

Only for use in connection with the proposed transaction

JANUARY 10, 2025

LEGAL DUE DILIGENCE REPORT

FOR

JKV SOLUTIONS

LIMITED

ASHISH H. SHAH (ADVOCATE),
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ABOVE STANDERED CHARTERED BANK,
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M. J. Shah

INTRODUCTION

1. We have been appointed by JKV Solutions Limited as the Legal Advisors to the Company's SME-Initial Public Offering ("the Issue") vide their letter dated December 02, 2024 for carrying out limited due diligence in respect of the outstanding litigations pertaining to the Company, its group Companies and the Promoters, government and regulatory approvals, regulations and policies, etc.
2. This report is based on the documents and statements submitted, furnished and produced to us by the Company and other information provided to us by the Company's representatives during personal or telephonic discussions and/or by emails/letters from time to time during the course of our due diligence. In giving effect to those instructions, we have devoted resources that may be of particular concern to the Company and proposed Issue and the level of materiality to which we have prepared a report has been dictated by our understanding of what the Company would normally require having regard to its purpose. Consequently, the issues covered in the report and emphasis placed on them may not address or reflect all the issues related to the Company, although we have dealt (to the best of our abilities) with those issues which, based on our experience, we would have expected to be of concern.
3. We are not addressing this Report to any other person except the Company and the Lead Manager to the Issue.
4. While conducting our due diligence exercise, we have assumed the genuineness of all signatures, authenticity of all the documents and statements submitted to us as the original and conformity of copies or extracts submitted to us with that of original documents.
5. This report has been prepared and is for the limited purpose of expressing our opinion to the Company on the limited legal due diligence in connection with the proposed Issue of the Company including outstanding litigations & disputes, approvals, properties, etc. and should not be passed on to or used by and may not be relied upon or used by any other person or persons or for any purpose other than in connection with the proposed Issue except by the Company and its officials.
6. Unless otherwise indicated, this Report is based solely on information received and obtained from the Company, documents provided to us and the representations made by the officers of the Company during our visit to the registered office of the Company and thereafter. However, we have carried out detailed independent verification through various resources including but not limited to internet searches on the website of various courts and other public domain sources for the genuineness and correctness of matters disclosed herein.
7. The information and disclosures in this report have been made considering the disclosure requirements of SEBI (ICDR) Regulations, 2009, as amended pertaining to, but not limited to Schedule VII (Part A) (2)(VIII)(C), Schedule VIII (Part A) (2)(X)(A), and Schedule VIII (Part A) (2)(X)(B).
8. The information includes materials, which are governed by Indian laws, unless otherwise indicated and only to the extent described in this Report. We express no opinion as to and accept no liability in respect of the laws of any jurisdiction other than those of India, which are in force at the date of this Report.
9. In compiling this Report, we have acted as Indian Lawyers and are not advising on any other system of law. Any obligations, which we incur in this performance of our duties, are governed by the laws of India.

10. This Report does not express any opinion on the financial soundness of the Company and is concerned solely with legal issues arising from the information reviewed in the context of, and for the proposed Issue.
11. We expressly disclaim any liability which may arise due to any decision taken by any person(s) on the basis of this Report.

PART 'A'

BASIC CORPORATE INFORMATION

Name of Company	JKV SOLUTIONS LIMITED The Company was incorporated as JKV SOLUTIONS PRIVATE LIMITED on June 19, 2002 under the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli bearing Registration Number 040872. The Company is converted into public limited company under Section 18 of the Companies Act, 2013 on March 22, 2023 and the name of the Company is changed to JKV SOLUTIONS LIMITED.
Corporate Identity Number	U30007GJ2002PLC040872
Registered Office	9 th Floor - 903, B-Square, Near Neptune House, Iscon Ambli BRTS Road, Ahmedabad - 380058, Gujarat, India
Date of Incorporation	June 19, 2002
Business Classification	Software Services Business
Corporate Status	Public Company
Authorized Share Capital	Rs.11,00,00,000/- (Rupees Eleven Crores Only) comprising of 1,10,00,000 (One Crore Ten Lakhs) equity shares of Rs.10/- each.
Paid-up Share Capital	Rs.6,36,96,710/- (Rupees Six Crores Thirty-Six Lakhs Ninety-Six Thousand Seven Hundred Ten Only) comprising of 63,69,671 (Sixty-Three Lakhs Sixty-Nine Thousand Six Hundred Seventy-One) equity shares of Rs.10/- each.

M. H. Shah

THE MAIN OBJECT OF THE COMPANY AS MENTIONED IN MOA

(A) THE MAIN OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS:

1. To carry on the business as manufacturers, traders, importers, exporters, assemblers, hirers, repairers, dealers, distributors and marketing of Computers and Computer spare parts and peripherals, software and hardware and network components, Computer parts, data transmission circuits, audio visual equipments and consumer electronics, record changers, professional and defence electronics, test and measuring instruments, inspection instruments, digital and analytical instruments, photocopying machines and other office equipments, oscilloscopes and associated Instruments, process control systems, Industrial electronics, medical electronic equipments, electro devices, aerospace electronics, geo science electronics, board casting electronics and for purpose of foregoing but without limiting the generality, materials, accessories, components and spare parts thereof.
2. To carry on in India or overseas, offshore or onsite, the business of system study, analysis, design, coding, testing, documentation, development and implementation of software relating to commercial and non-commercial usages through the use of various magnetic media, digital media and various Networking Solutions.
3. To carry on in India or overseas, the business of IT Consultancy, Website designing, hosting and maintenance, development, of e-commerce technologies, web related systems development, internet and intranet development.
4. To carry on in India or overseas the business of trading, importing and exporting and to act as consultants in software, hardware, network related to commercial and non-commercial usages.
5. To carry on in India or overseas, the business of training in information technology in software and hardware and to work as Hitesh Educational Institute and appoint Franchisees in India and overseas.
6. To provide bureau for providing computer service to process data and develop systems of all kind by processing jobs and hiring out machine time and assist to set up, operate and supervise the operation of data processing division of Companies in India or overseas.
7. To provide all or any of the following services namely Internet Service Providers, basic telephone services, cellular telephone services, electronic mail services, net connectivity E-mail service, internet access service related services thereof, such as store and forward services, remote host login, electronic mail using TCP/IP, file transfer and information discovery services (Indexed file transfer, world wide web (WWW) on line services such as internet technology, cyber cage or cyber bureau services, video telephone or video-conference and electronic communication services, cellular mobile telephone services, radio paging services, public mobile radio trunked services, voice mail/audio tex service, closed users group domestic, data network services via INSAT and VAST and satellite systems, video tex services data communication services, multimedia services and value added services and value added infotech and cyber services and to do all activities for providing such services like excavation, construction, fabrication, installation commission and testing of equipments, marketing and selling.

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PROMOTERS OF THE COMPANY

- COE Infosystems Private Limited
- Ashish Manubhai Benani
- Vinay Kumar Sharma
- Adarsh Kumar Banka
- Shivani Benani

BOARD OF DIRECTORS

Name	Designation	Director's Identification Number
Ashish Manubhai Benani	Managing Director	07507846
Vinay Kumar Sharma	Whole-time Director	01461617
Adarsh Kumar Banka	Whole-time Director	08267299
Mayur Shah	Director	10045800
Nidhi Shah	Director	10044312
Devang Shah	Director	00386341

LIST OF GROUP COMPANIES

- TRIPOZONE PRIVATE LIMITED
- COE INFOSYSTEMS PRIVATE LIMITED
- BRAINFLEX PRIVATE LIMITED (A WHOLLY OWNED SUBSIDIARY)

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PART 'B'

Note: This chapter is drafted on first person narrative by the IPO going Company. Any reference to "we", "us", "the company", "ours", etc. shall be deemed to mean JKV Solutions Limited and/or its Promoters, Directors, group companies as the case may be.

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENT

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings, before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Para 1 of Schedule-XIII of the Companies Act) against our Company, our Directors, our Promoters and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institution/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Our Board in its meeting held on April 11, 2023, has considered and adopted a 'Policy of Materiality' for identification and determination of whether a particular event / information is material litigation involving the Relevant Parties.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, any outstanding dues to any creditor of our Company would be considered 'material' if the amount of such outstanding dues to any creditor is in excess of 10% of Profit After Tax of our Company as per the Restated Consolidated Financial Statement. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.

Further, except as disclosed in this section, our Board of Directors do not consider any other outstanding litigation or past penalties involving our Company, Subsidiary, Promoters, Group Companies and Directors as material as on the date of this Draft Prospectus.

CONTINGENT LIABILITIES OF OUR COMPANY FOR THE PERIOD ENDED ON 30.09.2024

Particulars	Amount (in Rs.)
Income Tax Demand	29,13,657/-

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving Actions by Statutory/Regulatory Authorities*

AHS/akh

NIL

3. **Litigations involving Tax Liabilities**

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (in Rs.)
	Income Tax	3	29,13,657/-
1.	AY 2018-19 – Demand raised by Department for an amount of Rs. 13,74,566/- Department adjusted demand against refund for subsequent years. Interest Outstanding		13,74,566/-
2.	Department had raised recovery for default/short deduction of TDS for various Assessment Year.		15,38,163/-
3.	AY 2023-24 - Demand raised by Department for an amount of Rs. 928/.		928/-

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (in Rs.)
1.	NIL	NIL	NIL

4. **Litigations involving Civil Matters**

NIL

5. **Other pending litigations:**

NIL

B. LITIGATION FILED BY OUR COMPANY

1. **Litigation involving Criminal matters**

NIL

2. **Litigation involving Actions against Statutory/Regulatory Authorities**

NIL

3. **Litigations involving Tax Liabilities**

(i) Direct Tax Liabilities

Sr.	Type of Direct Tax	No. of Cases	Amount in dispute/
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AH/akh

No.			demande (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demande (in Rs.)
1.	NIL	NIL	NIL

4. *Litigations involving Civil Matters*

NIL

5. *Other pending litigations:*

NIL

LITIGATIONS INVOLVING OUR DIRECTORS

A. LITIGATIONS AGAINST OUR DIRECTORS

1. *Litigation involving Criminal Matters*

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

2. *Litigations involving actions by Statutory/Regulatory Authorities*

Mr. Ashish Manubhai Benani

Ashish

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

3. Litigations involving Tax Liabilities:

(i) Direct Tax Liabilities

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded
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			(in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. ***Litigations involving Civil Matters:***

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

M. S. Shah

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

5. Other pending litigations:

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

B. LITIGATIONS FILED BY OUR DIRECTORS

1. Litigation involving Criminal matters

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

AHJ

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

2. ***Litigations involving actions against statutory/Regulatory Authorities:***

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

3. ***Litigations involving action against Tax Liabilities:***

(i) Direct Tax Liabilities

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded
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			(in Rs.)
1.	NIL	NIL	NIL

4. *Litigations filed by Directors involving Civil Matters :*

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

Mr. Devang Shah

1. Mr. Devang Shah is joined as Plaintiff-Party in Civil Suit No. 903 of 2011 originally filed by his late father for Probate of Registered will in City Civil Court, Ahmedabad. The said Civil Suit is pending before the City Civil Court, Ahmedabad. As on the date of this Draft Prospectus the next hearing date is January 30, 2025.

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

5. *Other pending litigations:*

Mr. Ashish Manubhai Benani

NIL

Mr. Vinay Kumar Sharma

NIL

Mr. Adarsh Kumar Banka

NIL

NHJ/hk.

Mr. Devang Shah

NIL

Mr. Mayur Shah

NIL

Ms. Nidhi Shah

NIL

LITIGATIONS INVOLVING OUR GROUP COMPANIES

A. LITIGATIONS AGAINST OUR GROUP COMPANIES

TRIPOZONE PRIVATE LIMITED

1. Litigation involving Criminal matters

NIL

2. Litigations involving action by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. Other pending litigations:

NIL

COE INFOSYSTEMS PRIVATE LIMITED

1. Litigation involving Criminal matters

NIL

2. **Litigation involving action by Statutory/Regulatory Authorities**

NIL

3. **Litigation involving Tax Liabilities**

(i) **Direct Tax Liabilities**

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) **Indirect Tax Liabilities**

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. **Other pending litigations:**

NIL

BRAINFLEX PRIVATE LIMITED

1. **Litigation involving Criminal matters**

NIL

2. **Litigations involving action by Statutory/Regulatory Authorities**

NIL

3. **Litigation involving Tax Liabilities**

(i) **Direct Tax Liabilities**

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

Handwritten signature

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. *Other pending litigations:*

NIL

B. LITIGATIONS FILED BY OUR GROUP COMPANIES

TRIPOZONE PRIVATE LIMITED

1. *Litigation involving Criminal matters*

NIL

2. *Litigations involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

COE INFOSYSTEMS PRIVATE LIMITED

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1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

4. *Other pending litigations*

NIL

BRAINFLEX PRIVATE LIMITED

1. *Litigation involving Criminal matters*

NIL

2. *Litigation involving action against Statutory/Regulatory Authorities*

NIL

3. *Litigation involving Tax Liabilities*

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in Rs.)
1.	NIL	NIL	NIL

(ii) Indirect Tax Liabilities



Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (in Rs.)
1.	NIL	NIL	NIL

4. ***Other pending litigations***

NIL

C. **OTHERS**

NIL

MATERIAL DUES TO CREDITORS OF OUR COMPANY

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed 10% of the Trade Payables as on latest Financials, shall be considered as 'Material'. Based on the above, there are 8 material creditor(s) of our Company as on September 30, 2024.

The details of our outstanding dues to MSMEs, our Material Creditors and other creditors, for the period ended on September 30, 2024 are as follows:

Creditors	Number of Cases	Amount due (In Rs.)
Material Creditors	12	2,16,770/-
MSMEs	2	2,90,728/-
Other Creditors	29	17,37,545/-

The details pertaining to outstanding dues towards our Material Creditors are available on the website of our Company, www.jkvsolutions.com along with their names and the amount involved for each such creditor.

* ***Fine imposed and compounding of offences of Group Companies***

There are no fine imposed and compounding offences by our Companies.

* ***Pending proceedings initiated against our Company for economic offence***

There are no pending proceedings initiated against our Company for economic offence.

* ***Inquiries, investigations, etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company***

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There are no Inquiries, investigations, etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.

* **Material Fraud against our Company in the last 5 (five) years**

There has been no material fraud committed against our Company in the last 5 (five) years.

* **Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Draft Prospectus for the Company for default or outstanding defaults.

* **Non-Payment of Statutory Dues**

There have been no defaults in the past or any outstanding defaults in the payment of statutory dues payable by the Company.

* **Material developments occurring after last balance sheet date**

There are no material developments have occurred after the last balance sheet date.

For further details kindly refer to "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page [•] of this Draft Prospectus.



PART 'C'

GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any governmental/ regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated herein and in the section "**Risk Factors**" beginning on page [●] of this Draft Prospectus, these material approvals are valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies in India**" on page [●] of this Draft Prospectus.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

I. Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on December 2, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on December 5, 2024 authorized the Issue.
3. **Agreements With NSDL And CDSL**
 1. The Company has entered into an agreement dated, August 16, 2023, with the Central Depositories Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
 2. The Company has entered into an agreement dated March 14, 2023, with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
4. Our Company's International Securities Identification Number ("ISIN") is INE0P5801018.

II. Approvals pertaining to Incorporation, name and constitution of our Company.

1. The Company was incorporated as JKV Solutions Private Limited on June 19, 2002. The Registrar of Companies, Gujarat had issued certificate of incorporation date June 19, 2002 in the name of JKV Solutions Private Limited.



1. The Company was incorporated as JKV Solutions Private Limited on June 19, 2002. The Registrar of Companies, Gujarat had issued certificate of incorporation date June 19, 2002 in the name of JKV Solutions Private Limited.
2. Fresh certificate of Conversion dated March 22, 2023 was issued by Registrar of Companies, Gujarat pursuant to change of name from JKV Solutions Private Limited to JKV Solutions Limited.
3. The Corporate Identity Number (CIN) of the Company is U30007GJ2002PLC040872.

III. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income-tax Department, Government of India	AABCJ2400K	30/06/2023	Valid until cancelled
2.	Tax Deduction Account Number (TAN) *	Income-tax Department, Government of India	AHMJ04965C	22/02/2012	Valid until cancelled
3.	Certificate of Registration issued under GST	Commercial Tax Department, Government of India	24AABCJ2400K1Z1	01/07/2022	Valid until cancelled
4.	Certificate of Registration under the Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976	Assistant Manager (West Zone), Profession Tax Department, Amdavad Municipal Corporation	PEC010676096177	20/09/2023	Valid until cancelled
5.	Certificate of Registration under the Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976	Assistant Manager (West Zone), Profession Tax Department, Amdavad Municipal Corporation	PRC010676021652	20/09/2023	Valid until cancelled

**Our Company is in the process of applying to the relevant authorities for the revision of the approvals mentioned herein, pursuant to the change in name of the Company upon conversion, and the change in the registered office of the Company*

IV. LABOUR AND BUSINESSRELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Employees' Provident Fund*	Employees' Provident Fund Organisation	GJAHD53088	10/05/2007	Valid until cancelled
2.	Employees' State Insurance*	Employees' State Insurance Corporation	37000258690000999	11/11/2009	Valid until cancelled
3.	Certificate of Registration under Gujarat Shops & Establishments Act, 1948	Ahmedabad Municipal Corporation	A20230920-10000-400001-0015	21/09/2023	Valid until cancelled
4.	ISO Certificate	ISO 9001:2015 Management System Certificate	1011-QMS-BA-05-2202-SIAC-001636-IN	25/05/2022	24/05/2025
5.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise	UDYAM-GJ-01-0304221	22/08/2023	Valid until cancelled

**Our Company has made an application to the respective authority for updating the certificate to reflect its current name pursuant to conversion into a public limited company*

Intellectual Property Approval

As on the date of this Draft Prospectus, Our Company has registered Trademark 'JKV SOLUTIONS', bearing trademark number 6081298 in class 42 issued by the Trade Marks Registry valid upto 24/08/2033.

Key Approvals Applied For By Our Company But Not Received

There are no such key approvals applied for by our but not received as on the date of this Draft Prospectus

Key Approvals Required But Not Obtained Or Applied For By Our Company

There are no such key approvals required but not obtained or applied for as on the date of this Draft Prospectus.

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Material approvals obtained in relation to the business and operations of our Material Subsidiary*:

In order to carry on their operations our Material Subsidiary require approvals, licenses and registrations under various state laws, rules, and regulations. An indicative list of the material approvals required by our Subsidiary is provided below:

The permanent account number of our Material Subsidiary is AAICB9507A

The tax deduction and collection account number of our Material Subsidiary is AHMB10269A

Our Material Subsidiary has also obtained GST registration certificate issued by the Government of India having registration number: 24AAICB9507A1Z1

Our Material Subsidiary has a registered trademark 'BRAINFLEX 360', bearing trademark application number 5746599 in class 41 issued by the Trade Marks Registry.

Our Material Subsidiary have not obtained professional tax registrations under the applicable state specific laws, since the total number of employees is below the threshold limit. Our Subsidiary has a total strength of three (3) employees.

The registered office of our Subsidiary is the same as our Company's registered office.

**Since April 01,2022*



PART 'D'

KEY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled "Our Business" on page no. [=] of this Draft Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant material regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain.

The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the Chapter titled "Government and Other Key Approvals" beginning on page no. [=] of this Draft Prospectus.

A. BUSINESS / TRADE RELATED LAWS / REGULATIONS

The Gujarat Shops & Establishments Act, 1948

The Gujarat Shops & Establishments Act, 1948 provides for regulation of conditions of work and employment in shops, commercial establishments, residential hotels, restaurants and other places. It provides for registration of shops & commercial establishments. The act provides for regulation of working hours and conditions of workers employed in shops and commercial establishments.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME") the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. As per the revised classification via Notification no. CG-DL-E-01062020-219680 applicable w.e.f. from July 1, 2020, an enterprise would be classified as: "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one Crore rupees and Turnover does not exceed five Crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten Crore rupees and Annual Turnover does not exceed fifty Crore rupees; or a "Medium enterprise", where the investment in plant and machinery or equipment does not exceed fifty Crore rupees and the Annual Turnover does not exceed Two hundred and Fifty Crore rupees.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not duly stamped cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

B. INDUSTRY SPECIFIC REGULATIONS

The Information Technology Act, 2000 (the "IT Act")

The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and committing of fraudulent acts through computers.

In April 2011, the Department of Information Technology under the then Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "IT Personal Data Protection Rules") under Section 43A of the IT Act and notified the Information Technology (Intermediaries Guidelines) Rules, 2011 and Information Technology (Reasonable security practice and procedure and sensitive personal data or information) Rules, 20211 (the "IT Intermediaries Rules") under Section 79(2) of the IT Act. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

National Digital Communications Policy 2018

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalyzing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

Data Center Policy, 2020

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

Software Technology Parks Scheme ("STP Scheme")

Software Technology Parks of India (STPI) has been implementing the Software Technology Park (STP) scheme and the Electronics Hardware Technology Park (EHTP) scheme for the promotion of IT/ITES industry. The phenomenal success of the IT-ITES industry has been possible, inter-alia, due to pivotal role played by the STP Scheme. STP Scheme is a unique scheme, designed to promote the software industry and growth of startups and SMEs without any locational constraints by offering incubation services, organizing events, sponsoring/co-sponsoring events, participation in events and export promotion efforts. STPI acts as 'single window in providing services to the software exporters. The services rendered by STPI for the software exporting community have been statutory services, data communications services, incubation facilities, training and value-added services. STPI has played a key developmental role in the promotion of software exports with a special focus on SMEs and startup units

A. EMPLOYMENT AND LABOUR RELATED REGULATIONS:

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments.

EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes

The Employees State Insurance Act, 1948 ("ESI Act")

The Employees State Insurance Act, 1948 provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Payment of Gratuity Act, 1972 shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve

months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Workmen Compensation Act, 1923 (WCA)

The WCA has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty

Certain other laws and regulations that may be applicable to us in India include the following:

- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Payment of Wages Act, 1936;

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- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Payment of Bonus Act, 1965;
- The Code on Wages, 2019*;
- The Occupational Safety, Health and Working Conditions Code, 2020**;
- The Industrial Relations Code, 2020***;
- The Code on Social Security, 2020****; and
- Industrial Employment (Standing Order), Act, 1946.

**The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government.*

***The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code have not yet been brought into force. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.*

****The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code have not yet been brought into force. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

*****The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. Section 142 of the Code on Social Security, 2020 has been brought into force from May 3, 2021 by the Ministry of Labour and Employment through a notification dated April 30, 2021 and other provisions of this code will be brought into force on a date to be notified by the Central Government.*

B. INTELLECTUAL PROPERTY LAWS

The Trademarks Act, 1999

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000
- Trademarks Act, 1999

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

Our Company has obtained and applied for trademark registrations for the various brands and logos used in our business which are subject to the provisions of the Trade Marks Act, 1999.

C. GENERAL CORPORATE COMPLIANCE

The Companies Act, 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

SEBI Regulations

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities Contract (Regulations) Rules, 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

D. TAX RELATED LAWS

Income-tax Act, 1961

Income-tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976

Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976 provides for levy of tax on profession, trades, callings and employment. It provides for registration of employer with the Local Authority. The Act provides for filing of returns & payment of tax by the Employer.

Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

Integrated Goods and Services Tax Act, 2017

Integrated Goods and Services Tax Act, 2017 (“IGST Act”) is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

E. OTHER RELEVANT LEGISLATIONS

Specific Relief Act, 1963

This Act grants special relief for the enforcement of individual rights and not for imposing penal laws. The enforcement under this Act only bases itself on the individual civil right and the substantive nature must be established for that fact. To be understood in a simpler way specific relief is related to providing relief for the infringed civil rights of the individual. Its main objective is to focus on the rights and if there is any penal nature of the case, it may have to be established for proving the same

The Competition Act, 2002

The Competition Act, 2002 was enacted by the Parliament of India and governs Indian competition law. It replaced the archaic The Monopolies and Restrictive Trade Practices Act, 1969. Under this legislation, the Competition Commission of India was established to prevent the activities that have an adverse effect on competition in India. This act extends to whole of India.

It is a tool to implement and enforce competition policy and to prevent and punish anti-competitive business practices by firms and unnecessary Government interference in the market. Competition law is equally applicable on written as well as oral agreement, arrangements between the enterprises or persons.

The Competition Act, 2002 was amended by the Competition (Amendment) Act, 2007 and again by the Competition (Amendment) Act, 2009.

The Act establishes a Commission which is duty bound to protect the interests of free and fair competition (including the process of competition), and as a consequence, protect the interests of consumers. Broadly, the commission's duty is:-

- To prohibit the agreements or practices that have or are likely to have an appreciable adverse effect on competition in a market in India, (horizontal and vertical agreements / conduct);
- To prohibit the abuse of dominance in a market;
- To prohibit acquisitions, mergers, amalgamations etc. between enterprises which have or are likely to have an appreciable adverse effect on competition in market(s) in India.

In addition to this, the Competition Act envisages its enforcement with the aid of mutual international support and enforcement network across the world.

The Consumer Protection Act, 1986

The Consumer Protection Act, 1986 aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation

F. REGULATIONS REGARDING FOREIGN INVESTMENT

The Foreign Trade (Development & Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 read along with relevant rules inter-alia provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy.

FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Foreign Exchange Management Act, 1999 (“FEMA”) and regulations framed thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade (“DPIIT”), Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services. 100 % FDI is permitted under the automatic route in the IT sector.

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“DPIIT”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DPIIT that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DPIIT Offers an updated circular.

