Manager,
Corporation Finance Department
Division of Issues and Listing – 2
Ph No: 022-40459173
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SEBI/HO/CFD/RAC-DIL2/P/OW/2025/27849/1
October 31 , 2025

Holani Consultants Private Limited
401-405 & 416-418, 4th Floor, Soni Paris Point
Jai Singh Highway, Bani Park
Jaipur, India - 302016

Kind Attention: Ms. Payal Jain

महोदय / महोदया,
Dear Sir / Madam,

विषय / Sub: Proposed IPO of Skyways Air Services Limited ("Skyways" / "the Company"/ "Issuer")

1. उपरोक्त से संबंधित प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डॉक्यूमेंट), भारतीय प्रतिभूति और विनिमय बोर्ड (सेबी) द्वारा मांगे गए स्पष्टीकरणों और उसके संबंध में दिए गए उत्तरों के संदर्भ में, यह सूचित किया जाता है कि इनकी जाँच करने पर यह पाया गया है कि इनमें कमियाँ हैं / भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के प्रावधानों और दिए गए अनुदेशों का पालन नहीं किया गया है, और आपके लिए यह जरूरी है कि आप स्टॉक एक्सचेंज और / या कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले उन कमियों को दूर करें और संबंधित प्रावधानों तथा दिए गए अनुदेशों का पालन करें । उपरोक्त के संबंध में की गई टिप्पणियों का और जिन शर्तों आदि का पालन किया जाना है, उनका जिक्र संलग्नक 'I' और संलग्नक 'II' में किया गया है । कृपया यह भी नोट करें कि संलग्नक में जो कमियाँ बताई गई हैं / कुछ और प्रकटीकरण (डिस्क्लोज़र) करने की बात कही गई है, यह सब आपको केवल उदाहरण के तौर पर ही बताया गया है । यह सुनिश्चित करने की जिम्मेदारी आपकी है कि सभी और सही प्रकटीकरण किए जाएं ।

   With reference to the draft offer document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies / instances of non-compliance of SEBI (Issue of Capital and

Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the offer document with the Stock Exchange and/ or ROC. Observations on the captioned issue and other conditions to be complied with are indicated in Annexure 'I' and 'II'. It may be noted that the deficiencies / requirement of additional disclosures listed in the Annexure are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

2. बुक रनिंग लीड मैनेजर होने के नाते, आप यह सुनिश्चित करेंगे कि स्टॉक एक्सचेंज / कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले संलग्नक में दी हुई टिप्पणियों / शर्तों आदि के अनुसार प्रस्ताव दस्तावेज में बदलाव कर लिए जाएं। कंपनी रजिस्ट्रार / स्टॉक एक्सचेंज के पास अंतिम प्रस्ताव दस्तावेज दाखिल करने से पहले आपको हमें एक पत्र भेजकर इस बात की पुष्टि करनी होगी कि अपेक्षानुसार बदलाव कर लिए गए हैं और साथ ही यह भी बताना होगा कि प्रत्येक टिप्पणी / शर्त आदि के अनुसार बदलाव कैसे किए गए हैं। इसके अलावा और कोई भी बदलाव सेबी से लिखित सहमति लिए बिना नहीं किए जाएंगे।

As Book Running Lead Manager (BRLM/LM), you shall ensure that all changes are effected based on the observations/ conditions contained in the Annexure before you file the offer document with the stock Exchange/ ROC. A letter confirming these changes and explaining, in seriatim, the manner in which each observation / condition has been dealt with along with your comments should be submitted to us, before filing the final offer document with ROC / Stock Exchange. **NO FURTHER CHANGES SHOULD BE EFFECTED WITHOUT SPECIFIC WRITTEN CONSENT OF SEBI.**

3. यह स्पष्ट किया जाता है कि भारतीय प्रतिभूति और विनिमय बोर्ड (सेबी) के पास प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) दाखिल करने का अर्थ किसी भी तरह से यह न लगाया जाए कि सेबी द्वारा इसे मंजूरी प्रदान कर दी गई है। सेबी न तो इस बात की कोई जिम्मेदारी लेता है कि जिस स्कीम या परियोजना (प्रोजेक्ट) के लिए निर्गम (इश्यू) लाए जाने का प्रस्ताव है उसकी वित्तीय स्थिति अच्छी है और न ही इस बात की जिम्मेदारी लेता है कि प्रस्ताव दस्तावेज में दी गई जानकारी या व्यक्त की गई राय सही है। अग्रणी प्रबंधकों (लीड मैनेजर्स) ने यह प्रमाणित किया है कि प्रस्ताव दस्तावेज में जो प्रकटीकरण (डिस्क्लोज़र) किए गए हैं वे मोटे तौर पर पर्याप्त हैं और जो प्रकटीकरणों (डिस्क्लोज़र) तथा निवेशक संरक्षण के संबंध में उस समय लागू सेबी के विनियमों के प्रावधानों के अनुसार किए गए हैं। अग्रणी प्रबंधक यह भी सुनिश्चित करेंगे कि ऐसा भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के अनुसार भी किया जाए। ऐसा करना इसलिए जरूरी है, ताकि निवेशक प्रस्तावित निर्गम (इश्यू) में निवेश करने के संबंध में सोच-समझकर निर्णय ले सकें।

It is to be distinctly understood that submission of offer document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the offer document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

4. यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्युअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति और विनिमय बोर्ड (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018 के अनुसार सेबी के पास पूरी तत्परता बरते जाने के संबंध में तारीख June 30, 2025 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated June 30, 2025 in accordance with SEBI ICDR Regulations, 2018.

5. हालाँकि, कंपनी प्रस्ताव दस्तावेज दाखिल कर देने से ही कंपनी अधिनियम, 2013 की धारा 34 के तहत दी गई किसी भी बाध्यता से मुक्त नहीं हो जाती या वह कानूनी प्रावधानों के अनुसार ली जाने वाली मंजूरी या ऐसी कोई अन्य मंजूरी लेने से मुक्त नहीं हो जाती, जो प्रस्तावित निर्गम के संबंध में लेनी जरूरी हो। हालाँकि, सेबी प्रस्ताव दस्तावेज में कोई अनियमितता या कमी पाए जाने पर कभी भी अग्रणी प्रबंधकों के खिलाफ कार्रवाई कर सकता है।

The filing of offer document does not, however, absolve the company from any liabilities under Section 34 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the LMs any irregularities or lapses in offer document.

6. किसी भी प्रचार सामग्री या विज्ञापन में ऐसा कुछ भी उल्लेख नहीं किया जाएगा, जो प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डाक्यूमेंट) में दी गई जानकारी से भिन्न हो। इस संबंध में आपका ध्यान विशेष रूप से कंपनी अधिनियम, **2013** की धारा **36** के प्रावधानों की ओर आकर्षित किया जाता है।

Any publicity materials / advertisements should not contain matters extraneous to the information contained in the draft offer document. **Attention is specifically drawn to the provisions of Section 36 of the Companies Act, 2013.**

7. अग्रणी प्रबंधक यह सुनिश्चित करें कि भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 के विनियम 25(1) और अनुसूची- III के अनुसार उपरोक्त निर्गम (इश्यू) के संबंध में फाइलिंग फीस की गणना किस प्रकार की गई है उसका एक विस्तृत विवरण, यथास्थिति, कंपनी रजिस्ट्रार के यहाँ प्रॉस्पेक्टस दाखिल किए जाने के सात दिनों के भीतर / स्टॉक एक्सचेंज के पास प्रस्ताव-पत्र (लेटर ऑफ ऑफर) दाखिल किए जाने के सात दिनों के भीतर, सेबी के पास प्रस्तुत कर दिया जाए और साथ ही अब तक अदा की गई फाइलिंग फीस का ब्यौरा भी दिया जाए।

The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI within seven days of filing the Prospectus with ROC/ within seven days of filing the Letter of Offer with the stock exchange, as the case may be, along with details of filing fees paid till date.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से कम हो, तो ऐसे में अग्रणी प्रबंधक यह सुनिश्चित करेंगे और इस बात की पुष्टि करेंगे कि सेबी को शेष फीस अदा किए जाने के संबंध में इन विनियमों की अनुसूची-III के प्रावधानों का पालन किया गया है।

If filing fees paid by you is less than the actual fees required to be paid, the LMs are advised to ensure and confirm compliance with the provisions of Schedule III of the said Regulations in regard to payment of the balance fees to SEBI.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से अधिक हो, तो ऐसे में आप सेबी को सूचित करेंगे कि कितनी फीस लौटाई जानी है, साथ ही आप यह भी बताएंगे कि आपने लौटाई जाने वाली फीस की रकम की गणना कैसे की है और सेबी को किसके नाम पर भुगतान करना होगा।

If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable and name of the person in whose favour, the payment may be made by SEBI.

8. प्रस्तावित निर्गम (इश्यू) इस अभिमत पत्र के जारी होने की तारीख से 12 महीनों के भीतर पैसा लगाने (अभिदान करने / सब्स्क्रिप्शन) के लिए खोला जा सकता है।

   The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.

9. आपसे अनुरोध है कि इस पत्र की प्राप्ति के 15 दिवस के भीतर अपना उत्तर प्रस्तुत करें।
   You are requested to submit your response within 15 days of the receipt of this letter.

Place: Mumbai

Prateek Shrivastava

Annexure I

Observations

1. Please refer to our email dated August 04, 2025 and the response received from Book Running Lead Managers (**BRLM / LM**) vide letter dated August 13, 2025 and all other correspondences exchanged. LM is advised to ensure compliance with the same.

2. The LM is advised to ensure that the language used in the Draft Red Herring Prospectus (DRHP) is lucid, usage of abbreviations is limited, abbreviations to be used in the para, if already quoted in the same page / heading; any expressions, jargons or nomenclatures from other languages or not commonly used, are explained clearly at all relevant places.

3. Clause 24 (3) of SEBI (ICDR) Regulations, 2018, requires that the LM shall exercise due diligence and satisfy himself about all aspects of the issue including the veracity and adequacy of disclosure in the draft offer document and the offer document. In view of the same, LM is advised to ensure that:

   3.1. The draft offer document and the offer document, shall not contain any information where no responsibility is taken by the LMs or the issuer company/ Expert.

   3.2. The "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision.

4. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of SEBI (ICDR) Regulations, 2018.

5. Wherever the LM has mentioned "Complied with" or "Noted for compliance" or "Complied with and noted for compliance" or "Noted for compliance, to the extent applicable" or "Complied with, to the extent applicable and noted for compliance" or "Complied with and noted for compliance, to the extent applicable" in its replies, LM shall ensure that the same are duly complied with.

6. LM is advised to ensure that the Risk Factors provide adequate explanation of risk, are placed based on materiality and provide cross-reference to the exact page no. of the DRHP/UDRHP, wherein further information has been disclosed.

7. LM is advised to disclose the face value of the shares at all relevant places in the UDRHP.

8. LM is advised to incorporate all the certificates issued by the Chartered Accountants under the section Material Contracts and Documents for Inspection.

9. In case the company is contemplating issuance of Equity Shares through pre-IPO placement:

   9.1. LM is advised to confirm and disclose that the Pre-IPO allottees have been appropriately informed that there is no guarantee that the IPO may come through or listing will happen and the investment is being done solely at the risk of the investor. Such information shall be provided to the investors prior to the allotment of shares.

   9.2. LM is advised to disclose that the amount of Pre-IPO placement is to be used for the object of the Issue as disclosed in the draft offer document.

   9.3. The Pre-IPO placement undertaken by the company, if any, to be disclosed as a risk to the investors applying in IPO, and whether the Pre-IPO was at a price higher / lower than the IPO price. Further, such Risk Factor to be included in the price band advertisement.

   9.4. LM is advised to confirm whether the pre-placement funds raised shall be subject to monitoring by the monitoring agency appointed by the Company.

10. LM is advised that Financial Risk and Operational Risk shall be suitably corroborated with appropriate ratios.

11. LM is advised to confirm and disclose that the AoA does not confer special rights to any person in any manner.

12. LM is advised to remove all the statements sourced from self-commissioned report in the "Summary of the Offer Document" section and "Our Business" section.

13. **Risk Factors**

   13.1. RF 1 - LM is advised to quantify the dependence of carriers for cargo transportation.

   13.2. LM is advised to disclose the past precedent highlighting the impact of capacity availability, cost fluctuations, and service disruptions on the operations and finance of the Company.

13.3. LM is also advised to disclose the details of customer claims, if any, due to service disruptions and operational inefficiencies of the carrier.

13.4. RF 2 - LM is advised to disclose whether the Company has entered into any contract / agreement with the top suppliers. If yes, LM is advised to disclose the period and validity of such contracts.

13.5. LM is advised to disclose whether company has lost any top 5/top 10 supplier during the last years and stub period. If yes, LM is advised to disclose the reason for same and impact on the operations and finance of the Company.

13.6. RF 3 - LM is advised to ensure that the disclosure is made for the last three financial years including stub period.

13.7. RF 10 – LM is advised to disclose attrition rate of employees of the Company during the last three financial years and stub period.

13.8. RF 11 – The contingent liability of ₹ 21,207.43 Lakhs is higher that the net worth of ₹ 17,290.33 Lakhs of the Company as the end of December 31, 2024. LM is advised to suitably disclose the same in risk factor.

13.9. The LM is advised to move Risk factor 31 in top 15 risk factor.

14. **Object of the Offer**

14.1. LM is advised to disclose credit rating of the company during the last three financial year. LM is also advised to ensure that the latest credit rating is disclosed.

14.2. Page 121 – LM is advised to disclose whether loans were utilized for the purpose they were obtained from banks.

14.3. Further, in respect of loans availed for Capex, LM is advised to disclose the status of capital project for which loan was availed.

14.4. During the last three years and stub period, the company majorly relied on external borrowings to finance its working capital requirement. Further, the Company wants to continue the same in future. The heavy reliance of external borrowings to finance working capital requirement may be disclosed in the risk factor.

14.5. LM is also advised to disclose impact on business and operations of the Company of the inability to obtain such loans to finance working capital.

14.6. On page 121, various loans availed by the company have been provided along with their purposes like Capex Reimbursement, construction /reimbursement of cost for office building at Mahipalpur, For General Corporate purposes, working capital need of business, investment/loans to group companies. The LM is advised to provide the utilization of these loans as the same shall be repaid from issue proceeds.

14.7. On page 122, the brief financial highlights of Forin Container Line Private Limited (subsidiary) for the period ended 31st December 2024 indicate that outstanding short-term borrowings amount to Rs. 5,622.35 lakhs and long-term borrowings amount to Rs. 1,294.87 lakhs, which is proposed to be repaid and/or prepaid, in full or in part, from the Net Proceeds. However, these figures do not correspond with the borrowing amounts presented on page 121 under the table detailing the outstanding borrowings of subsidiaries proposed to be repaid and/or prepaid (in full or in part) from the Net Proceeds. The Lead Manager (LM) is advised to Reconcile and explain the variance between the borrowings disclosed in the financial highlights (page 122) and those in the subsidiary-wise loan table (page 121) and provide clear disclosure specifying the exact amount of Forin Container Line Pvt. Ltd.'s borrowings that are proposed to be repaid or prepaid from the Net Proceeds, ensuring consistency across sections of the DRHP.

15. Industry overview

15.1. LM is advised to disclose that the industry reports issued by Dun and Bradstreet Information Services India Private Limited ("D&B") for purposes of this Draft Red Herring Prospectus ("Industry Reports") is commissioned and paid for by the issuer company, exclusively for the purpose of IPO. LM is advised to disclose if D&B, which has prepared the industry reports, is in any way related to the issuer company/directors/promoters.

15.2. LM is advised to ensure that the report of D&B relied upon while making disclosures in the draft offer document is included among the material contracts and documents for inspection. Furthermore, wherever (each instance) data from various reports have been used in support of disclosures made in the offer document, LM is advised to clearly qualify the source of such disclosures.

15.3. LM shall distinctly disclose that the report of D&B has been commissioned by the issuer at all relevant places in the document where reference is drawn from the report. LM is further advised to include industry report in the list of material documents for inspection and also provide a link in the offer document for online access of industry report.

16. Our Business

16.1. On page 224, the DRHP lists the names of the key clients to whom logistics and freight-forwarding services are provided. The LM is advised to disclose each client's percentage contribution to total revenue for the last three financial years and the latest stub period.

16.2. On page 244, top 10 suppliers have been mentioned. The LM is advised to specify the name of the top ten suppliers

17. History and Certain Corporate Matters

17.1. Special Rights available to specific shareholders:

17.1.1. LM is advised to ensure that special rights as disclosed in the DRHP shall be terminated in accordance with advisory issued on June 24, 2024. Further, LM is advised to include a categorical statement that it has gone through AoA of the issuer company and agreements and confirm to SEBI that no special rights exist to the promoters/ Shareholders in the AoA or through agreements or any arrangements, at the time of listing.

17.1.2. LM is advised to ensure that Part B of the AoA of the company shall be deleted at the time of listing, if any. Further, as a part of corporate governance and continuing listing compliance, the issuer shall ensure that no reference is ever made about the special rights to any shareholder in any way or in any communication.

17.1.3. The above shall also be disclosed to the stock exchanges.

18. Financial information

18.1. LM is advised to ensure that the financial information provided in UDRHP/RHP is not more than 6 months old from the issue opening date.

18.2. LM is advised to ensure that Restated Consolidated Financial Statements are prepared as per relevant Indian Accounting Standards and calculation of Operating Profit to check the eligibility under Regulation 6 of SEBI (ICDR) Regulations, 2018 are in line with established practices.

18.3. On pages 417–418, the DRHP provides details of the financial indebtedness and outstanding borrowings of the Company and its subsidiaries. The LM is advised to provide subsidiary-wise break-up of outstanding borrowings.

18.4. On page 444, there is a typographical error in MD&A cash-flow discussion. For FY 2023–24 operating working-capital movement is described as "increase in Trade receivables Rs. 1,4482.08 lakhs. Further, for FY 2022-23, decrease in Trade receivables is shown as ₹ 10031.76 lakhs and increase in other assets is shown as ₹ 1595.69 Lakhs. The LM is advised to correct the numeric formatting.

18.5. On page 448, the Management Discussion and Analysis (MD&A) states that "Total turnover of our Company is generated from only one industry segment." However, on page 26, the DRHP presents a breakdown of revenue by service lines such as Air, Ocean, etc. The LM is advised to explain the same in the MDA section.

19. Outstanding Litigation and Material Developments

19.1. LM is advised to identify and include risk factor for material litigation, if any, which may adversely affect the company.

19.2. LM shall update the details of the status of litigation with the latest/ updated position of litigations against promoter/ promoter group entities/ company and the companies promoted by the issuer.

19.3. LM is advised to ensure the disclosure of all actions taken by the statutory and regulatory authorities.

19.4. LM is advised to ensure that the disclosure of details of all the criminal matters initiated by or against the company, group, directors, promoters, subsidiaries which are at FIR stage and no / some cognizance has been taken by court, is incorporated in the UDRHP / RHP along with appropriate Risk Factors in this regard.

19.5. LM is advised to disclose if any of the selling shareholder are related to each other directly/ indirectly in any manner. If not, a negative confirmation to this effect should be disclosed in the relevant sections of the offer document.

19.6. LM is advised that inter-se agreements/ arrangements between the shareholders are disclosed under section 'History and certain corporate matters'.

19.7. LM is advised that a categorical statement from the issuer/promoter / promoter group / shareholder, may be provided that there are no other agreements, inter-se arrangements, any other agreements of like nature etc. other than disclosed in the DRHP. Further, confirmation may be provided that all the clauses / covenants which are material have been disclosed (in terms of the agreements already disclosed in the document) and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the public shareholders other than disclosed in the DRHP.

19.8. The LMs shall confirm to SEBI that they have gone through the agreements / inter-se agreements etc. as disclosed in the DRHP and they also do not see any clauses / covenants which are material, which need to be disclosed and have not been disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders.

19.9. LM is advised to disclose that AoA are in consonance with the Companies Act and the SEBI Act and regulations thereunder and that the Articles are meeting the requirements as laid down in the law and there are no special rights in any manner to any person.

19.10. LM is advised to confirm and disclose that any all special rights granted to shareholders whether through articles of association, shareholder agreements, or any other arrangement, lapse on the date of listing.

19.11. On page no. 450, the litigation section first describes "material" cases as those "in excess of ₹ 180/-. A few lines later it clarifies the threshold is ₹ 180 Lakhs. The LM is advised to make consistent disclosures.

19.12. On page 459, the DRHP states that "We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business." The same matter is also mentioned as Risk Factor. The

LM is advised to disclose the details of the permits and approvals, their validity periods, or those that are required renewal.

20. **Government and other approvals**

20.1. LM is advised to disclose impact of any pending approval from Government and other authorities on financials and operations of the company. Further, please quantify the impact of non-approval, if any, if possible.

20.2. LM is advised to clearly disclose whether all approvals, which are required to be sought in relation to the business of the company, are in place. If no, LM is advised to include a separate risk factor with respect to the same.

20.3. Further, LM is advised to include and suitably update the details of pending licenses / approvals and permits (expired or under renewal) from statutory and regulatory authorities.

21. LM shall ensure that the main/sub-headings in the UDRHP/RHP shall not have any abbreviations. The main/sub-headings shall be in fully expanded form with its abbreviations in brackets.

22. LM is advised that reference to name of any place mentioned in the offer document may be followed by name of City / State, as the case may be.

23. LM is advised to ensure that requisite steps are taken by the Company to comply with the compliance requirements pursuant to the listing including corporate governance norms, disclosure requirements, transactions with related parties, etc. as specified under SEBI (LODR) Regulations, 2015.

24. LM is advised to ensure that relevant disclosures as to all actions/complaints/pending litigations with other Regulatory Authorities is made in the UDRHP/RHP.

25. LM is advised to include details of RPTs and RPTs as a percentage of revenue at relevant section of the offer document with updations, if any.

26. LM is advised to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

27. With respect to the complaint(s), if any, received by LM / company / forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures of the same are made in the Red Hearing Prospectus and other Offer related material along with the disclosures of the financial impact of the same, if any.

28. The LM is advised to ensure that the disclosures in abridged prospectus and front cover page of the offer document are in compliance with the SEB master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

29. LM is advised to ensure compliance with the below email advisory sent to AIBI through email dated November 13 and November 15, 2021:

    a. *LM shall ensure that all issuer companies filing offer document should provide - Price at which specified security was acquired in the last 3 years, by each of the promoters, promoter group, selling shareholders, shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format - name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.*

    b. *The portion pertaining to "Risks to Investors" shall constitute at least 33% of the price band advertisement space.*

    c. *The risks to investors shall include weighted average cost of acquisition of all shares transacted in last 3 years and 1 year, from the date of RHP, in the following format:*

    d. *The font size for price band and "Risk to investors" should be increased to match the font of BID/Offer Programme.*

    e. *Matters related to ASBA and UPI may be brought subsequent to Price Band, Risks to Investors, Bid/ Offer Programme and other offer details, and can be of smaller font.*

    f. *The portion pertaining to 'BRLMs" shall not constitute more than 10% of the price band advertisement space*

30. LM is advised to ensure following disclosures in the issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band:

"Risks to Investors:

i. The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date."

ii. Any adverse data in the basis for issue price should be disclosed. For example:

- *"The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed]."*

  [if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]

- *"Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed]."*

- *"Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed] %."*

The data on above disclosures shall be updated and disclosed prominently (in the same font size as the price band) in advertisements of Price Band and all further advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should be disclosed.

31. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments, if any.

32. LM is advised to suitably incorporate the comment of the stock exchange, if any, in the UDRHP/RHP.

33. LM is advised to ensure that the issuer shall be in compliance with minimum public shareholding requirements specified in the Securities Contracts (Regulations) Rules, 1957.

Annexure II

General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer Company has received crucial clearances / licenses / permissions / approvals from the required competent authority which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.

2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the material contracts and documents for inspection.

3. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the company has entered into an agreement and the terms of such agreement require an approval to be taken.

4. LM is advised to ensure that adequate disclosures are made to disclose any material development which may have a material effect on the Issuer Company between the date of registering final prospectus or the RHP or the letter of offer, with the Registrar of Companies or designated stock exchange, as the case may be, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.

5. LM is advised to ensure that exact cross-referencing of page numbers is provided in the offer document instead of general cross-referencing.

6. In terms of SEBI Circulars No. SEBI/CIR/ISD/03/2011, No. SEBI/CIR/ISD/05/2011 and SEBI/CIR/ISD/01/2012 dated June 17, 2011, September 30, 2011 and March 30, 2012 respectively, LM is advised to ensure that 100% promoter holding is in demat form prior to listing.

7. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.

8. In pursuance of Regulation 25 Sub-Regulation 9(a) of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the offer document, while also indicating the page number for the same.

9. **ASBA:**

9.1 LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.

9.2 LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the issuer:

a. The following may appear just below the price information of the issue as shown below:

"PRICE BAND: RS. xx TO RS. xx PER EQUITY SHARE OF FACE VALUE OF RS. xx EACH

THE FLOOR PRICE IS xx TIMES OF THE FACE VALUE AND THE CAP PRICE IS xx TIMES OF THE FACE VALUE

BID CAN BE MADE FOR A MINIMUM OF xx EQUITY SHARES AND IN MULTIPLES OF xx EQUITY SHARES THEREAFTER.

ASBA

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application!!!

Mandatory in public issue. No cheque will be accepted

UPI
UNIFIED PAYMENTS INTERFACE

now available in ASBA for retail individual investors.

**ASBA is a better way of applying to issues by simply blocking the fund in the bank account.*

For further details, check section on ASBA below."

b. The following paragraph on ASBA may be inserted in the advertisement/Communications:

"ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors.

For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure - Issue Procedure of ASBA Bidders" beginning on page xxx of the Red Herring Prospectus. The process is also available on the website of AIBI and Exchanges in the General Information Document."

ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at ***www.sebi.gov.in.***** *List of banks supporting UPI is also available on the website of SEBI at* ***www.sebi.gov.in*****.

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