Developing Asia, Latin America & The Caribbean and the United States, all other regions are expected to record an increase in GDP growth rate in CY 2024 as compared to CY 2023. GDP growth in Latin America & The Caribbean is expected to decline due to negative growth in Argentina. Further, growth in the United States is expected to come down at 2.1% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Although Europe experienced a less robust performance in 2023, the recovery in 2024 is expected to be driven by increased household consumption as the impact of energy price shocks diminishes and inflation decreases, thereby bolstering real income growth. Meanwhile, India and China saw greater-than-anticipated growth in 2023 due to heightened government spending and robust domestic demand, respectively. Sub-Saharan Africa's expected growth in 2024 is attributed to the diminishing negative impacts of previous weather shocks and gradual improvements in supply issues.



Source-IMF, OECD, and World Bank, D&B Estimates

Global Economic Outlook
At the midpoint of the year, so far in 2024 we have seen divergence in outcomes and prospects around the world in terms of economic growth, inflation, and policy responses. On balance, global short-term economic prospects have improved over the course of the year. We expect this momentum to continue through the second half of 2024 and into 2025 as inflation eases further and monetary policy continues to loosen, supporting steady growth. Macroeconomic risks, in our view, have become more balanced.

The U.S. has performed better than other developed economies, particularly those in Europe where the consumer sentiment has been relatively weak – though the picture in Europe has been varied. A sustained recovery in tourism this year has boosted the economies of Greece and Spain, whereas Germany, France, and Italy have been held back by the slower recovery of manufacturing. Nonetheless, the European Central Bank (ECB) lowered the three key interest rates in June – for the first time since September 2019 – which will support stronger regional growth.

Growth in the Chinese Mainland has held up well so far this year despite challenges from the property market amid ongoing rebalancing, and the export cycle is supporting growth in the rest of Asia. In Latin America, larger economies, such as Brazil and Mexico, tend to be performing more moderately than smaller economies, such as Chile and Peru, indicating slower regional growth overall.

Globally, industrial production has been relatively sluggish because of restrictive trade policies, persistent supply chain disruptions, high interest rates, and anemic growth. We expect industrial production to gather steam later this year and into 2025 on the back of a gradual recovery in global trade, stimulated by stronger domestic demand for goods.

Policy responses have diverged so far this year and are set to remain so in the near term. Central banks have begun rate cutting cycles in several developed economies, including the Eurozone, Canada, Sweden, and Switzerland. However not every economy has followed suit. Disinflation has not been as predictable as it was in 2023, and underlying price pressures mean inflation is likely to remain bumpy this year – hence, policy will remain more restrictive than was anticipated at the start of the year. With relatively stronger economic growth and stickier inflation, the timing of the first interest rate cut by the U.S. Federal Reserve (the Fed) and the onward path of interest rates remains ambiguous.

The global economy is showing signs of stabilizing, yet growth will remain subdued this year before picking up pace in 2025. We forecast global growth of around 2.5% in 2024, half a percentage point softer than in the decade following the financial crisis. The weaker outlook reflects fiscal consolidation, lagged tight monetary policy, restrictive trade policies, and elevated levels of geopolitical uncertainty. Looking ahead to 2025, global growth is likely to pick up slightly to 2.8% as the impact of these factors declines and stronger growth becomes more entrenched.

Emerging economies look set for softer growth in general this year. On a regional basis, growth is likely to be markedly slower in Eastern Europe, but only slightly softer in Asia Pacific and Latin America, with growth only moderately slower in key economies such as the Chinese Mainland, India, and Brazil. Outcomes in developed economies are also mixed but largely remain subdued because of tight policy settings.

India Macroeconomic Analysis

GDP Growth Scenario
India's economy showed resilience with GDP growing at 8.2% in CY 2023. The GDP growth in CY 2023 represents a return to pre pandemic era growth path. Even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world.

Country	Real GDP Growth (CY 2023)	Projected GDP Growth (CY 2024)	Projected GDP Growth (CY 2025)
India	8.20%	7.00%	6.50%
China	5.20%	5.00%	4.50%
Russia	3.60%	3.20%	1.50%
Brazil	2.90%	2.10%	2.40%
United States	2.50%	2.60%	1.90%

Country	Real GDP Growth (CY 2023)	Projected GDP Growth (CY 2024)	Projected GDP Growth (CY 2025)
Japan	1.90%	0.70%	1.00%
Canada	1.20%	1.30%	2.40%
Italy	0.90%	0.70%	0.90%
France	1.10%	0.90%	1.30%
South Africa	0.70%	0.90%	1.20%
United Kingdom	0.10%	0.70%	1.50%
Germany	-0.20%	0.20%	1.30%

Source: World Economic Outlook, July 2024

Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)

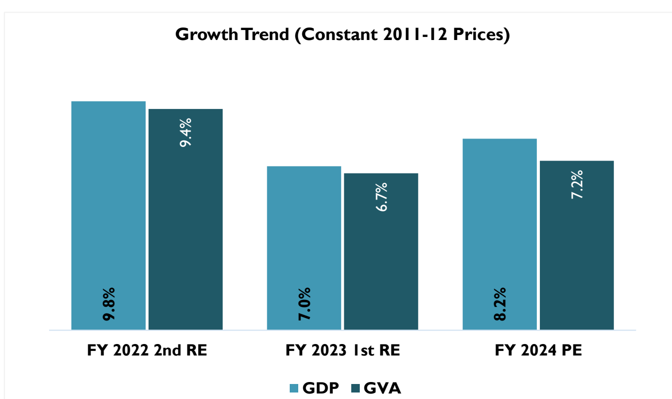
Countries have been arranged in descending order of GDP growth in 2023).

There are few factors aiding India's economic recovery – notably its resilience to external shocks and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex (capital expenditure) cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of the central government increased by 37.4% increase in capital expenditure (budget estimates), to the tune of INR 10 trillion in the Union Budget 2023-2024. The announcement also included a 30% increase in financial assistance to states at INR 1.3 trillion for capex. The improvement was accentuated further as the Budget 2024-2025 announced an 11.1% increase in the capital expenditure outlay at INR 11.11trillion, constituting 3.4% of the GDP. This has provided much-needed confidence to the private sector, and in turn, attracted private investment.

On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from the corporate sector to fund the next round of expansion plans. The banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to the micro, small, and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the fiscal year 2024 grew by 14% to INR 10.31 trillion compared to INR 9.02 trillion as on 24 March 2023. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

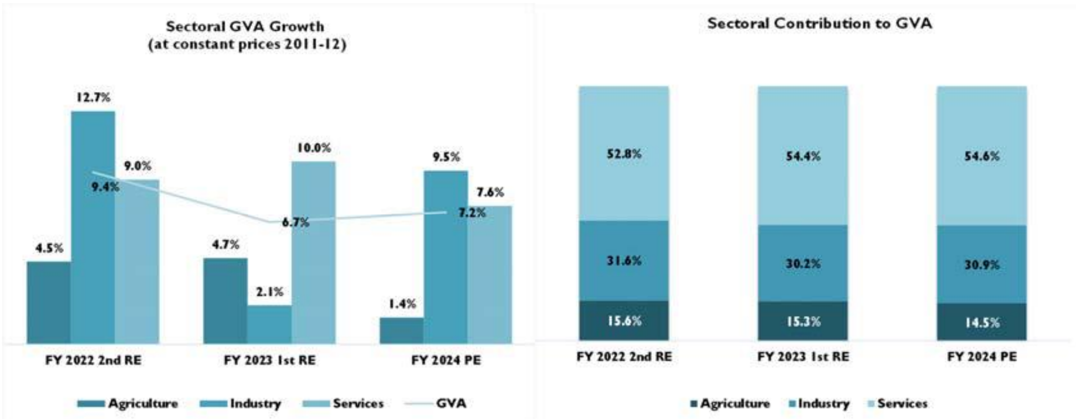
As per the provisional estimates 2023-24, India's GDP in FY 2024 grew by 8.2% compared to 7.0% in the previous fiscal on the back of solid performances in manufacturing, mining, and construction sectors. The year-on-year increase in growth rate is also partly due to by a strong growth in investment demand led by public capital expenditure.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24

RE stands for Revised Estimates, SAE stands for Second Advance Estimates

Sectoral Contribution to GVA and annual growth trend



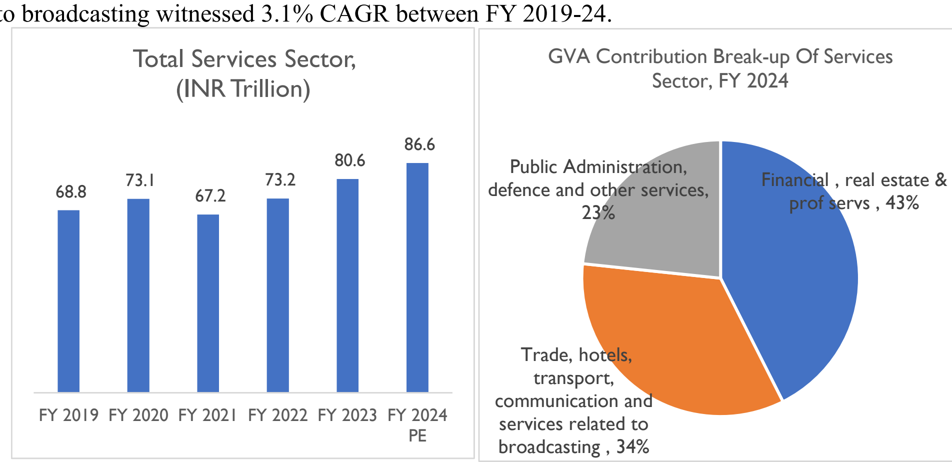
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral analysis of GVA reveals industrial sector recovered sharply registering 9.5% y-o-y increase in FY 2024 against 2.1% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing and construction sector rose significantly and it registered a growth of 7.1%, 9.9% and 9.9% in FY 2024 against a y-o-y change of 1.9%, -2.20%, and 9.44% in FY 2023, respectively. Utilities sector observed a marginal moderation in y-o-y growth to 7.5% against 9.44% in the previous years.

Talking about the services sector's performance, with major relaxation in covid restriction, progress on COVID-19 vaccination and living with virus attitude, business in the service sector gradually returned to normalcy in FY 2023. Economic recovery was supported by the service sector as individual mobility returned to the pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen in FY 2023 and grow in FY 2024, although the growth hasn't shown substantial increases. In FY 2024, services sector grew by 7.6% against 10% y-o-y growth in the previous year.

Expansion in Service Sector

Services sector is a major contributor to the country's overall economic growth. In absolute terms, services sector GVA has increased from INR 68.78 trillion in FY 2019 to INR 86.6 trillion in FY 2024 (as per the provisional estimated), registering a CAGR of nearly 5%. Within Services sector, the GVA by financial, real estate and professional services-the largest contributing segment observed 6.3% CAGR while Public Administration, defence and other services1 observed 4.5% CAGR and Trade, hotels, transport, communication, and services related to broadcasting witnessed 3.1% CAGR between FY 2019-24.



Sources: MOSPI, CMIE Economic Outlook and Dun & Bradstreet Research Estimates2F[2]

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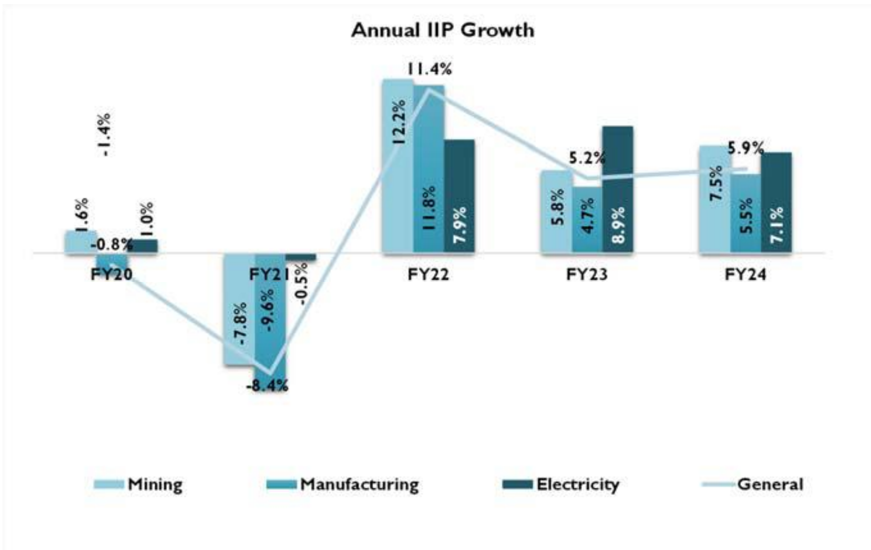
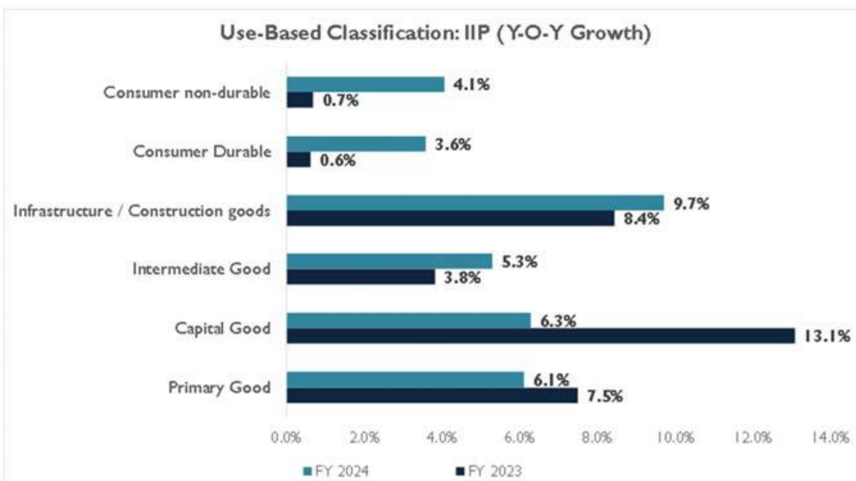
[1] Other services include Education, Health, Recreation, and other personal services.

[2] Projection as Based on CMIE Growth rate till FY 2029 and FY 2030 is based on Dun & Bradstreet assumption.

India's HSBC Services Purchasing Managers' Index**,** an important indicator to track service sector performance, measured 60.3 in July 2024 against 60.5 in the previous month. Since August 2021, the services sector has consistently remained above the threshold of 50, which distinguishes growth from contraction.

IIP Growth
Industrial sector performance as measured by IIP index; in FY 2024 it is growing at 5.9% (against 5.2% in FY 2023). Previously IIP index exhibited temporary recovery in FY 2022 from the low of Covid induced slowdown in industrial growth during FY 2020 and FY 2021. Manufacturing index, with 77.6% weightage in overall index, grew by 5.5% in FY 2023 against 4.7% y-o-y growth in FY 2022 while mining sector index too grew by 7.5% against 5.8% in the previous years. Mining & manufacturing both shown improvement according to previous except the Electricity sector Index, witnessed an improvement of 7.1% against 8.9% in the previous year.

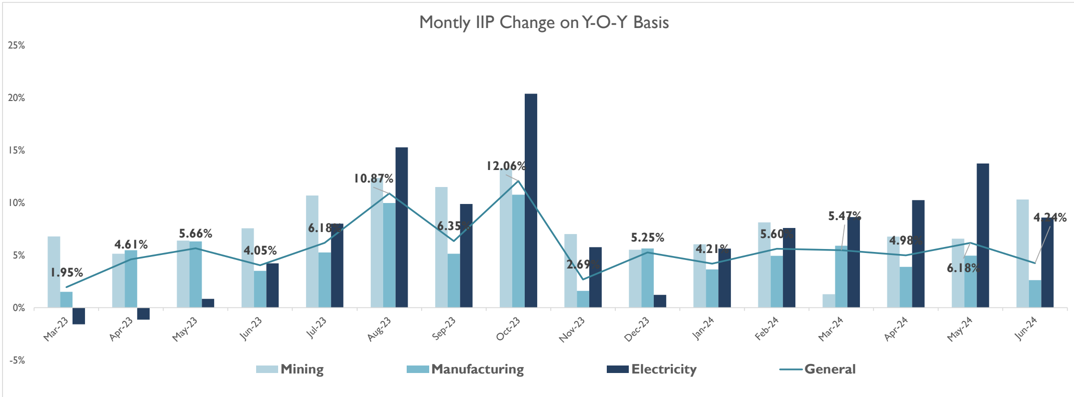




Source: Ministry of Statistics & Programme Implementation (MOSPI)

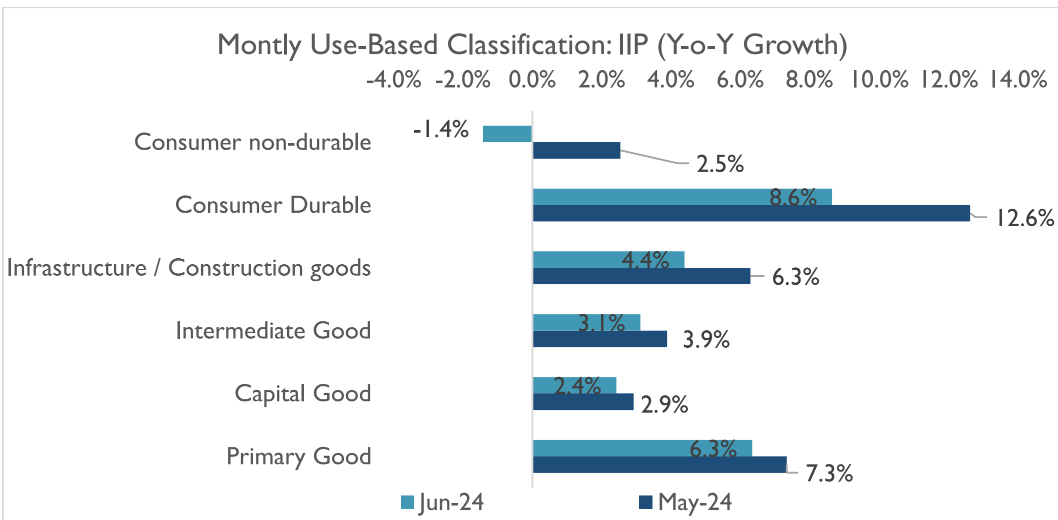
As per the use-based classification, most of the segments has shown growth for FY 2024 as compared to FY 2023. Capital good and primary goods were segments which faced less growth as compared to previous year. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance. In contrast all the segments except the above two have shown growth.

Monthly IIP Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

In the current fiscal FY 2025, the monthly IIP measured index has reported steady improvement over the last fiscal. However, the IIP index slowed to a 5-month low and just grew by 4.24% y-o-y in June against 6.18% in the previous month on the back of slowing growth in the manufacturing section. In June 2024, the manufacturing index growth slowed to 2.6% against 6.3% y-o-y growth in June 2023 and 5% in May 2023 while the electricity sector index and mining index exhibited substantial improvement and they grew by 8.6% and 10.3% in June 2024 against 0.9% and 6.4% growth in April 2023, respectively.

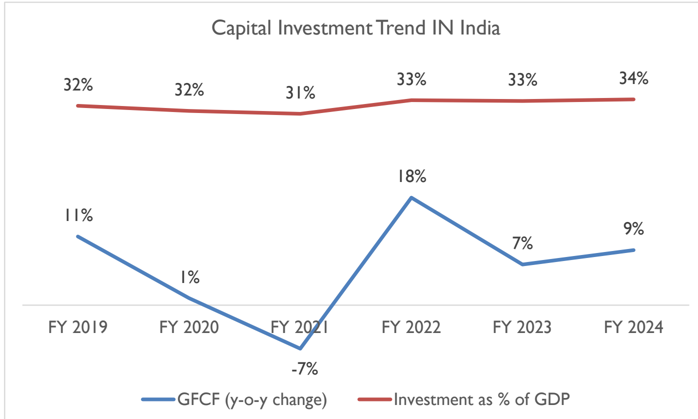


Sources: MOSPI

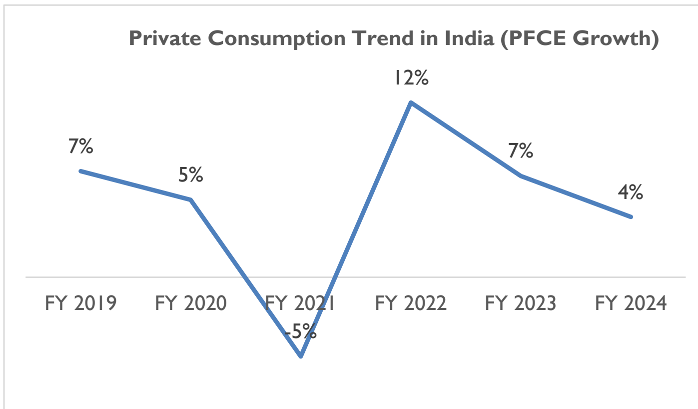
As per the use-based classification, growth in all segments slowed in June 2024 as compared to the previous month. Consumer non-durable declined by 1.4% in June 2024 against 2.5% increase in the previous month. In May 2024, all segments showed a substantial increase in growth.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, gained strength during FY 2024 as it grew by 9% on a y-o-y basis against 7% yearly growth in the previous fiscal, while GFCF to GDP ratio measured an all-time high settled higher at 34%.



Sources: MOSPI

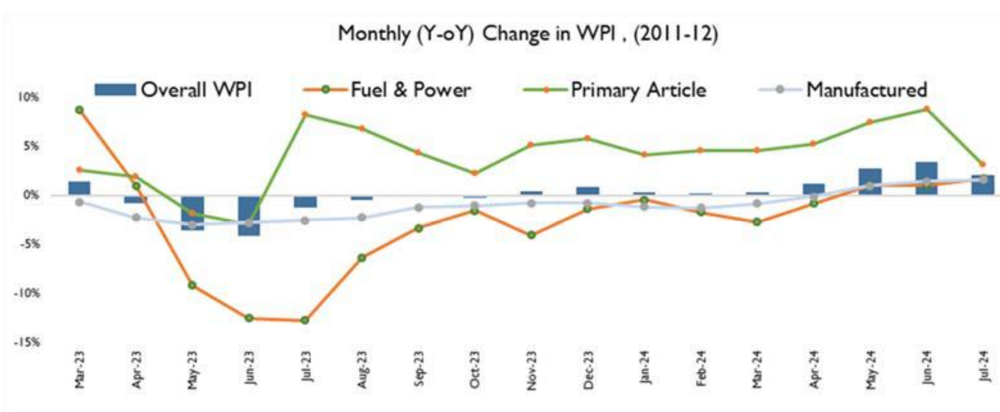


Sources: MOSPI

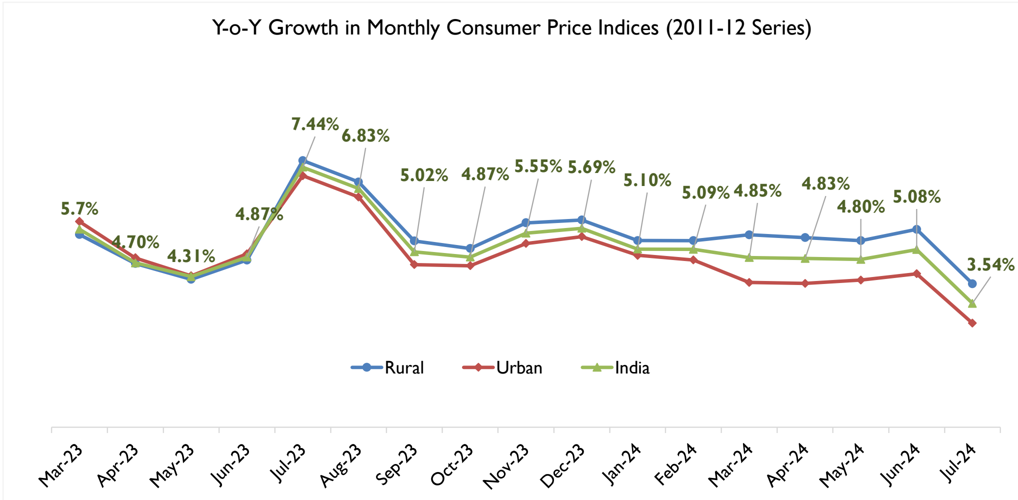
Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 4% y-o-y growth in FY 2024 against 7% in FY 2023.

Inflation Scenario

The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from March 2023 to July 2024. Overall WPI saw a sharp decline to -1.2% in July 2023, primarily driven by steep drops in Fuel & Power and Manufactured Products, reflecting reduced global demand and falling input costs. However, a recovery was noted by June 2024, with WPI reaching 3.4%, supported by a strong rise in Primary Articles and a rebound in Fuel & Power prices. By July 2024, while Primary Articles growth moderated to 3.1%, the WPI remained positive at 2.0%, indicating stabilization in the market after earlier volatility.



Source: MOSPI, Office of Economic Advisor.



Source: CMIE Economic Outlook

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between March 2023 and July 2024. Rural CPI inflation peaked at 7.63% in July 2023, before declining to 4.10% in July 2024. Urban CPI inflation followed a similar trend, rising to 7.20% in July 2023 and then dropping to 2.98% in July 2024. Overall, the national CPI inflation rate increased to 7.44% in July 2023 but moderated to 3.54% by July 2024, indicating a gradual easing of inflationary pressures across both rural and urban areas over the period. CPI measured below 6% tolerance limit of the central bank since September 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to the current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Growth Outlook

India's economy has exceeded expectations, registering an 8.2% growth in FY24. High-frequency indicators such as automobile sales, e-way bills, cargo traffic, and exports signal sustained growth momentum into Q2 FY25. However, the rural demand outlook is tied to the monsoon, where inconsistent rainfall could impact the agriculture sector and inflation. The government is proactively boosting grain storage capacity to mitigate these risks. On the credit front, the Reserve Bank of India (RBI) has kept the policy rate unchanged, with inflation expected to average around 5% in FY25. Despite stable policy rates, lending rates may rise due to the incomplete transmission of earlier hikes, while strong credit growth in the private sector suggests potential capacity expansion. Supply-side challenges persist, particularly in food storage infrastructure. The government has launched a massive initiative to enhance grain storage capacity by 70 million tonnes over the next five years. The recent long-term agreement for operating Iran's Chabahar Port is also set to bolster trade and supply chain resilience.

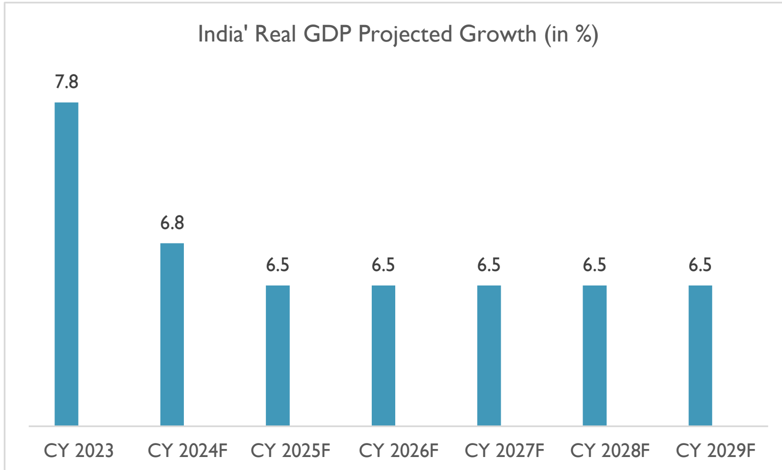
In terms of trade, India's recent agreements, particularly with the European Free Trade Association (EFTA) and Oman, are opening new markets and opportunities for exports. The proposed mega-distribution hub in the UAE by 2025 will further support India's global trade ambitions, particularly in Africa, Europe, and the US.

Politically, the continuation of the National Democratic Alliance (NDA) government signals sustained reforms, with optimism around labour and land reforms. The government is also taking steps to control retail inflation by managing food prices and import duties. The external environment remains cautious, with geopolitical tensions, particularly in Gaza, posing potential risks to global stability.

Overall, India's short-term growth outlook remains positive, underpinned by strong domestic demand, proactive government measures, and expanding global trade relationships, despite some challenges in the rural economy and supply chain infrastructure.

India's Projected Economic Growth

Looking ahead to 2024, India's projected GDP growth of 6.8% in 2024 stands out as the fastest among major emerging markets, significantly outpacing China's 4.6%, and Brazil's 2.2%. This robust growth trajectory is expected to sustain at 6.5% annually from 2025 to 2029, reflecting strong economic fundamentals and continued momentum.



Source: IMF

This decent growth momentum in near term (CY 2024) is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilization and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on1st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY2024 and setting a lower-than expected fiscal deficit target for FY2025, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D (Research & Development) in the sunrise sectors.

Achieving a reduced fiscal deficit of 5.8% in FY2024 and projecting a lower than-anticipated fiscal deficit of 4.9% as announced in the interim budget in July 2024 for the current fiscal year (FY 2025) are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 billion) for fiscal year 2024-25 – is at a 21-year high (3.3% of GDP in fiscal year 2023-24. The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and reduce logistics costs.

India's optimistic economic outlook is underpinned by its demographic dividend, which brings a substantial workforce that boosts labor participation and productivity. The burgeoning middle class and urbanization contribute to increased domestic consumption, driven by rising incomes and purchasing power. Extensive investments in infrastructure, encompassing roads, railways, ports, and digital connectivity, are enhancing productivity and efficiency, with government initiatives like the Smart Cities Mission and PM Gati Shakti creating a conducive growth environment. This digital transformation, catalyzed by initiatives such as Digital India, is fostering a tech-driven economy marked by enhanced internet penetration, digital payments, and e-governance, thereby fueling growth in sectors like fintech, e-commerce, and digital services. The push to position India as a global manufacturing hub through Make in India and PLI (Production Linked Incentive) schemes is further boosting industrial output, exports, and domestic production capabilities. Compared to other major emerging markets facing demographic and economic challenges, India's combination of demographic strengths, policy reforms, and strategic initiatives positions it as a standout performer and a significant driver of global economic growth in the foreseeable future.

Some of the key factors that would propel India's economic growth.

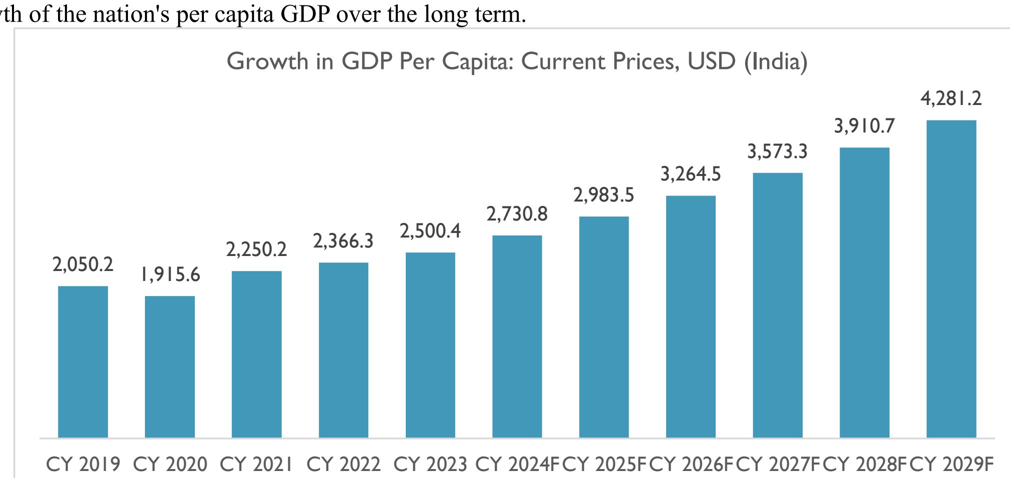
Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. PFCE as a percentage of GDP increased to 58% during FY 2022 and FY 2023 while in FY 2024 it settled at 56%. There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power. As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 1.06 lakhs in FY 2024 against 99,404 in FY 2023 and 87,623 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fueled by this growth in per capita income.

India's Per capita GDP trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.



Source: IMF

From CY 2024-29, India's per capita GDP is projected to grow at a compound annual growth rate of 9.4%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives like UPI (Unified Payments Interface), Aadhaar based benefit transfer programs, and streamlining of GST (Goods and Services Tax) collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favorable demographic pattern (with higher percentage of tech savvy youth population) and India's strong IT (Information Technology) sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.

Increased adoption of digital technology and innovation, inclusive and sustainable practices, business-friendly and transparent regulations, and heightened corporate research and development (R&D) investments will further bolster the country's growth. These factors will collectively support employment growth across both private and public sectors, including micro, small, and medium enterprises (MSMEs).

Commercial Real Estate Sector in India

The Indian real estate sector is one of the most globally recognized sectors. In the country, it is the second largest private sector employer after agriculture. It comprises of 2 subcategories – housing and commercial.

The commercial segment typically consists of office, retail, and hospitality spaces. The growth of the commercial real estate sector has been contributed to by an increase in office spaces due to growth of the corporate environment and the demand for workplaces, increase in malls and shopping centers due to growth in the middle-income population, increase in hospitality options due to growth in different formats of urban and semi-urban accommodation options

Indian Commercial Real Estate Sector	
Office Space	IT / ITeS, Financial Services (BFSI),
Retail Space	Organized Retail: Supermarkets, Hypermarkets, Shopping malls
Hospitality Space	Hotels, resorts

The commercial real estate sector has witnessed rapid expansion in the past couple of decades, mainly driven by demand created by the service sector. The office space segment, which accounts for 70% of the total commercial real estate space, dominates the segment. Demand for office spaces has increased exponentially due to higher demand primarily from IT / ITeS and to a certain extent from the financial services (BFSI) sector. Demand for retail spaces, especially malls and supermarkets / hyper markets, has increased due to rising incomes, robust consumption, augment in FMCG markets and a need for a one-stop shop for products and services.

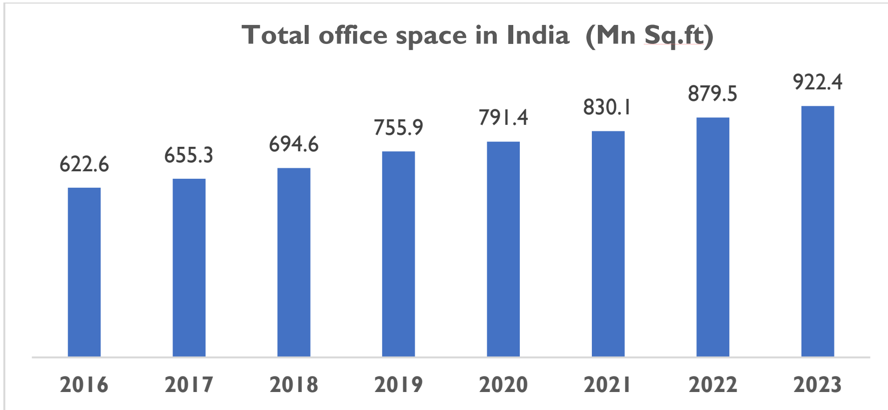
Over the past decade, development of commercial real estate space has been prolific in tier-2 cities like Pune, Jaipur, Nagpur, and Chandigarh. Migration of IT / ITeS sector to such cities as well as penetration of organized retail chains has contributed to this scenario. Growth in economy hotels in these tier-2 cities has stepped up due to business travel, which has also accelerated the pace of growth in commercial real estate. Furthermore, Foreign Tourist Arrivals (FTAs) is expected to increase at a CAGR of 7.1 per cent between 2005 and 2025 to reach 15.3 Mn annually.

The gross lease activity in India's top seven cities was 12.8 million square feet, which was higher than the quarterly run rate for 2022. It increased by 23.3% year over year and had the highest lease activity among the same time periods in 2021 and 2022. An 8.6% q-o-q decline nonetheless indicated a slight slowdown, but the impact of the rumored headwinds has not yet materialized.

The quarterly net absorption in Q1 2023 was down by 4.5% q-o-q at 7.63 mn sq ft, as signs of sluggishness and deferments in expansion driven requirements and the hybrid work mode, causing some space contractions, were visible. Net absorption also fell to a six-quarter low. Delhi NCR retained its top spot for the second quarter in a row with a 25.7% share, with Bengaluru a close second with a 25.0% share.

Commercial Office Space in India

The total office space stock in India grew by 48.15% between 2016 and 2023, reflecting a steady increase in office space availability over the past eight years. The highest growth rate was recorded in 2019 at 8.83%, potentially due to factors like a booming economy and strong demand for office space. The year 2020 witnessed the lowest growth rate at 4.70%, which can likely be attributed to the COVID-19 pandemic that disrupted economic activity and led to a shift towards remote work arrangements.



Source: Knight Frank, Industry Sources

On average, office space stock has increased by 5.78% annually over this period. This indicates a consistent rise in demand for office space, potentially driven by factors like economic expansion and increasing urbanization. Interestingly, the latest growth rate in 2023 (4.88%) is slightly lower compared to the average annual growth. The growing acceptance of hybrid work arrangements, where employees split their work time between home and office, could potentially lead to a reduced need for traditional office space requirements coupled with shifting interest of developers in residential market due to booming opportunities in this sector.

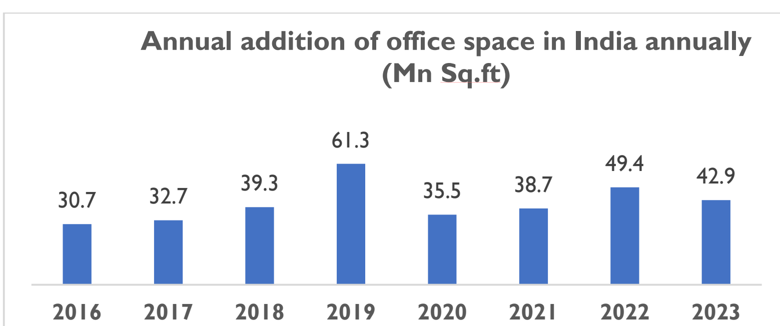
Demand Supply Scenario

The year 2022 was a landmark year for Indian commercial office space segment, reaching record high level of new addition as well as absorption / transactions after two years of pandemic hit. In 2022, approximately 49.4 million sq.ft of new office space was added while 51.6 million sq.ft of office space was subject to transactions – leasing / rentals. A robust demand scenario in IT sector, which is the largest consumer of office space in India, triggered this strong growth.

However, the onset of Covid-19 pandemic significantly affected the segment in 2020-21 – both in terms of demand as well as supply. Lockdown, and associated disruptions (in terms of availability of building materials & labor) brought new construction to a standstill. Meanwhile the shift to remote working model by service industry (led by IT-BPM sector) lowered the demand for fresh office space, hitting the transaction volume.

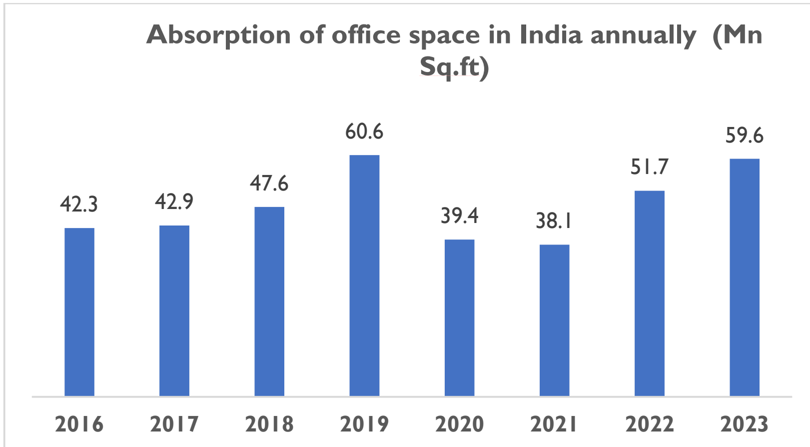
Revival in addition of new space and transactions began to pick up pace by the second half of 2022. Transactions received a boost as the service industry readied for a return to office scenario. Meanwhile near normalization of construction scenario helped in improving the addition of office space. Backed by these factors, the addition of new office space increased by 27% in 2022, compared to previous year. Additionally, the amount of transactions climbed by 23% in 2022, recording a downward trend from the 3% fall that occurred in 2021.

Compared to leasing activity, additions of new office space in 2023 were subdued at 42.9 million square feet. This represents a 2% decrease from 2022. This decline suggests developers are finding greater opportunities in the residential market, likely due to a steeper rise in sales and prices there. There was a positive sign in the second half of 2023 with 24.8 million sq ft of additions, representing a 7% year-over-year increase.



Source: Knight Frank, Industry Sources

However, there was a steady rise in leasing activity throughout 2023. In fact, the total amount of leased space across eight major markets kept increasing each quarter. By the end of the year, leasing came close to reaching record highs, with a total of 59.6 million square feet occupied. The second half of the year (H2) was particularly strong, with a 15% increase in leasing compared to the same period in 2022. This marks the highest volume of space leased in a half-year since 2012.



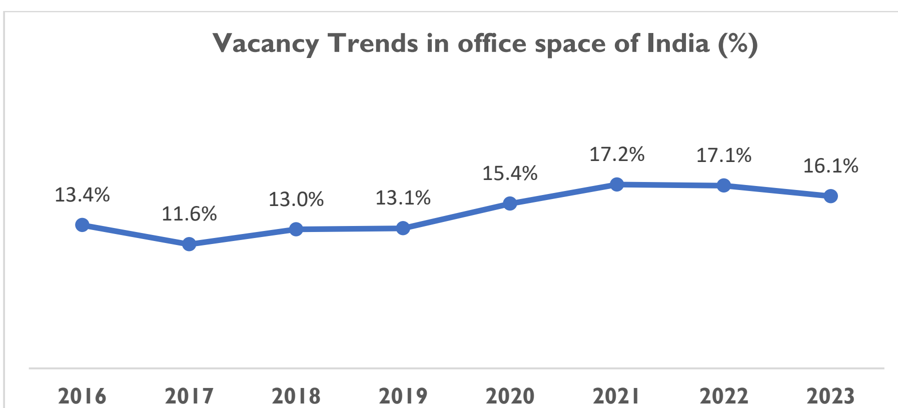
Source: Knight Frank, Industry Sources

Trends in Vacancy

The vacancy rate remained relatively stable between 2016 (13.4%) and 2019 (13.1%), suggesting a balanced market where new supply was being absorbed by growing demand. A significant rise in vacancy rates occurred in 2020 (15.4%) and 2021 (17.2%) which likely coincided with the COVID-19 pandemic. This could be attributed to:

- Shift to Remote Work: Lockdowns and social distancing measures led companies to temporarily close offices or adopt remote work arrangements, reducing demand for physical space.
- Economic Downturn: The pandemic's economic impact resulted in business closures or downsizing, leading to vacant office spaces.

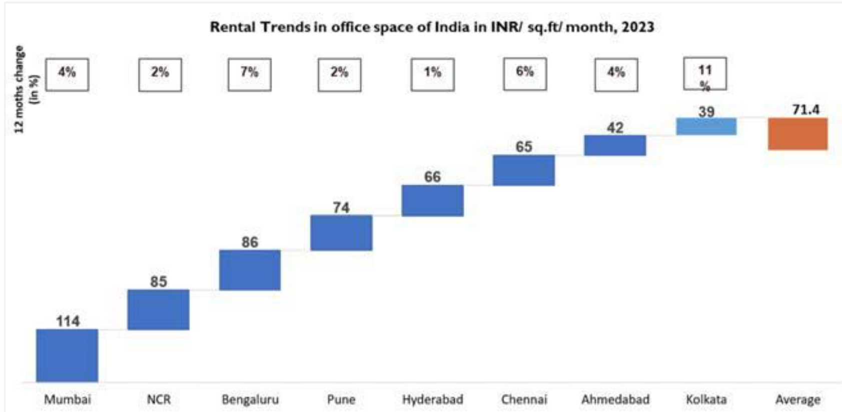
Vacancy rates have shown signs of slight stabilization in the last two years, hovering around 17.1% (2022) and 16.1% (2023). However, compared to pre-pandemic levels (around 13%), vacancy rates remain elevated.



Source: Knight Frank, Industry Sources

Rental Trends

Office rents in India have been on a steady rise throughout 2023. This marks the third consecutive six-month period where rents have either increased or held steady across all major markets. Mumbai and NCR, being major financial and business centers, command premium rents. IT hubs like Bengaluru and Pune also see high rental values due to strong demand from the technology sector. Secondary cities like Hyderabad and Chennai are catching up with rising IT activity, but their rents remain lower compared to the top tier cities.

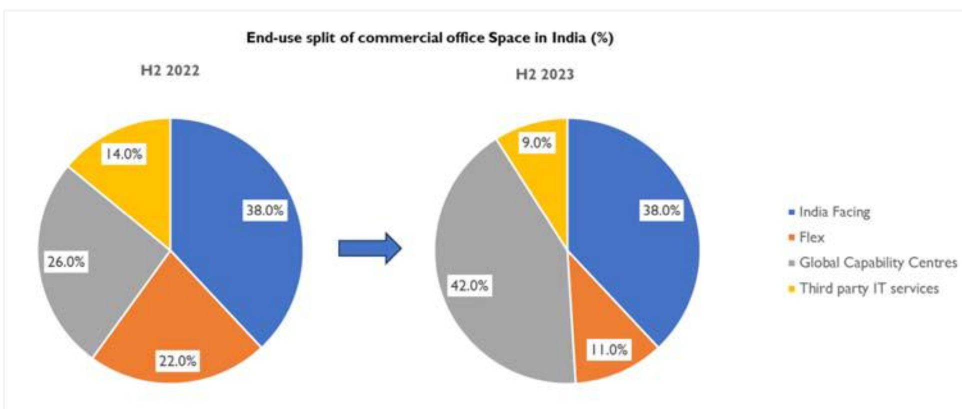


Source: Knight Frank, Industry Sources

Despite not experiencing the highest volume of leasing activity, Bengaluru witnessed the strongest rent growth at 7%. This could be due to continued demand from the IT sector and limited availability of prime office space. Mumbai, NCR, and Chennai also saw rent increases, albeit at a slower pace. Rents rose by 4% in Mumbai, 2% in NCR, and 6% in Chennai. This suggests a strengthening market even in these key commercial centres.

Commercial Office Space Demand by End Use

Companies catering to the domestic Indian market continue to be the primary driver of office space absorption with consistent Demand of 38% in both H2 2022 and H2 2023. A remarkable trend is the surge in demand from Global Capability Centers (GCCs). Their share of office space absorption jumped from 26% in H2 2022 to a dominant 42% in H2 2023, signifying India's growing appeal as a strategic hub for multinational corporations to establish centers for IT, finance, or R&D activities.



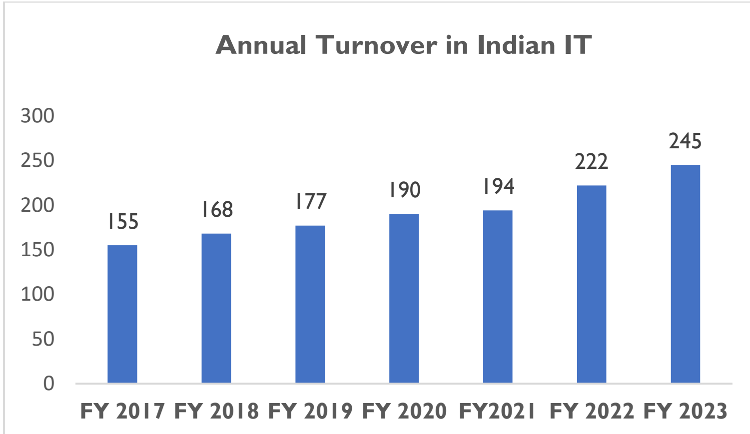
Source: Knight Frank, Industry Sources

Key Demand Drivers in India’s Commercial Office Space Segment

IT-ITES sector accounts for nearly 80% of office space absorption every year, new addition is driven by expected demand from this sector. Due to this overwhelming dominance, the commercial office space trends in India is largely influenced by the hiring / expansion trends in IT industry.

According to NASSCOM, India's technology industry sales, including hardware, is predicted to reach $245 billion in FY2023, an increase of $19 billion over the previous year (8.4% y-o-y growth). With $194 billion in exports, growth is anticipated to be 9.4% in reported currency terms and 11.4% in constant currency terms. The domestic technology sector is anticipated to increase at a 4.9% y-o-y rate to reach $51 billion. On the back of ongoing investments by business and the government, domestic technology revenues are forecast to increase by 13% year over year in rupee terms. Majority of the players in industry showcased positive growth in revenue, though the margins remained under pressure.

The computer software and hardware sectors drew the most FDI equity investment in FY 2021–22. A total of $93.58 billion in FDI equity was attracted between April 2000 and December 2022. First place in "AI talent concentration" was earned by India. India was placed fifth in both "AI scientific publications" and "FTTH/Building Internet subscriptions",



Source: NASSCOM

Export revenue is expected to have grown to USD $194 Bn in FY 2023 from USD 178 billion in FY 2022, registering 9.4% growth, The market share of Indian SaaS companies increased by two times. There are 59 SaaS unicorns and potential unicorns in India. From 25.15 crore in 2014, there were 83.69 crore internet connections in 2022. During the past two years, COVID-19 pandemic accelerated the technology adoption across industries as businesses relied on digital tools for resilience and business continuity. The overall industry revenue has been driven by the fast-paced digitization and cloud adoption.

With leveraging the low-cost advantage model to execute basic data entry tasks, voice-based customer contact/support services, finance & accounting (F&A) and a range of back-office processing activities, the industry has witnessed a healthy growth during the last decade. BPM segment has exhibited a significant transformation, both in terms of value and services proposition to align with emerging trends and changing customer demand. The major revenue comes from export market. The Indian BPM industry generated a total revenue of USD 38.5 billion during FY2021 of which ~87% revenue came from export market.

As per NASSCOM's latest estimates, the BPM segment is estimated to reach USD 44 billion in FY 2022. Factors such as economies of scale, business risk mitigation, utilization improvement and superior competencies have together led to the growth of the Indian BPM industry. BPM segment is expected to account for around USD 50-55 billion of the total revenue of IT-BPM industry by 2025. Higher implementation of chatbots, RPA, AI based automation services will play a major role in the growth of BPM segment.

Despite positive future prospects, Indian BPM industry is facing multiple challenges with respect to anti-offshoring wave in the US and emergence of low-cost destinations like Philippines, Mexico Malaysia and Canada and snatching away base level data entry projects from India. Moreover, disruptive changes caused by growing digitization across industries has created a wide demand-supply gap of trained workforce in emerging areas such as artificial intelligence (AI), robotics, and automation.

India's demand for Digital Talent jobs is approximately 8x larger than the size of its fresh talent pool. By FY 2024, this demand is expected to grow to 20 times more than the available fresh talent pool. In current times, clients are putting pressure on companies to transform and upskill in new areas such as RPA, analytics, AI, and other advanced tools that can automate the customers experience in a best possible way. To adapt with changing industry dynamics, BPM companies are relentlessly undertaking scaled reskilling exercises to narrow the demand-supply gap.

Key Trends

Technological Revolution:

- Smart Buildings and Automation: Technology is redefining the office experience. The rise of smart buildings with features like sensor-based lighting, HVAC control, and space optimization software is enhancing efficiency and reducing operating costs.

- PropTech Platforms: Online platforms are streamlining property management, tenant communication, and workplace experience. These platforms allow for easier lease negotiations, amenity booking, and fostering a sense of community among tenants.
- Remote Work Integration: The widespread adoption of remote work technologies like video conferencing and cloud-based collaboration tools is prompting a shift towards flexible workspace models. Co-working spaces, serviced offices, and hybrid workplace solutions are gaining traction as companies seek to accommodate a distributed workforce.

Consolidation and Mergers:

- Flight to Quality: Economic uncertainties may lead to a "flight to quality" phenomenon, where companies consolidate operations and prioritize high-grade office spaces with amenities and infrastructure that support a productive work environment.
- Right-sizing: Companies are re-evaluating their office space needs in the wake of remote work adoption. This may lead to a reduction in overall leased space or a shift towards smaller, more collaborative work areas.

Demand from the Global Capability Centers (GCCs):

- Strategic Hubs: India's strategic location and burgeoning economy make it an attractive destination for GCCs. These centers, established by multinational corporations to manage specific functions like IT, finance, or research and development, view India as a gateway to the vast Asian market, driving demand for office space in major Indian cities.
- Favorable Regulatory Environment: Government initiatives aimed at simplifying the business environment and attracting foreign investment further incentivize GCCs to establish a presence in India. This translates to increased demand for commercial office spaces, particularly those catering to the specific needs of these specialized centers.

Tier 2 City Expansion:

- Cost-effectiveness: Rising rental costs in Tier 1 cities like Mumbai and Delhi are prompting companies to explore office space options in Tier 2 cities like Pune, Hyderabad, and Ahmedabad. Tier 2 cities offer a more cost-effective alternative with a growing talent pool and improved infrastructure.
- Government Initiatives: Government initiatives aimed at developing Tier 2 cities as business hubs are further enhancing their appeal. Improved connectivity, business-friendly regulations, and the availability of skilled manpower are attracting companies to these emerging markets.

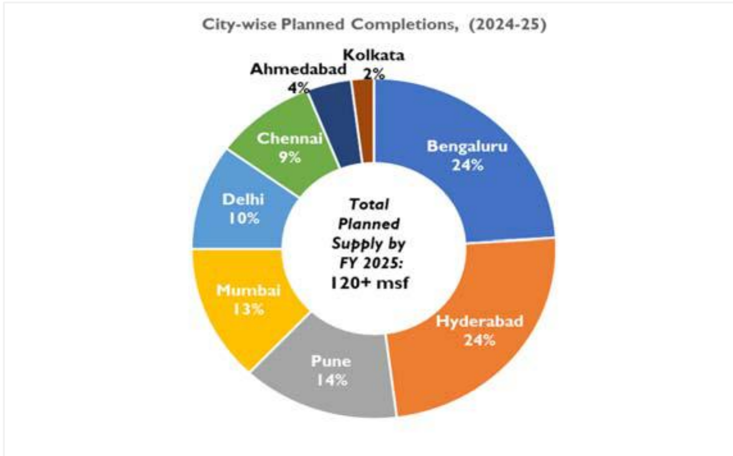
Investment Trends

The landscape of new office workspace supply in India is experiencing a significant shift. Bengaluru and Hyderabad are leading the charge, contributing nearly 55% of the Pan-India supply in 2023. These cities boast record-high project completions for commercial office workspaces. Pune continues its construction boom from the previous year, and Chennai has seen a peak in new supply. Mumbai and Delhi NCR, however, witnessed a concerning 40% decline in new supply as several projects were delayed until 2024. The market anticipates 55-60 million square feet of new commercial office workspace supply in 2024, aligning with the rising demand for quality space. With new supply marginally exceeding net space take-up, the Pan-India vacancy rate has reached 16.1% by the end of 2023. This rate is expected to remain around the same level in 2024.

However, core markets like BKC (Mumbai) face a different reality. The upcoming supply of 200,000 square feet over the next two years falls far short of the high demand witnessed in 2022-2023. Several other core markets across India, including Guindy (Chennai), Cybercity (Gurugram), and Malad-Goregaon (Mumbai), are experiencing similar supply limitations. The limited upcoming supply in core markets means occupiers face a shortage of options and potentially rising rents. This situation encourages pre-leasing to secure space in prime locations.

Given the supply limitations, will lead to tenants exploring non-core markets for their next growth phase. These areas often offer significant cost savings, improved infrastructure, and better connectivity. The influx of new supply in non-core markets has created a tenant-favourable environment across these non-core cities. These areas have captured an average of 43% of leasing activity over the past two years.

Tenants with smaller space requirements will consider second-generation properties, which may be 10-15% cheaper than brand-new spaces. The growing interest from flex space operators in repurposing these properties provides additional options.



Source: Cushman & Wakefield, Industry Sources

Regulatory Scenario in Indian Commercial Real Estate Segment

Key Initiatives & Policy Changes

- **Reforms to attract Foreign Direct Investment (FDI):** The Government of India has introduced reforms to attract Foreign Direct Investment (FDI) in the retail industry. The government has approved 51 per cent FDI in multi-brand retail and 100 per cent in single brand retail under the automatic route which is expected to give a boost to 'Ease of Doing Business.
- Policy changes including relaxation in Foreign Direct Investment (FDI) norms have resulted in an investor-friendly business environment. The economy's sturdy market fundamentals have prompted rise in institutional investors' interest in Indian retail real estate. Some of the key investors in the retail segment include Blackstone Group, Canada Pension Plan Investment Board (CPPIB), Singapore sovereign wealth fund GIC and The Xander Group. International retailers have helped in stimulating the Indian retail growth with regard to technology, supply chain, storage and warehousing, distribution, retail formats, aftersales services, etc. Further, they have helped in modernizing the retail industry and pushing it towards an organized market.
- **12th Five Year Plan (2012–2017):** The 12th Five Year Plan (2012–2017) invested INR 37 lakh crore on infrastructure development and upgrading the distribution network
- **Cashless Payments:** Government's efforts to promote cashless payments may boost modern/online retail
- **Priority Sector Status**: Retail has been accorded status of a priority sector by the government in the National Skill Development Mission. Retailers Association of India is the nodal agency for training the manpower. This would make available the required trained manpower for the growth of the sector
- **Single Brand Retail:** The government amended existing FDI policy to allow single brand retailers to sell online without establishing a physical store in India. This opens up India's retail market for everyone to test the market dynamics without making large-scale investments. Until now, every brand had to have a physical presence in India to open an online store. Moreover, to have a physical presence, it was mandatory for brands to procure 30 per cent of the value of goods sold in India, locally. Now, a single brand retail entity with more than 51 per cent FDI can count all its procurements made from India as local sourcing, irrespective of whether the goods procured are sold in India or exported. In addition, new rules provide for global retailers to do sourcing through an unrelated third party under a legally tenable agreement. Earlier, companies were allowed to source goods locally only directly from the brand or its group companies.
- **Model Shops and Establishments Bill 2016:** Introduced by the Centre, one of the provisions of this bill allows retailers to operate 24-hour which is expected to provide a boost to the retail market, especially in the metros
- **Abolishment of the Foreign Investment Promotion Board:** Following the abolishment of the Foreign Investment Promotion Board in 2017, the FDI clearance process has become convenient for investors. The move removes an extra layer of procedures, making the overall process more efficient. FDI proposals are now transferred to concerned individual ministries, which decide on their clearance

REIT & Its Impact

The Real Estate Investment Trust (REIT) - an investment vehicle that invests in rent-yielding completed real estate properties has the potential to transform the Indian real estate sector. Currently, developers incur huge capital expenditure especially in Commercial Real Estate (CRE), on land, construction, interior fit outs, etc. which remains locked for years until the asset generates returns to bredak-even. REIT will help attracting long-term financing from domestic as well as foreign sources. This could improve fund availability to real estate developers and reduce some burden on completed assets by allowing owners of such assets to raise capital from investors against issue of units. Further, for the investors, the REIT can provide a new investment vehicle with ongoing returns, elevated transparency and governance standards.

A REIT is an attractive alternative investment instrument in the Indian financial markets. Introduction of REIT is a boon for developers and more so to the real estate investors as it helps in negating the shortcomings of investing in physical real estate. This new investment vehicle offers an exit opportunity to developers thereby enabling them to monetize their real estate. While on the other hand, mandatory listing of the REITs on recognized stock exchanges will offer an easy entry and exit mechanism for investors. With respect to providing liquidity to the investors, REIT may be at par with equity shares trading on the exchange. According to Finance Bill 2023, the 'Loan repayment' distribution component from Reits and InvITs does not have to be recognized as income from other sources, as stated in the Budget.

Reits and InvITs invest in income generating commercial real estate properties and infrastructure assets via special purpose vehicles (SPV) through equity or debt instruments. Any income distributed by these trusts to its unit holders must be in the same nature and in the same proportion as distributed by the SPV to the business trust.

RERA & Its Impact

Real estate sector in India is regulated by multiple rules and regulations, which often overlap with each other. In order to bring clarity, the government introduced Real Estate Regulatory Authority (RERA) Bill in June 2013. After facing stiff opposition in the parliament, the Union Cabinet in December 2015 approved 20 major amendments to the bill based on the recommendation of an Upper House committee. Eventually the bill was approved by both the houses in March 2016.

The residential sector's operational development between 2016 and 22 can be used to gauge the impact of RERA. The performance of the residential sector was primarily a result of the improved transparency and trust injected by RERA, notwithstanding the introduction of larger policy reforms that affected real estate during the same era. Once the new procedure was in place and all parties were in agreement with the modifications made by RERA, residential sector sales and launches improved. The expansion of the residential sector and other drivers of growth, with the exception of the pause caused by the epidemic, have received attention.

The RERA-instituted escrow mechanism allowed for the efficient use of cash. The increased home sales helped developers with their cash flow and lessened their reliance on institutional capital funding requirements. Consequently, the overall effect has been an improvement in the sector's financial health.

Key Provisions

- Govt. of India as model law formulates these new rules, however given flexibility to States to modify / add their own rules. Since the land belongs to State, this flexibility is given to the States
- As per Real Estate Regulation Act, real estate developers and agents need to register with State Real Estate Regulatory Authority by 30th July 2017. They would then come under the purview of RERA act
- As per RERA, Real Estate Developer need to deposit 70% of the funds collected from buyers in separate bank account created for the projects. They need to use these funds only for the construction of the projects to see timely completion of the projects. Any deviation in this would attract penalty including imprisonment
- New Projects should obtain all approvals before the launch of the project. Thus far many complaints are received from buyers regarding builders claiming all approvals are in “closure” stage and later saying there is delay in getting approvals resulting in delays in the project. Any false statement regarding this would attract penalty including imprisonment
- In case, real estate developer wants to make any structural changes after the start of the project, it needs to take 2/3 of the buyers’ consent. Without such consent, no structural changes can be made
- Real Estate Developer would be penalized including imprisonment up to 3 years in case of any delay in the projects or in case they make any changes (without consent) to what has been promised in the project
- Real Estate Developer should provide all project details on Real Estate Regulator website and provide regular updates on construction progress
- Should rectify the defects bought buy buyer to the notice by the promoter within 5 years from the date of the possession
- In case of delay in the possession from developer side, they need to pay 2% interest above SBI Lending rate to the buyer

- As per RERA guidelines, developers should sell projects only based on carpet area, which buyers can use. In case of default, they would be imprisoned for 3 years

Impact on Real Estate Sector

RERA has finally become a regulation unlike for many years being a legislative notion. The real-estate sector in India has expanded exponentially in the recent times with number of transactions increasing alongside increase in its contribution to GDP. However, due to non-standardized and unregulated pricing mechanism, the highly fragmented sector has been criticized and has caught the nation's attention for all the negative reasons. Therefore, there arrived a dreadful need for a regulating body in order to smoothen the processes in the sector. RERA was one such solution, which became a regulation to act as a supervisory body to oversee the operations of the sector. The overall impact of RERA on developers and governments is mentioned as under:

- **Impact on Real Estate Developers:** The arrival of RERA has generated an uproar amongst the developers and there has been a lot of censure and pique in the community towards this regulation. However, developers have acknowledged the shift towards RERA. Furthermore, the enactments provide a great prospect for the developers to entirely modify the opinions of all the stakeholders concerning the industry and, in particular, for the developer community.
- **Impact on Government:** The impact of RERA has been wobbly on the state governments, as different governments are in various stages of implementation of RERA. Furthermore, as the developers need to synchronize with the systems / processes to comply with the regulations, the various governments also must. However, the real and actual impact of RERA on the governments would be visible in the coming years, when the new announcements and developers committing towards timelines on carpet area and enacting complete transparency on the constructions of projects.

Flexible Office Space

India's commercial office landscape is witnessing a significant shift towards flexible workspaces. The concept of flexible workspace, also known as flex space, has gained significant traction in recent years within India's commercial real estate market. This shift reflects a changing work environment where businesses prioritize agility, cost-effectiveness, and fostering collaboration. This concept, encompassing co-working spaces, serviced offices, and managed offices, caters to the evolving needs of businesses seeking agility, cost-effectiveness, and a collaborative environment.

The rise of remote work and hybrid models has fuelled the demand for flexible workspace solutions. Businesses are no longer restricted to traditional long-term leases, allowing them to scale their office space requirements up or down as needed. Flexible workspaces eliminate the need for upfront investments in furniture, infrastructure, and maintenance. Businesses pay only for the space they utilize, leading to significant cost savings. Co-working spaces foster a vibrant community atmosphere, allowing businesses to connect with other professionals and potential collaborators. This can be particularly beneficial for startups and freelancers.

Type of Flexible Office / Working space

Type of Flexible Office / Working Space: Models	
Managed Offices	• Managed offices offer a office setup with private suites or dedicated workstations. Businesses get a customized workspace tailored to their specific needs, including furniture, layout, and branding elements. • They provide scalability, allowing businesses to expand or contract their space as their needs evolve. Businesses have greater control over their workspace environment and security compared to co-working spaces. • Ideal for established businesses, larger teams, and companies requiring a more professional and private work environment. • Typical tenures of 36 - 48 months with lock-ins. Leased on per sq ft basis as well.
Hybrid Work Solutions	• Hybrid work solutions combine elements of both co-working and managed office spaces. This allows businesses to create a workspace that caters to a hybrid workforce, with dedicated desks for permanent employees and co-working areas for occasional or flexible use. • This approach offers the benefits of both worlds: dedicated space for core teams alongside the flexibility and cost-effectiveness of shared resources. • Ideal for companies adopting hybrid work models, where employees split their time between working remotely and working from an office. • Leased to multiple tenants on a per workstation basis for a fixed tenure (say 12 -24 months or less depending on agreement).

Co-working Spaces	• Co-working spaces are known for their vibrant and collaborative atmosphere. Open floor plans and common areas encourage interaction and networking opportunities with other businesses and professionals. • Desks or workstations are rented out on a membership basis. Membership plans offer various levels of flexibility, allowing individuals or small teams to choose the option that best suits their needs. These plans usually include amenities like high-speed internet, printing facilities, and meeting rooms (subject to availability). • Ideal for startups, freelancers, entrepreneurs, and small businesses seeking a dynamic work environment with networking opportunities. • Typical tenures as low as 3 - 6 months.

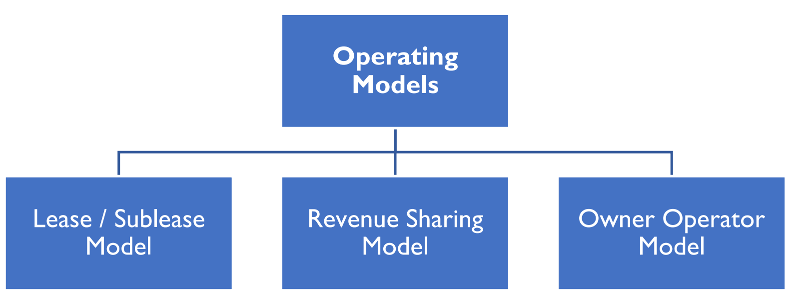
Comparative Analysis: Flexible v/s Traditional Office Space

The way corporate is evolving, the concept of office space is no longer a one-size-fits-all model. Businesses today have a choice between traditional office leases and the growing trend of flexible workspaces. While traditional office leases have long been the norm, a growing number of companies are embracing the adaptability and cost-effectiveness offered by flexible workspace models. The choice between traditional and flexible leases depends on various aspects such as size of space required, duration, facilities and amenities offered and the capacity to incur upfront capital expenditure.

Traditional Office Space	Flexible Office Space
Lease agreements: Long-term leases (typically 3-5 years) lock businesses into a fixed space and financial commitment.	**Flexible Contracts:** Offers a variety of contract options, from monthly memberships to short-term leases, allowing for greater scalability.
Upfront Costs: Significant upfront investments are required for furniture, equipment, fit-out, and infrastructure.	**Reduced Upfront Costs**: Minimal upfront investment required as furniture, equipment, and amenities are included.
Limited Flexibility: Scaling workspace up or down can be difficult and often comes with penalties or renegotiations.	**High Scalability:** Easily adjust office space needs as your team grows or shrinks without long-term financial burdens.
Predictable Environment: Offers a consistent and familiar work environment for employees who prefer a dedicated workspace.	**Dynamic Environment:** Can foster a more collaborative and vibrant work atmosphere, potentially boosting employee interaction.
Control Over Space: Companies have complete control over the design, layout, and branding of their office space.	**Limited Control:** Less control over design and layout compared to a traditional office, though some customization options might be available

Co-working Operating Models

Coworking companies operate under three primary operating models: the lease/sublease model, the revenue sharing model, and the owner-operator model. Each model presents distinct approaches to managing workspace operations, revenue generation, and financial responsibilities within the coworking industry.



Lease / Sublease Operating Model

Some coworking companies operate within a lease and sublease model, which forms the foundation of their workspace management strategies. Initially, these companies enter into long-term lease agreements with property owners or landlords to secure office spaces. These primary lease agreements outline crucial terms such as rental payments, lease duration, maintenance responsibilities, and any specific provisions related to alterations or improvements needed for the space.

Once the coworking company secures a space through the primary lease, they sublease parts of the space to individual members or companies. Subleases within coworking spaces can range from shared desks and dedicated desks to private offices and meeting rooms. These subleases offer members more flexible terms compared to traditional commercial leases, including short-term commitments, scalability options, and access to shared amenities and services within the coworking space.

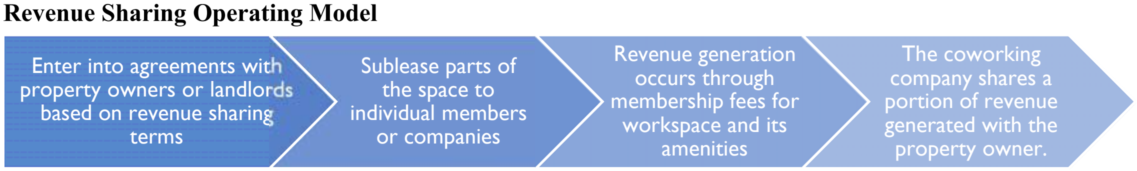
Revenue generation in coworking spaces primarily revolves around membership fees paid by members for access to the workspace and its amenities. Additionally, some coworking companies offer supplementary services such as meeting room bookings, virtual office services, event spaces, and business support services for an extra fee, contributing to revenue diversification and enhancing the overall member experience.

The sublease model provides several benefits for both coworking companies and their members. It allows coworking companies to optimize space utilization by subleasing to multiple members, thereby increasing revenue per square foot. For members, the model offers flexibility in terms of workspace options, scalability, and cost-effectiveness compared to traditional office leases. Moreover, coworking spaces foster a sense of community among members, facilitating networking, collaboration, and knowledge sharing.

However, there are challenges and considerations to navigate within this model. Coworking companies must align the terms of their subleases with the primary lease to ensure compliance and avoid conflicts. They also need to effectively manage occupancy levels, create a vibrant community, and address potential risks associated with the primary lease, including rental obligations and liabilities. Additionally, legal considerations such as lease negotiations, sublease agreements, and compliance with zoning regulations and tenant rights require careful attention.

Despite these challenges, the lease and sublease operating model empowers coworking companies to scale their operations rapidly, offer flexible workspace solutions, generate revenue, and adapt to the evolving needs of modern workers and businesses effectively.

Revenue Sharing Operating Model



The revenue sharing operating model is another approach utilized by coworking companies to generate revenue and manage their workspace operations. In this model, coworking companies collaborate with property owners or landlords to share revenue generated from the coworking space.

Firstly, coworking companies identify potential properties or spaces suitable for coworking environments. They then enter into agreements with property owners or landlords based on revenue sharing terms rather than traditional lease arrangements. These agreements outline the revenue sharing percentages, terms of payment, duration of the partnership, and any specific conditions or obligations for both parties.

Once the partnership is established, coworking companies set up and manage the coworking space, providing amenities, services, and a conducive work environment for members. Members pay membership fees to access the coworking space and its facilities, similar to the traditional lease and sublease model. However, instead of paying rent to the landlord directly, the coworking company shares a portion of the membership fees or revenue generated from additional services with the property owner.

Revenue sharing in coworking spaces can take various forms. It may involve a fixed percentage of the gross revenue or a percentage based on net profits after deducting expenses. Some agreements may also include minimum guarantees or thresholds to ensure a baseline revenue for the property owner.

The revenue sharing model offers benefits for both coworking companies and property owners. For coworking companies, it reduces upfront costs associated with leasing and allows for more flexible financial arrangements. It also aligns the interests of the coworking company and the property owner, as both parties benefit from the success and growth of the coworking space.

Property owners, on the other hand, can leverage their assets and earn a steady income stream without directly managing the coworking space. They benefit from the expertise and resources of the coworking company in operating and marketing the space, while also diversifying their revenue sources beyond traditional leases.

However, there are considerations and challenges to address within the revenue sharing model. Clear and comprehensive agreements detailing revenue sharing terms, responsibilities, and dispute resolution mechanisms are essential to ensure a mutually beneficial partnership. Coworking companies must also effectively manage costs, member retention, and space utilization to maximize revenue and profitability for both parties.

The revenue sharing operating model offers an alternative approach for coworking companies and property owners to collaborate, generate revenue, and create coworking environments that meet the needs of modern professionals and businesses.

Owner-Operator Operating Model

The owner-operator operating model is a unique approach adopted by some coworking companies to manage and operate their coworking spaces. In this model, the coworking company owns the property or space where the coworking facility is located, and they also handle the day-to-day operations of the coworking space.

The coworking companies that follow the owner-operator model acquire or develop their own properties specifically designed for coworking purposes. This could involve purchasing or leasing commercial real estate, renovating existing buildings, or constructing new coworking facilities from scratch. The company then takes on the role of both the property owner and the operator of the coworking space.

As the owner of the property, the coworking company has full control over the space, design, amenities, and overall branding of the coworking facility. They can tailor the space to meet the unique needs and preferences of their target members, creating a customized and attractive workspace environment.

In terms of operations, the coworking company manages all aspects of the coworking space, including leasing, member onboarding, facility management, community building, and administrative tasks. They also provide a range of amenities and services such as high-speed internet, meeting rooms, event spaces, networking opportunities, and business support services to enhance the member experience.

Revenue generation in the owner-operator model typically comes from membership fees paid by members for access to the coworking space and its amenities. Additional revenue streams may include fees for premium services, event rentals, partnerships with external service providers, and potential ancillary services such as cafe or retail offerings within the coworking facility.

The owner-operator model offers several advantages for coworking companies. It provides greater flexibility and control over the coworking space, allowing for customized branding, design, and service offerings that align with the company's vision and target market. It also allows for more direct interaction with members, fostering a strong sense of community and engagement within the coworking space.

However, there are challenges and considerations associated with the owner-operator model. Coworking companies must manage the financial responsibilities of property ownership, including property taxes, maintenance costs, utilities, and potential mortgage or loan payments. They also bear the risks associated with property ownership, such as market fluctuations, vacancies, and property maintenance issues.

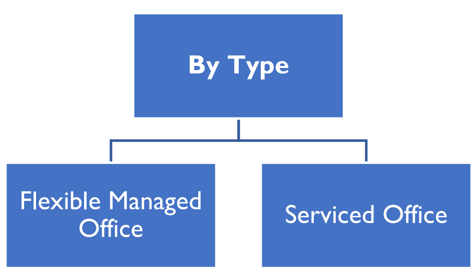
The owner-operator operating model enables coworking companies to create unique and innovative coworking spaces, drive revenue through membership fees and additional services, and build a strong community of members within their own managed properties. It requires strategic planning, financial management, and a deep understanding of the coworking industry to succeed effectively.

Amenities provided by the industry
Coworking spaces offer a range of amenities that enhance productivity and comfort for their users. These include meeting rooms, high-speed Wi-Fi, phone booths, and business class printers, ensuring professionals have the tools they need. Onsite staff and cleaning services maintain a smooth and clean working environment. Unique common areas, lounges, and professional & social events foster networking and collaboration, while amenities like unlimited coffee and tea, wellness rooms, and nap rooms cater to well-being. These facilities not only support efficient work but also create a vibrant community, making coworking spaces an attractive option for many.

Administrative Services			
Mail and packaging	Reception area	Tech services	Printers
Onsite staff			
Connectivity and Infrastructure			
High-speed Wi-Fi	Power Backup	Charging	
Meeting and Working Spaces			
Meeting rooms	Phone booths	Unique common areas	Lounges
Health and Wellness			
Wellness room	Mother's room	Medical room	Nap room
Gym	Leisure zone		
Comfort and Convenience			
Air Conditioners	Unlimited coffee and tea	Water	Cafeteria
Washroom			
Security and Safety			
Security	Cleaning services		
Professional and Social Engagement			
Game Rooms	Professional & social events		
Accessibility			
Metro Connectivity	Assessable Facilities		

Market Segmentation
The co-working market space can be segmented by two methods: By Type (Flexible Managed Office or Serviced Office), or by Business Model (Sub-Lease Model, Revenue Sharing Model, and Owner Operator Model).

By Type:



<u>*Flexible Managed Office:*</u> In this setup, a third-party operator takes charge of managing fully serviced office spaces. These spaces are designed to provide tenants with a comprehensive package of amenities and services, including furniture, high-speed internet connectivity, utilities, and various administrative support functions. The key characteristic of Flexible Managed Offices is their adaptability to short-term rentals, allowing businesses to scale their space requirements based on their evolving needs. Additionally, tenants often have the freedom to customize their workspace layouts and designs, aligning them with their brand identity and operational workflows.

<u>*Serviced Office model:*</u> This model presents a fully equipped and managed workspace solution provided by a service provider. These offices come ready-to-use with a range of amenities such as reception services, well-equipped meeting rooms, IT infrastructure, and ongoing maintenance services. The hallmark of Serviced Offices is their convenience, as tenants can quickly occupy and start operating without the hassle of managing office

operations or infrastructure setup. This model also tends to be cost-efficient, as it typically includes utilities and maintenance within the rental package, reducing additional overhead costs for tenants.

Key Advantages

The concept of flexible workspaces, encompassing co-working spaces, serviced offices, and managed offices, has revolutionized the way businesses approach their office needs. By offering a dynamic alternative to traditional office leases, flexible workspaces provide a multitude of advantages for businesses of all sizes and across various industries.

- **Reduced Upfront Investment**: Eliminates the significant upfront costs associated with traditional leases, such as security deposits, build-out expenses for furniture and equipment, and long-term rent deposits.
- **Pay-As-You-Go Model**: Companies only pay for the space they utilize, translating to lower monthly costs, especially for businesses with fluctuating workspace needs.
- **Reduced Overhead Costs**: Flexible workspaces typically handle maintenance, utilities, and security, removing these burdens from the company's budget.

Cost-Effectiveness

- **Adaptable to Growth**: Flexible workspace solutions allow businesses to easily scale their space requirements up or down as their team size or business needs evolve.
- **No Long-Term Commitments**: Escape from the rigidity of long-term leases. Flexible workspace agreements often offer shorter terms, providing more adaptability for businesses in a dynamic market.
- **Ideal for Startups**: Startups and early-stage companies can benefit from flexible workspaces without committing to a large, fixed office space

Scalability and Agility

- **Modern and Collaborative Environment**: Many flexible workspaces offer well-designed, modern environments that foster collaboration and creativity, potentially leading to higher employee satisfaction and productivity.
- **Access to Amenities**: Amenities like high-speed internet, ergonomic furniture, meeting rooms, and break-out areas can enhance employee well-being and productivity.
- **Networking Opportunities**: Co-working spaces provide opportunities for interaction and networking leading to potential collaborations and knowledge sharing

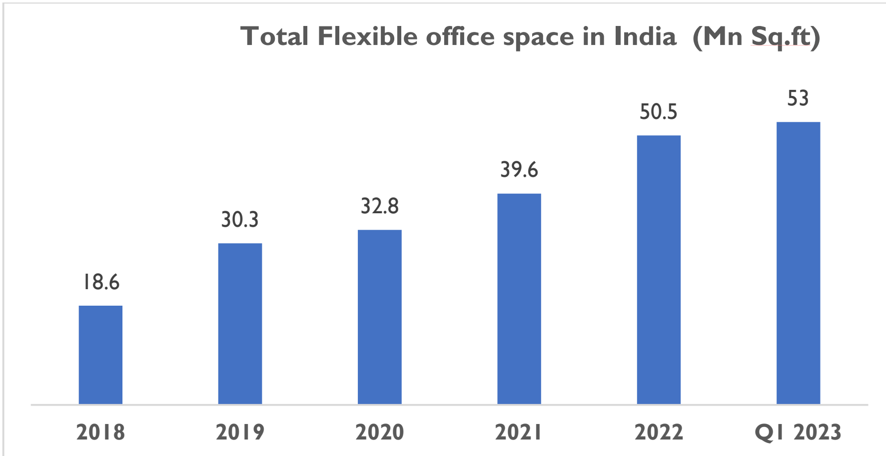
Improved Employee Satisfaction and Productivity

- **Streamlined Operations**: Flexible workspaces handle most operational aspects like maintenance, security, and utilities, freeing up the company's time and resources to focus on core business activities.
- **Improved Space Utilization:** Companies no longer have to pay for unused space in a traditional office setting. Flexible workspaces ensure companies optimize their space usage based on their current needs.
- **Reduced Risk:** Minimize the risk of being locked into a lease agreement that no longer meets the company's needs as it grows or

Increased Efficiency and Reduced Management Burden

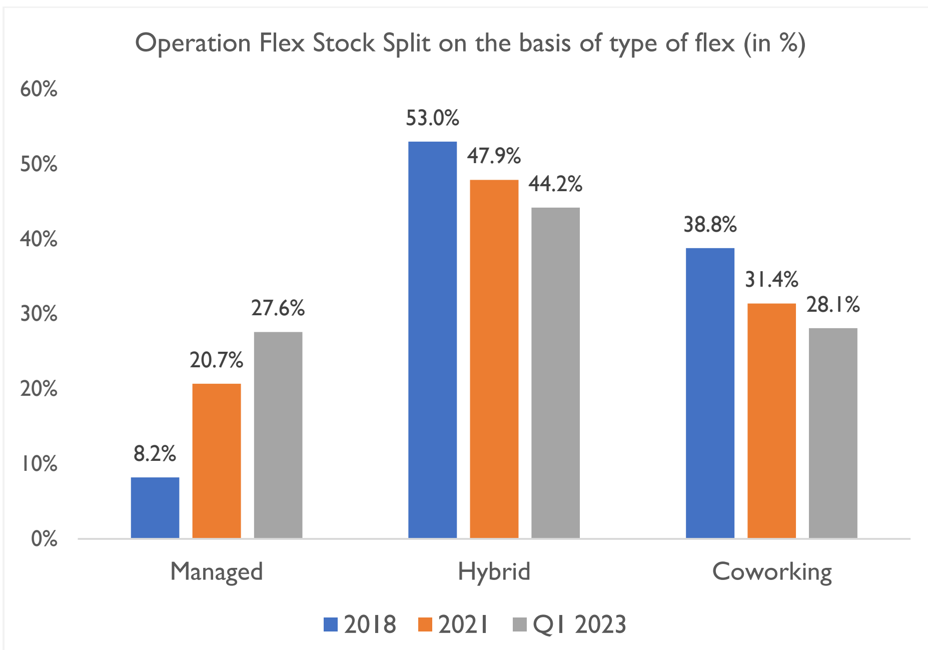
Flexible Working Space in India

The total operational area dedicated to flexible workspaces in the top seven Indian cities has reached a staggering 53 million square feet in Q1 2023. This translates to a penetration level of around 4.7% of the overall office space stock, making India one of the fastest-growing flexible workspace markets globally.



Source: JLL, Industry Sources

This growth is even more impressive considering the recent challenges. The flex workspace sector has witnessed a remarkable CAGR of 28% since 2018 rising from 18.6 million sq ft., bouncing back strongly from the pandemic-induced reset.



Source: JLL, Industry Sources

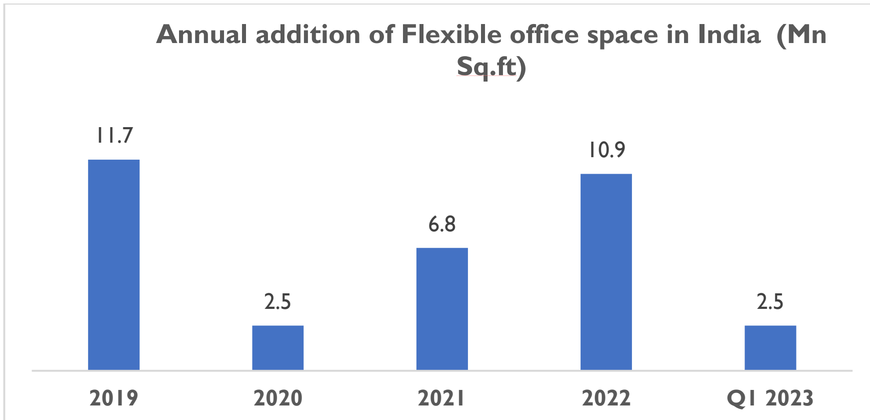
After the COVID-19 pandemic, companies have shown a strong preference for managed office spaces, driving a resurgence in this segment of the flexible workspace market. This type of provider has seen the fastest growth compared to co-working spaces or hybrid models that offer less customization for large companies.

Managed office providers have grown their market share by 3.4 times in the past two years, while co-working and hybrid space providers have seen a decline. The operational space managed by these providers has grown significantly, reaching 15 million square feet by March 2023, a tenfold increase compared to 2018.

The lines between hybrid and managed spaces are blurring. As customization becomes increasingly important for attracting large companies, many hybrid space providers are adopting features of managed office spaces in their new locations and growth strategies. In simpler terms, companies are looking for more control and customization in their flexible workspaces, and managed office providers are catering to this demand with dedicated, private spaces that can be tailored to specific needs. This is leading to a surge in the popularity of this type of workspace solution.

Supply & Demand Scenario

The year 2019 witnessed a significant addition of 11.7 million square feet of flexible space, indicating a strong pre-pandemic growth trajectory suggesting a rising demand for adaptable workspaces before the global crisis. A sharp decline to 2.5 million square feet of additions in 2020 reflects the immediate impact of the pandemic on the commercial real estate market. Lockdowns and economic uncertainty likely led businesses to postpone or downsize their workspace needs.



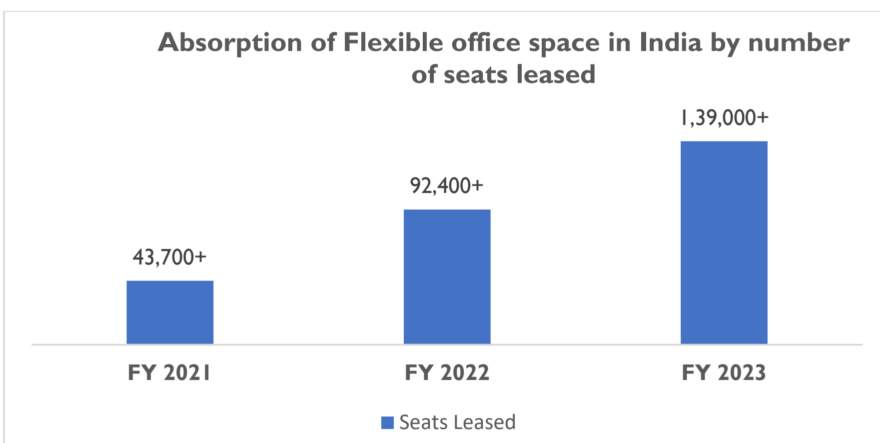
Source: JLL, Industry Sources

The market began to recover in 2021 with additions reaching 6.8 million square feet, followed by a further rise to 10.9 million square feet in 2022. This indicates a gradual return to growth as companies adapted to the new work environment and the concept of flexible work gained traction.

Demand for Flex solutions

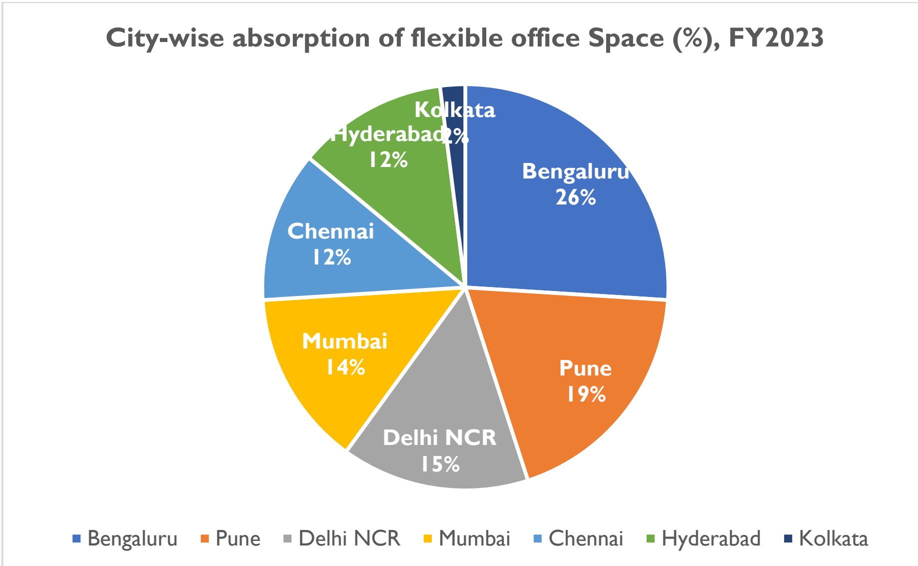
Companies of all sizes and origins whether domestic or foreign, across various industries such as tech, finance, manufacturing, consulting, etc. are actively integrating flexible workspaces into their real estate portfolios. Enterprises are leveraging flex spaces for various purposes, from housing flagship offices and high-end R&D teams to accommodating different business functions. The ability to scale up or down on-demand makes flex spaces ideal for dynamic resource planning and business needs.

The space occupied by enterprises in flex spaces has skyrocketed by 3.2 times between FY21 and FY23, reaching a record high. Notably, enterprise seat take-up in FY23 alone surpasses the combined figures of FY21 and FY22.



Source: JLL, Industry Sources

The substantial growth in FY 2022 indicates a strong post-pandemic recovery in the flexible workspace market. The growth trend continued in FY 2023, with a further 50% increase in leased seats. This sustained growth highlights the ongoing demand for flexible workspaces in India.

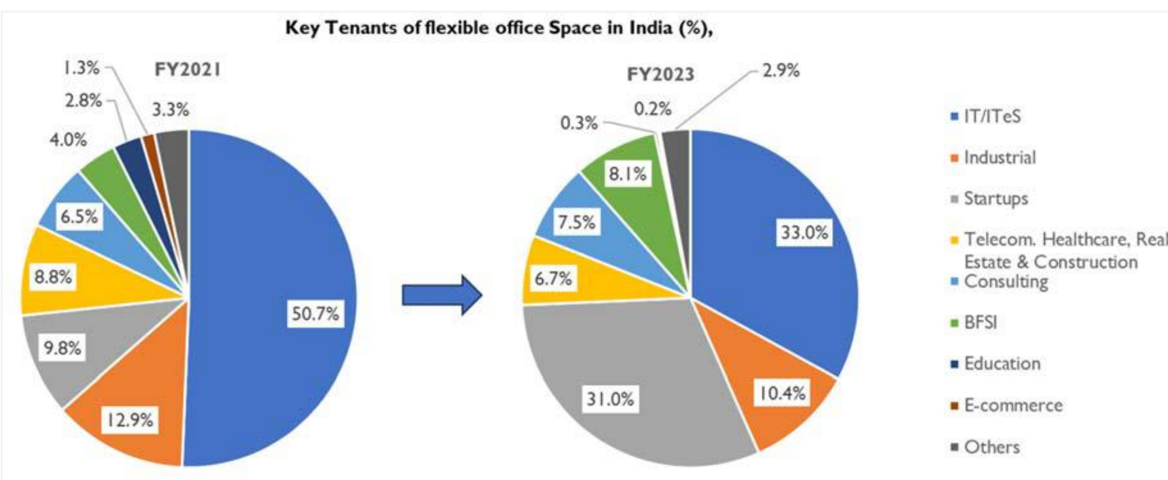


Source: JLL, Industry Sources

Bengaluru, Pune, and Delhi NCR: These three cities have emerged as the biggest markets for enterprise flex space adoption over the past three financial years, collectively accounting for approximately 60% of all enterprise seat take-up during this period.

Flexible Office Space Demand by End Use

While the tech sector has historically dominated seat take-up by enterprises, its share has dipped significantly in the past two financial years (FY22 & FY23) when compared to FY21. Indian startups have emerged as a powerful force in the flexible workspace market. Their share has skyrocketed, becoming the second highest for the last two financial years, reaching a peak of 31% in FY23. In fact, startups leased more seats during FY21-FY23 than any other sector except tech. This trend highlights how Indian startups have wholeheartedly embraced flexible workspaces. These solutions offer them the perfect balance of cost-effectiveness, location flexibility, and desired lease terms. Additionally, it empowers them to create modern, flagship workplaces for their employees.



Source: JLL, Industry Sources

The most significant shift is the diversification of demand. Flexible office formats are now being adopted by a wider range of occupier categories. This includes sectors like manufacturing/industrial, banking, financial services and insurance (BFSI), and consulting, all of which are increasingly incorporating flexible workspaces into their real estate strategies.

Key Demand Drivers

The Indian commercial office segment is witnessing a significant shift towards flexible workspaces. This trend, driven by a confluence of factors, is transforming the way businesses approach their workspace needs.

Hybrid Work Revolution: The COVID-19 pandemic has fundamentally changed how corprate work. The rise of hybrid work models, where employees split their time between remote work and in-office collaboration, has created a demand for adaptable workspace solutions. Flexible workspaces cater perfectly to this need, offering companies the option to accommodate in-person teams without committing to large, fixed office spaces. This allows for a balance between employee well-being facilitated by remote work, and the benefits of in-person collaboration and team building.

Cost-Effectiveness and Efficiency: Traditional office leases often involve significant upfront costs, long-term commitments, and the burden of managing utilities, maintenance, and security. Flexible workspaces offer a more cost-effective alternative. Companies only pay for the space they utilize, eliminating upfront deposits, build-out expenses, and long-term lease commitments. Additionally, flexible workspaces typically handle operational aspects like maintenance, utilities, and security, freeing up a company's resources for core business activities. This translates to optimized space utilization and eliminates the risk of paying for unused square footage in a traditional office setting.

Evolving Employee Preferences: The modern workforce, particularly millennials and Gen Z, prioritize flexibility and a dynamic work environment. Flexible workspaces often offer modern, collaborative environments with amenities like high-speed internet, break-out areas, well-designed workspaces, and networking opportunities. These features can enhance employee well-being, satisfaction, and potentially lead to increased productivity and creativity. A company's real estate strategy can directly impact employee morale and talent acquisition. By offering flexible workspace options, companies can cater to these evolving preferences and attract and retain top talent.

Growth of Startups and SMEs: India's thriving startup ecosystem is a major driver of demand for flexible workspaces. Startups and small and medium enterprises (SMEs) often have limited capital and require flexible workspace solutions that cater to their initial needs and allow them to scale as they grow. Flexible workspaces offer a cost-effective and adaptable option for these businesses, allowing them to focus their resources on core business activities without being burdened by long-term lease commitments and the complexities of managing a traditional office space.

Tier-II City Growth: While metro cities like Delhi, Mumbai, and Bengaluru have traditionally led the flexible workspace market, demand is burgeoning in Tier II cities like Pune, Hyderabad, and Chennai. This trend is fuelled by a growing startup culture, expanding businesses, and the increasing availability of high-quality flexible workspace options in these cities. This not only benefits companies seeking cost-effective workspace solutions in these emerging markets, but also fosters economic development and creates a more distributed office landscape across India.

Threats in the Co-working Space:

Market Saturation: The rapid expansion of co-working spaces, particularly in major cities, has led to concerns about oversaturation. This intense competition can lead to price wars, with co-working spaces resorting to aggressive discounting to attract customers. This can squeeze profit margins and make it difficult to maintain healthy occupancy rates. In a saturated market, co-working spaces may struggle to differentiate themselves, leading to closures and consolidation within the industry.

Economic Downturn: Economic slowdowns pose a significant threat to the co-working industry. During such periods, businesses, especially startups, tend to focus on cost-cutting measures. This can lead to a decrease in demand for co-working spaces as companies opt for smaller workspaces, remote work models, or even closures. Existing members might also choose to terminate their memberships to save money, further impacting the financial stability of co-working spaces.

Shifting Work Culture: While remote and flexible work arrangements are on the rise, a complete shift away from traditional office spaces is not guaranteed. Some companies might choose to return to traditional offices for reasons such as the need for greater control over their workspace layout and security, fostering better in-person collaboration and team building, or projecting a more established and professional image through a dedicated office space. This potential shift in work culture could lead to a decrease in demand for co-working spaces, particularly from established companies.

Risk Factors for the Industry:

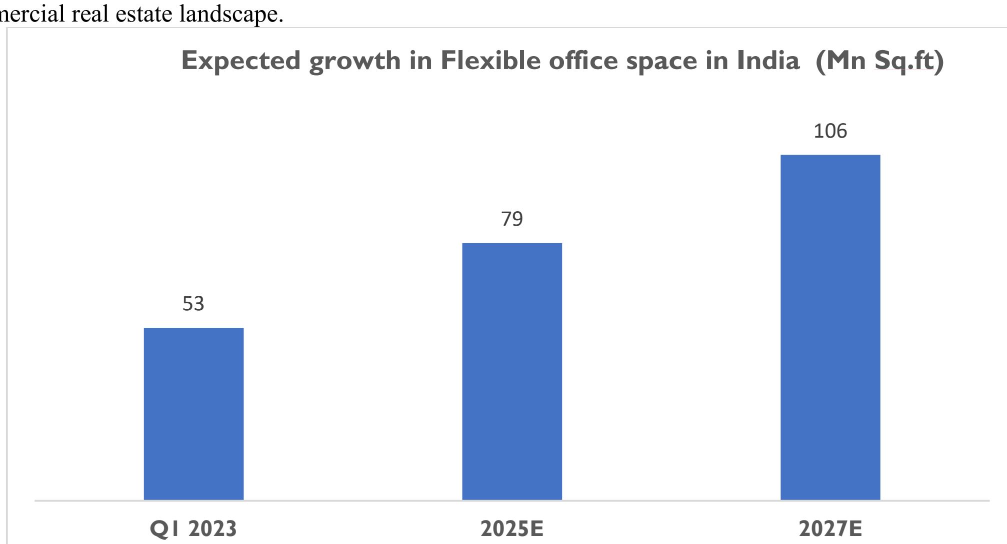
Real Estate Fluctuations: The co-working industry is heavily reliant on real estate, making it susceptible to fluctuations in the market. Rising rental prices can significantly impact profitability, forcing co-working spaces to raise their own prices and potentially deter customers. Similarly, property tax hikes can eat into profits and limit the ability to invest in amenities or upgrades. These factors can hinder the growth and expansion of co-working spaces in India.

Maintaining Profitability: Co-working spaces face a constant challenge in balancing affordability for customers with offering the necessary amenities and infrastructure. Keeping costs low is crucial to attract customers, but this can limit the ability to invest in high-quality furniture, technology, and services. On the other hand, providing attractive amenities like meeting rooms, high-speed internet, and common areas is essential to retain customers, but comes at a significant cost. Striking the right balance between affordability and amenities is crucial for the long-term financial sustainability of co-working spaces.

Technological Advancements: Advancements in communication and collaboration tools like video conferencing and project management software pose a potential threat to the co-working industry. With technology enabling seamless remote collaboration, companies might question the need for a physical workspace altogether. Additionally, the rise of virtual office solutions could provide a more affordable alternative to co-working spaces, impacting the demand for physical co-working facilities, particularly from geographically dispersed teams.

Growth Forecast

The Indian flexible workspace market is on a robust growth trajectory, fuelled by a confluence of factors. The rising popularity of hybrid work models, evolving employee preferences, the growth of startups and SMEs, diversification of demand across industries, expansion beyond metro cities, and the continuous integration of technology and amenities will all contribute to this positive outlook. With a projected market size of 106.0 million sq ft by 2027, flexible workspaces are poised to become an even more dominant and integral part of India's commercial real estate landscape.



Source: D&B Research, Industry Sources

The Indian flexible workspace market is experiencing a surge in growth, fuelled by ambitious expansion plans from established players and a growing demand for adaptable work solutions.

- Marking its entry into South India, WeWork plans to inaugurate its first building in Chennai in June 2024. This signifies their commitment to expanding their national presence and catering to the growing demand in Tier-I cities.
- Targeting a significant increase in their portfolio (4 million sq ft in 18 months), 315Work Avenue plans to expand geographically to Delhi NCR and Hyderabad. This highlights the growing demand for flexible workspaces beyond traditional hubs like Mumbai and Bangalore.

- Earmarking substantial investments (Rs 40-50 crore) for expansion, Urban Vault plans to add 1 million sq ft to its existing portfolio within two years. Additionally, they aim to enter new markets like Hyderabad and Pune, while evaluating Delhi NCR and strengthening their presence in Bangalore catering the diverse needs of a growing market.
- With a current portfolio of 10 million sq ft, Smartworks aims to reach 30 million sq ft and offer 50,000 seats within the next four years

The demand for flexible workspaces is spreading beyond traditional hubs, with companies expanding to Tier-II and Tier-III cities. The market is evolving beyond co-working spaces to offer a wider range of solutions, including managed office solutions and premium workspace options.

Emerging Trends
The Indian flexible workspace market is on a dynamic trajectory, constantly evolving to meet the needs of a changing work landscape.

Beyond Metro Cities: Tier-II and Tier-III Focus: The demand for flexible workspaces is no longer confined to metro cities. Tier-II and Tier-III cities are witnessing a significant rise in demand, driven by growing startup ecosystems, expanding businesses, and the increasing availability of high-quality flexible workspace options. This trend will lead to the emergence of new players and expansion of existing ones in these markets, catering to the specific needs of local businesses.

Tech-Enabled Workspaces and Amenities: Technology is becoming an even greater differentiator in the flexible workspace market. Landlords and operators are integrating advanced technologies like AI-powered access control systems, smart building features, room booking applications, and seamless internet connectivity. Additionally, amenities are evolving to cater to the well-being and productivity of users. This could include nap pods, fitness centers, relaxation areas, and on-site cafes or restaurants.

Focus on Community and Collaboration: While flexibility remains the core value proposition, fostering a sense of community is becoming increasingly important. Flexible workspace operators are creating opportunities for interaction and collaboration through networking events, workshops, and social gatherings. This caters to the needs of the modern workforce, particularly millennials and Gen Z, who value a sense of belonging and connection beyond just a physical workspace.

Sustainability and Environmental Consciousness: Sustainability is becoming a key consideration for both businesses and workspace providers. Flexible workspace operators are adopting eco-friendly practices like using recycled materials, energy-efficient lighting and appliances, and promoting green commuting options. This aligns with the growing environmental consciousness of businesses and individuals.

Hybrid Work Solutions and Managed Office Evolution: The rise of hybrid work models has created a demand for flexible solutions that cater to both remote and in-office needs. We can expect to see the emergence of more hybrid work packages that offer a combination of co-working space access, private office days, and virtual office solutions. Additionally, managed office offerings are likely to evolve, providing a more comprehensive solution that includes not just workspace but also IT infrastructure, administrative support, and other value-added services.

Increased Focus on Data Security and Privacy: As businesses increasingly utilize flexible workspaces, data security and privacy are paramount concerns. Operators are implementing robust security measures to ensure the confidentiality and integrity of user data. This includes features like secure Wi-Fi networks, access control systems for sensitive areas, and data encryption protocols.

Rise of Customized Workspace Solutions: The one-size-fits-all approach is giving way to a more customized workspace experience. Flexible workspace operators are offering tailored solutions that cater to the specific needs and preferences of businesses. This could involve customized workspace layouts, unique branding integration, or on-demand amenities.

Coworking Mergers and Acquisitions: As the market matures, it might witness consolidation through mergers and acquisitions among flexible workspace operators. This could lead to the emergence of larger players with wider networks and a stronger presence across different cities.

Competitive Landscape

The Indian flexible workspace market is a thriving ecosystem teeming with established players and ambitious new entrants. This dynamic landscape offers businesses a diverse range of solutions, catering to their unique needs and growth aspirations. WeWork, IWG Plc (Regus & Spaces), and other global giants hold a significant market share in India. They boast extensive networks of locations across major cities, offering a variety of solutions from co-working spaces to private offices. Their brand recognition, established infrastructure, and international expertise pose a challenge for new players in terms of attracting clients and securing prime locations.

Established Indian players like Awfis and Smartworks have a strong foothold in the market. They understand the local business culture and cater to specific needs. Their well-developed brand presence, existing client base, and established relationships with landlords can make it difficult for new entrants to gain traction.

The Indian market is witnessing a surge in regional players catering to specific cities or Tier-II and Tier-III locations. These players have a deep understanding of local needs and often offer cost-effective solutions. New entrants may find themselves competing for the same client base, particularly startups and small businesses, in these emerging markets.

Major real estate developers like DLF, Embassy Group, and Brigade Group are recognizing the potential of the flexible workspace market. They are entering the landscape in two keyways:

- Developing Flexible Workspace Ready Buildings: These developers are constructing office buildings specifically designed to accommodate flexible workspace operators. This includes features like modular layouts, high-speed internet infrastructure, and amenities catering to a dynamic work environment.
- Partnerships with Established Operators: Real estate developers are partnering with established flexible workspace operators to leverage their expertise in design, management, and marketing. This provides a win-win situation, allowing developers to optimize their assets and operators to gain access to prime locations.

In this dynamic market, players are striving to differentiate themselves by:

- <u>Focus on Specific Industries</u>: Some players cater to specific industry needs, offering customized workspace solutions and fostering industry-specific communities.
- <u>Technology Integration:</u> Advanced technologies like mobile apps for booking amenities, seamless access control, and IoT-enabled solutions are becoming differentiators, offering a more convenient and efficient user experience.
- <u>Sustainability and Wellness Initiatives:</u> A growing focus on eco-friendly practices and employee well-being is attracting environmentally and socially conscious businesses.
- The Indian flexible workspace market is expected to witness continued growth and diversification. Established players will continue to expand their national presence, while emerging challengers will focus on regional growth and niche offerings. Collaboration between flexible workspace operators and real estate developers will be a key driver of innovation and expansion. As the market matures, it can be expected to provide even more specialized solutions, a relentless focus on technology and user experience, and a growing emphasis on sustainability and employee well-being. This collaborative approach will ensure that the Indian flexible workspace market remains agile, adaptable, and well-positioned to cater to the evolving needs of a dynamic business landscape.

Key Player Profiles

wework

Company Profile

- WeWork is a leading provider of flexible workspace solutions with a global presence, including a significant footprint in India.
- Founded in 2010, with Headquarters in New York City, USA

India Presence

- WeWork has a significant presence in India with over 54 locations spread across seven major cities, including Bangalore, Mumbai, Delhi NCR, Hyderabad, Pune, Chennai (upcoming in June 2024), and others.
- They are known for offering a vibrant work environment and catering to the needs of a diverse clientele.

Recent Developments

- WeWork recently went public via a merger with a special-purpose acquisition company (SPAC) in October 2021.
- They continue to focus on expansion in India, with their upcoming Chennai debut marking their entry into South India.

Strengths

- Innovative and design-focused workspace environments
- Strong focus on community building and fostering collaboration
- Technology integration for a seamless user experience
- Extensive network of locations across major cities globally

awfis

Company Profile

- Awfis Space Solutions Ltd. (Awfis) is a prominent Indian player in the flexible workspace market, known for its focus on catering to the specific needs of domestic businesses
- Founded: 2014
- Headquarters: New Delhi, India

Key Services

- Co-working spaces
- Private cabins
- Dedicated office suites
- Managed office solutions (customizable office spaces with dedicated support services)
- Virtual office solutions

Recent Developments

- Awfis announced its plan for an initial public offering (IPO) in September 2023, signifying their growth and potential for expansion.
- They are actively diversifying their portfolio beyond co-working spaces to cater to the evolving needs of companies, with a focus on managed office solutions.
- They are expanding their presence in Tier-II and Tier-III cities, reflecting the growing demand for flexible workspaces in these regions

Strengths

- Focus on technology integration: Seamless online booking systems, mobile apps for amenity access, and potentially IoT-enabled solutions.
- Understanding the needs of Indian businesses: Offers workspace solutions tailored to the Indian work culture and business environment.
- Vibrant work environment and focus on community building.
- Extensive network across India: Present in all Tier 1 cities and several Tier 2 cities, making them a convenient option for businesses with a national presence.

SMARTWORKS

Company Profile

- Smartworks Coworking Spaces Private Limited, often referred to as Smartworks, is a prominent Indian player in the flexible workspace market.
- Founded: 2015
- Headquarters: New Delhi, India

Key Services

- Co-working spaces
- Private offices (pre-built and customizable)
- Managed office solutions (providing comprehensive services alongside workspace)

Recent Developments

- Smartworks has witnessed significant growth in recent years, expanding its footprint across India.
- They recently secured substantial funding, showcasing investor confidence in their growth potential.
- The company is actively expanding its presence in Tier-II and Tier-III cities, signifying the growing demand in these regions.
- They aim to significantly increase their portfolio size in the coming years, highlighting their ambitious growth plans.

Strengths

- Premium and design-focused workspace environment with high-quality amenities
- Technology integration: Seamless online booking systems, mobile apps, and potentially smart office features.
- Emphasis on client satisfaction and providing a holistic work experience.
- Focus on scalability and customization to cater to evolving business needs

kontor

Company Profile

- Kontor Space Limited is a provider of flexible workspace solutions in India. The company has rapidly expanded its network of coworking spaces across major cities, offering a modern and collaborative environment for businesses of all size
- Founded: 2018
- Headquarters: Thane, Maharashtra, India

Key Services

- Coworking Spaces: Shared workspaces for individuals and teams.
- Private Offices: Dedicated, private workspaces for businesses.
- Virtual Offices: Prestigious business address with support services.
- Meeting Rooms: Well-equipped spaces for conferences and event

Recent Developments

- Expansion: Kontor Space has been aggressively expanding its footprint across India, opening new coworking spaces in key cities to meet growing demand.
- Partnerships: The company has formed strategic partnerships with technology providers and service providers to enhance the overall experience for its members.
- Community Building: Kontor Space has been actively fostering a vibrant community among its members through networking events, workshops, and social activities.

Strengths

- Prime Locations: Kontor Space's coworking spaces are strategically located in prime business districts, offering easy accessibility and convenient amenities.
- Modern Infrastructure: The company invests in state-of-the-art infrastructure, including high-speed internet, ergonomic furniture, and advanced technology.
- Flexible Terms: Kontor Space offers flexible lease terms and customizable workspace solutions to cater to the diverse needs of its clients.
- Strong Community: The company has built a strong community of like-minded professionals, fostering collaboration and networking opportunities.
- Excellent Customer Service: Kontor Space is committed to providing exceptional customer service, ensuring a positive and productive experience for its members.

Company Profile

- EFC Limited operates commercial real estate platforms with significant holdings in strategic markets across India. Over the years, the company has established itself as one of the country's leading real estate management firms. EFC's approach to growth is driven by a progressive corporate culture, which prioritizes strong team values and enables the retention of top talent.
- Founded: 2014
- Headquarters: Pune, Maharashtra, India

Key Services

- Co-working Spaces: Fully-equipped offices designed for productivity and networking.
- Turnkey Projects: Customized office spaces based on client needs for location, term, and services.
- Assets Renting: Structured and organized rental solutions.
- Enterprise Offices: Over 20,000 seats provided under enterprise space solutions

Recent Developments

- Expansion in Hyderabad, where the company leased 60,000 sq. ft. of office space, with 28,000 sq. ft. in Hi-Tech City and 32,000 sq. ft. in Begumpet.
- EFC has grown by 38,000 sq. ft. in Mumbai's Bandra Kurla Complex (BKC).

Strengths

- Extensive Market Presence: Significant holdings in strategic markets like Mumbai and Hyderabad.
- Diverse Offerings: Comprehensive services including co-working spaces, turnkey projects, and enterprise offices.
- Scalability: Manages over 20,000 enterprise seats, reflecting its capacity to handle large-scale corporate needs.
- Custom Solutions: Tailored workspace options through turnkey projects and structured rental models.
- Progressive Culture: Strong corporate values that promote employee retention and foster innovation.

OUR MANAGEMENT

This section "Our Management" on page 170 of the Draft Prospectus shall be updated to include the details of the terms of appointment of our Directors, Changes in the Key Managerial Personnel in last three years on page no. 170, 172-173 and 182 of the Draft Prospectus as under:

Terms of appointment of our Directors

a) Terms of employment of our Executive Directors

1. Nipun Gupta

Nipun Gupta was re-designated as our Managing Director with effect from August 13, 2024 for a period of 5 years and approved by the Board dated August 13, 2024 and shareholders vide their Extra Ordinary General Meeting held on August 14, 2024. The details of remuneration passed by the Board of Directors in their meeting held on April 01, 2024 is as under:

Particulars	Amount (in ₹ Lakh per month)
Basic	0.65
House Rent Allowance (HRA)	0.32
Special Pay Allowance (SPA)	0.20
Professional Development Allowance (PDA)	0.02
Fuel reimbursement	0.10
Total Cost to Company (A+B)	**1.30**

2. Puja Gupta

Puja Gupta is designated as our Director with effect from September 27, 2019. The details of remuneration passed by the Board of Directors in their meeting held on April 01, 2024 is as under:

Particulars	Amount (in ₹ Lakh per month)
Basic	0.65
House Rent Allowance (HRA)	0.32
Special Pay Allowance (SPA)	0.20
Professional Development Allowance (PDA)	0.02
Fuel reimbursement	0.10
Total Cost to Company (A+B)	**1.30**

b) Sitting Fees and commission to Non-Executive Director including Independent Directors

Pursuant to separate resolutions of our Board each dated August 13, 2024, the Non-Executive Directors including Independent Directors of our Company, are entitled to receive sitting fees plus reimbursement of expenses as may be incurred by them on behalf of our Company. They are each entitled to receive sitting fees of ₹ 1.00 lakhs for attending each meeting of the Board and ₹ 0.50 lakhs for attending each meeting of any committee constituted by our Board.

Except as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a Director, whole-time Director, or manager in the two years preceding the date of the Draft Prospectus.

Changes in the Key Managerial Personnel in last three years

The sub-section titled "Changes in the Key Managerial Personnel & Senior Management Personnel in last three years" on page 182 of the Draft shall be updated to include the change regarding resignation of the Devesh Goel and the said table shall be replaced as under:

Name	Date of change	Reason
Nipun Gupta	August 13, 2024	Re-designation as Managing Director
Ajay Singhal	April 15, 2024	Chief Executive Officer
Gaurav Gulyani	May 13, 2024	Appointment as Chief Financial Officer
Pooja Jaiswal	March 21, 2024	Appointment as Company Secretary
Shalini Joshi	November 14, 2022	Appointment as Manager - Human Resources
Devesh Goel	May 08, 2024	Resignation as Vice President – Accounts

OUR PROMOTERS AND PROMOTER GROUP

The chapter titled "Our Promoters and Promoter Group" on page 68 of the Draft Prospectus shall be updated, with the following details, under relevant sub-heading (i) Our Promoters and the Details of the Promoters on page no. 184, and (ii) Further under heading "Our Promoter Group" the Nipun Gupta's Sister and Puja Gupta Spouse's sister name should be read as Nidhi Goel instead of Nidhi Bansal.

The chapter "Our Promoters and Promoter Group" on page 68 of the Draft Prospectus shall be updated as follow:

Our Promoters
The Promoters of our Company are:

1. Nipun Gupta
2. Puja Gupta

As on the date of this Draft Prospectus, Nipun Gupta holds 8,64,623 Equity Shares and Puja Gupta holds 16,52,323 Equity Shares constituting 32.30% and 61.72% respectively, of the issued, subscribed and paid-up Equity Share capital of our Company.

For details on shareholding of our Promoters in our Company, please see the section titled "Capital Structure - build-up of Promoters and Promoter group shareholding and lock-in of Promoter's shareholding" on page 62.

Our Company confirms that the permanent account numbers, driving license numbers, Adhar card number, bank account numbers and the passport numbers of Nipun Gupta and Puja Gupta, as applicable, shall be submitted to the Stock Exchange at the time of filing the Draft Prospectus.

Details of our Promoters

1. **Nipun Gupta**

PAN: AAJPG3631N
Date of Birth: 02/10/1976
Address: House No. 1E, Norh End Road, Civil Lines, Delhi - 110 054

For profile of Nipun Gupta, refer to section titled our Management on page 170.

As on the date of the Draft Prospectus, Nipun Gupta holds 8,64,623 Equity Shares representing 32.30% of the paid-up Equity Share capital of our Company.

2. **Puja Gupta**

PAN: AAJPG1332J
Date of Birth: 27/06/1978
Address: House No. 1E, Norh End Road, Civil Lines, Delhi - 110 054

For profile of Puja Gupta, refer to section titled our Management on page 170.

As on the date of the Draft Prospectus, Puja Gupta holds 16,52,323 Equity Shares representing 61.72% of the paid-up Equity Share capital of our Company.

Our Promoter Group

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

Relationship	Promoter	
	Nipun Gupta	**Puja Gupta**
Father	Late Shri Suresh Chand Gupta	Prem Kumar Gupta
Mother	Lata Gupta	Nirmal Gupta
Spouse	Puja Gupta	Nipun Gupta
Son	Siddhant Gupta	Siddhant Gupta
Son's wife	NA	NA
Daughter	Saunjavi Gupta	Saunjavi Gupta
Daughter's Husband	NA	NA
Brother	Nitin Gupta	Late Shri Rajan Gupta
Sister	Nidhi Goel	Renu Singhania
Spouse’s father	Prem Kumar Gupta	Late Shri Suresh Chand Gupta
Spouse’s mother	Nirmal Gupta	Lata Gupta
Spouse’s brother	Late Shri Rajan Gupta	Nitin Gupta
Spouse’s sister	Renu Singhania	Nidhi Goel
Ventures promoted by Promoter	As under	As under

OUR GROUP COMPANIES

The chapter titled "**Our Group Companies**" on page 188 has been updated with (i) Capital structure, Shareholding Pattern and financial information of Krishna Infosolutions Private Limited, and (ii) Nipun Gupta and Puja Gupta are the partner instead of proprietor in PSL Associates.

Based on the above, our Group Companies / entities shall be updated as follow:

1. **Krishna Infosolutions Private Limited**
2. **PSL Associates**

In terms of the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) on page 188 of Draft Prospectus shall be read as under:

Details of our Group Companies

1. Krishna Infosolutions Private Limited (KIPL)

Krishna Infosolutions Private Limited was incorporated on November 17, 2005 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana. The registered office of the Company is situated at Flat Number 504, Prakash Deep Building, 7 Tolostoy Marg, South Delhi, New Delhi, India -110 001. The corporate identification number (CIN) of the company is U68100DL2005PTC142629. The company is engaged into business related to real estate and trading activities.

Capital Structure of KIPL

Particulars	No. of Shares	Amount (Rs in Lakhs)
Authorised Share Capital	60,00,000	600.00
(i) Equity Share Capital	30,00,000	300.00
(ii) Preference Share Capital	30,00,000	300.00
Issued Subscribed and paid-up equity share capital	29,90,000	299.00
Issued Subscribed and paid up preference share capital	30,00,000	300.00

Board of Directors

The Directors of Krishna Infosolutions Private Limited are as follows:

S. No.	Name	Designation
1.	Nipun Gupta	Director
2.	Lata Gupta	Director
3.	Puja Gupta	Director

Shareholding Pattern

As on the date of the Draft Prospectus, the Shareholding Pattern of KIPL is as follows:

A. Equity Share

Name	No. of equity shares	% of shareholding
Nipun Gupta	6,00,000	20.07
Puja Gupta	23,90,000	79.93
Total	**29,90,000**	**100.00**

B. Preference shares

Name	No. of Preference shares	% of shareholding
PSL Infratech Private Limited	30,00,000	100.00

Name	No. of Preference shares	% of shareholding
Total	**30,00,000**	**100.00**

Financial Information

The audited financial results of Krishna Infosolutions Private Limited for the financial years ended on March 31, 2023, 2022 and 2021 are set forth below.

₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Total Income	1,468.84	1,986.94	1,812.95
Profit / (Loss) after Tax	8.79	61.54	47.99
Share capital	599.00	599.00	599.00
Equity Share	299.00	299.00	299.00
Preference Share	300.00	300.00	300.00
Other Equity	(38.58)	(47.37)	(108.91)
Net Worth*	560.42	551.63	490.09
Book Value per share of shares of face value ₹ 10/- each	8.71	8.42	6.36
EPS of shares of face value ₹ 10/- each (value in ₹)	0.29	2.06	1.60

** The above net worth has been computed as per section 2(57) of the Companies Act*

2. PSL Associates

PSL Associates was incorporated at Delhi as a Partnership firm. The registered office of the firm is situated at 504, Prakashdeep Building, 7, Tolstoy Marg, New Delhi – 110 001, India. The GST number of the firm is 09AAUFP4832H1ZP. The partner of the partnership firm are Puja Gupta and Nipun Gupta

Financial Performance

The audited financial results of PSL Associates for the financial years ended on March 31, 2023, 2022 and 2021 are set forth below.

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Total Sales	25.58	87.61	124.66
Net Profit/(Loss)	1.85	1.64	17.49
Partner's Capital	7.20	9.60	16.33

RESTATED FINANCIAL INFORMATION

The chapter titled "Restated Financial Information" on page 192 of the Draft Prospectus shall be updated, with the following details, under relevant sub-heading are as follow:

(i) The details provided regarding the total Assets (Current and Non-Current Assets) (₹ in Lakhs) should be read as ₹735.68 instead of ₹35.68 for FY 2022-23, respectively under the chapter of "Restated Information of Assets & Liabilities" are set out below:

Restated Information of Assets & Liabilities
(All amount in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES				
1. Shareholder's Funds				
a. Share Capital		251.76	16.00	16.00
b. Reserves and Surplus		167.76	84.04	16.76
c. Money Received against Share Warrants		-	-	-
2. Share Application Money Pending Allotment				-
3. Non-Current Liabilities				-
a. Long-Term Borrowings		-	-	-
b. Deferred Tax Liabilities (Net)	3	-	-	-
c. Other Long-Term Liabilities	4	621.89	478.91	233.54
d. Long Term Provisions		-	-	-
4. Current liabilities				-
a. Short-Term Borrowings	5	571.45	28.23	-
b. Trade Payables: -	6			-
Total Outstanding Dues of Micro Enterprises and Small Enterprises	6.1	-	-	-
ii. Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	6.2	180.80	72.87	25.07
c. Other Current Liabilities	7	58.99	26.04	28.64
d. Short Term Provisions	8	83.22	29.60	6.89
		1,935.86	**735.68**	**326.89**
ASSETS				
1. Non-Current Assets				
a. Property, Plant & Equipment & Intangible Assets	9			
i. Property, Plant and Equipment	9.1	543.13	226.64	15.86
ii. Intangible Assets				-
iii. Capital Work-in-Progress	9.2	204.50	-	-
iv. Intangible Assets under Development				-
b. Non-Current Investments	10	-	-	-
c. Deferred Tax Assets (Net)	3	28.02	6.64	0.97
d. Long Term Loans and Advances		-	-	-
e. Other Non-Current Assets	10	258.93	174.76	55.22
2. Current Assets				-
a. Current Investments		-	-	-
b. Inventories		-	-	-
c. Trade Receivables	11	99.93	117.17	51.97
d. Cash and Cash Equivalents	12	582.18	4.58	4.65
e. Short Term Loan and Advances	13	-	8.63	140.39
f. Other Current Assets	14	219.16	197.25	57.83
		1,935.86	**735.68**	**326.89**
Restated Significant Accounting Policies and Notes to Accounts	1 to 14			

(ii) The details provided regarding the authorised capital (₹ in Lakhs) should be read as ₹16.00 instead of ₹6.00 for FY 2022-23, respectively, under Note 1 of Share Capital on page 200 of the Draft Prospectus.

Notes to Restated financial Information
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Note 1: Share Capital			-
Authorised Share Capital			
60,00,000 Equity Shares of Rs. 10/- each (March 31, 2023: 1,60,000, March 31, 2022: 1,60,000)	600.00	16.00	16.00
Issued Share Capital			
25,17,600 Equity Shares of Rs. 10/- each (March 31, 2023: 1,60,000, March 31, 2022: 1,60,000)	251.76	16.00	16.00
Subscribed & fully paid-up Share Capital			
25,17,600 Equity Shares of Rs. 10/- each (March 31, 2023: 1,60,000, March 31, 2022: 1,60,000)	251.76	16.00	16.00

(iii) Point O in the Significant Accounting Policies, related to Earnings Per Share, on page 234 of Draft Prospectus shall be replaced as under:

o. Earnings per share

The earnings considered in ascertaining the Company's earnings per share (EPS) comprise of net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

Before adjustment of Bonus shares
(Amount in lakhs)

Particulars	**As at / for the financial year ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Restated Profit for the year attributable to equity shareholders (D)	119.72	67.27	10.64
Weighted average no. of equity shares for Basic EPS (E) [2]	6,07,327	1,60,000	1,60,000
Weighted average no. of diluted equity shares for Diluted EPS (F)[2]	6,07,327	1,60,000	1,60,000
Basic Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (G)= (D / E) [3]	**19.71**	**42.05**	**6.65**
Diluted Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (H)= (D / F) [4]	**19.71**	**42.05**	**6.65**

Note: '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

After adjustment of Bonus shares
(Amount in lakhs)

Particulars	**As at / for the financial year ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Restated Profit for the year attributable to equity shareholders (D)	119.72	67.27	10.64
Weighted average no. of equity shares for Basic EPS (E) [2]	6,07,327	5,20,000	5,20,000
Weighted average no. of diluted equity shares for Diluted EPS (F)[2]	6,07,327	5,20,000	5,20,000

Particulars	As at / for the financial year ended		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Basic Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (G)= (D / E) [3]	**19.71**	**12.94**	**2.05**
Diluted Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (H)= (D / F) [4]	**19.71**	**12.94**	**2.05**

Note: '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

OTHER FINANCIAL INFORMATION

The disclosures in this section on page 246 of the Draft Prospectus under the heading "Before the Adjustment of Bonus Shares shall be updated/replaced is set forth below:

Before the Adjustment of Bonus Shares

(₹ in Lakhs, unless other specified)

Particulars	As at / for the financial year ended		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Revenue from operations	1,712.76	1,088.07	340.78
Other Income	3.65	1.70	1.63
Total income	**1,716.41**	**1,089.76**	**342.42**
Total Equity/Net Worth (A)[1]	419.52	100.04	32.76
Restated Profit for the year attributable to equity shareholders (B)	119.72	67.27	10.64
Return on Net worth (C) = (B/A) (%)[2]	**28.54%**	**67.25%**	**32.47%**
Restated Profit for the year attributable to equity shareholders (D)	119.72	67.27	10.64
Weighted average no. of equity shares for Basic EPS (E)[3]	6,07,327	1,60,000	1,60,000
Weighted average no. of diluted equity shares for Diluted EPS (F)[3]	6,07,327	1,60,000	1,60,000
Basic Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (G)= (D / E) [4]	**19.71**	**42.05**	**6.65**
Diluted Earnings Per Equity Share of face value ₹ 10 each (EPS) (in ₹) (H)= (D / F) [5]	**19.71**	**42.05**	**6.65**
Total Equity/ Net Worth (I) [1]	419.52	100.04	32.76
Number of equity shares outstanding at the end of the period / year, before adjustment of bonus issue (J)	25,17,600	1,60,000	1,60,000
Net Assets Value (NAV) per Equity Share of face value ₹ 10 each (in ₹) (I / J) [6]	**16.66**	**62.52**	**20.48**
EBITDA[7]	**327.53**	**140.24**	**19.00**
EBITDA Margins (%)[8]	**19.08%**	**12.87%**	**5.55%**

Notes:

1. *Total Equity/Net Worth means aggregate Equity Share Capital and reserves and surplus (comprising of Securities Premium and Surplus of Profit and Loss Account)*
2. *Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year*
3. *Weighted average no. of equity shares for Basic EPS or Diluted EPS means the number of outstanding equity shares as at March 31, 2024, before the adjustment of bonus shares*
4. *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;*
5. *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 as adjusted for the effects of all dilutive potential Equity Shares during the year/period;*
6. *Net Asset Value per Equity Share = Net worth as per the Restated Financial Information / number of Equity Shares outstanding as at the end of the year / period.*
7. *EBITDA is calculated as restated profit for the year plus total tax expense, plus depreciation and amortization expense, plus finance costs.*
8. *EBITDA Margins (%) = EBITDA/Total Income in terms of percentage.*

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The disclosures in the sub-heading "Depreciation and Amortisation Expenses" on page 259 appearing in the section "**Comparison of Fiscal 2023 to Fiscal 2022**" of the Draft Prospectus shall be updated, with the following details, under relevant sub-heading:

Depreciation and Amortization Expenses

The depreciation and amortisation expense increased by 969.10% to ₹ 49.82 lakhs in the Fiscal 2023 from ₹ 4.66 lakhs in the Fiscal 2022 primarily on account of additional capex of ₹ 260.61 lakhs primarily towards furniture and fixtures, office equipment's and computers on account of expansion of the number of centres and relative seats during the Fiscal 2023.

The disclosure appearing in the section "Capital Expenditure" on page 261 of the Draft Prospectus shall be updated with the following details:

CAPITAL EXPENDITURES

Our capital expenditures include expenditures on property, plant and equipment (including Capital Work in Progress). Property, plant and equipment include Furniture and Fixtures, Office equipments, Computers and Vehicles.

GOVERNMENT AND OTHER APPROVALS

The approvals required to be obtained by our Company on page 271 shall be updated to include the following three ISO Certificate are as under:

1. Certificate of Registration for ISO 9001:2015 to provide Co-working, Shared, Customized and Managed Office Solutions at Logix Cyber Park, Tower C, 9th floor, Plot No. C 28/29, Phase -2 Industrial Area, Sector- 62, Noida - 201301, Uttar Pradesh, India.
2. Certificate of Registration for ISO 9001:2015 to provide Co-working, Shared, Customized and Managed Office Solutions at 9-B ,LGF, Rajendra Park , Pusa Road , New Delhi – 110060, India.
3. Certificate of Registration for ISO 9001:2015 to provide Co-working, Shared, Customized and Managed Office Solutions at Flat No : 1106, 11th Floor, Skipper Bhawan , Barakhamba Road , New Delhi- 110001, India

OTHER REGULATORY AND STATUTORY DISCLOSURES

Eligibility for the Issue

Our Company is eligible in terms of Regulations 229 of SEBI ICDR Regulations for this Issue.

Our Company is eligible for the Issue in accordance with the Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, whereby, an issuer whose post Issue paid-up capital is less than ten crore rupees. Our Company shall Issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE i.e. BSE SME).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The Lead Manager shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to section titled "General Information" on page 52 of the Draft Prospectus.
2. In accordance with Regulation 268(1) of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI ICDR Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261(1) of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the market making arrangement see section titled "General Information" on page 52 of the Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI ICDR Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company was incorporated on September 27, 2019, under the Companies Act, 2013 with the Registrar of NCT Delhi and Haryana.

2. As on the date of the Draft Prospectus, our Company has a total paid-up capital of ₹ 2,67,72,000 comprising of 26,77,200 Equity Shares and the Post Issue paid-up Capital will be ₹ 4,03,20,000 comprising 40,32,000 Equity Shares which shall be below ₹ 25 crores.

3. Our company confirms that it has a Networth of atleast Rs. 1 crore for the preceding two full financial years. The following table highlights the computation of Networth for all the last three financial years.

(Amount in INR Lakhs)

Description	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Total Paid-up equity capital	251.76	16.00	16.00
Other equity	167.76	84.04	16.76
Net worth	**419.52**	**100.04**	**32.76**

4. Our company confirms that it has a Net Tangible Assets of Rs. 3 crores in last preceding (full) financial year. The following table highlights the computation of Net Tangible Assets in last preceding financial year.

(Amount in INR Lakhs)

Description	As at 31st March 2024
Non-current assets:	
Property, plant and equipment	543.13
Capital work -in- Progress	204.50
Other Non current assets	258.93
Current assets	
Trade receivables	99.93
Cash and Cash equivalents	582.18
Short term loans and advances	-
Other current assets	219.16
Total (A)	**1,907.84**
Non current liabilities	
Other long term liabilities	621.89
Current liabilities	
Short term borrowings	571.45
Trade payables	180.80
Other current liabilities	58.99
Short term provisions	83.22
Total (B)	1,516.34
Net Tangible Assets (A-B)	**391.50**

5. The Company confirms that it has track record of more than 3 years.

6. Our Company confirms that it has operating profits (earnings before interest, depreciation, and tax) from operations and its net-worth was positive for all the three financial years ending on March 31, 2024, 2023 and 2022. The following table highlights the computation of operating profits for all the last three financial years.

(Amount in INR Lakhs)

Description	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit/(loss) before tax	159.98	90.11	14.25
Less: Other income	3.65	1.70	1.63
Add: Finance cost	19.16	0.30	0.09
Add: Depreciation	148.39	49.82	4.66
Profit from operations (Earnings before interest, depreciation and tax)	**323.89**	**138.54**	**17.36**

7. Our company confirms that it has a Leverage ratio of 1.36:1 which is not more than the threshold limit of 3:1. The following table highlights the computation of the Leverage ratio in last preceding financial year.

(Amount in INR Lakhs)

Description	As at 31st March 2024
Share Capital	251.76
Reserves & Surplus	167.76
Total Equity (A)	**419.52**

Total Debt (B)	**571.45**
Leverage Ratio (A/B)	**1.36**

8. Our company confirms that no material regulatory or disciplinary action of suspension of trading have been taken against the promoters or companies promoted by the promoters by any stock Exchange having nationwide trading terminals. Further, our company also confirms that none of the Director has been disqualified / debarred by any of the regulatory authority.

9. Our company confirms that there is no pending defaults in respect of payment of interest and / or principal to the debenture / bond / fixed deposit holders by the company, its promoters / promoting company(ies) or its Subsidiary Companies.

10. Our company confirms that it has a functional website i.e. www.nukleus.work.

11. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated May 06, 2024 and National Securities Depository Limited (NSDL) dated March 21, 2024 for establishing connectivity.

12. Our company confirms that 100% of the Promoter's shareholding in the company is in Dematerialised form.

13. Our company confirms that there has been no change in the promoters of the Company in the preceding one year from date of filing application to BSE SME for listing on BSE SME.

14. Our company confirms that the composition of Board of Directors is in compliance with the requirements of Companies Act, 2013 as on the date of this document.

15. The computation of Networth is as per the definition given in SEBI (ICDR) Regulations.

16. Our Company has not been referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code (IBC).

17. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, guidelines, issued by the Government of India or the guidelines, or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Prospectus are true and correct.

Signed by the Managing Director and Chief Financial officer of our Company

Sd/-	Sd/-
Nipun Gupta	**Gaurav Gulyani**
Managing Director	**Managing Director**

Place: Noida
Date: December 23, 2024