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**Sent:** 03 May 2024 11:06  
**To:** PROJECTARROW; awfis.ipo@axiscap.in; awfis.ipo@iiflcap.com;  
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**Subject:** Awfis IPO - DRHP incorrect, yet SEBI approved

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To The BRLMs for Awfis IPO

Awfis is coming out with an IPO which will be the first of its kind in the coworking space.

I am wondering how SEBI gave a nod to Awfis IPO when in fact the company has PMLA and ED matters against it which have been very cryptically disclosed in the DRHP in point 28, Section III, Risk Factors. Towards the end of this disclosure, Awfis says that the CEO / Founder, Amit Ramani, has dissociated from Rana Kapoor / Yes Bank issues.

After filing the DRHP in December 2023, the company had a major accident in its Noida coworking space and its COO, AVP, and others were arrested under an FIR lodged by the UP Police. After that the CEO / Founder absconded to evade arrest and filed an anticipatory bail application in Surajpur District and Sessions Court Noida. All other employees including the COO had to take bail. None of these cases, the FIR, and the lift accident have been disclosed (especially the anticipatory bail by CEO / Founder) in litigation and risk factors in the DRHP.

The UP Police FIR talks about negligence by the founder and other management staff since Erasmith Technologies (whose employees got injured in the lift) had been writing emails for months to Awfis and its CEO that the lift is malfunctioning and needs repairs. A few days after the FIR was lodged, Awfis settled the matter with Erasmith CEO and employees by paying somewhere between INR 50 lakhs to INR 1 crore, which is significant for a company raising INR 160 crores via IPO.

The lift accident issue is important and should be disclosed since senior management were accused in the FIR and because UP Government has been trying to bring in a new lift and escalator law since law few years. A few days after the accident the UP Govt approved the Lift and Escalator Bill which may also be a reason why Awfis has hid this info in the DRHP.

It is surprising that the SEBI, the Company, its Book Running Lead Managers, Auditor, and the IPO Counsels have not amended the DRHP to make these disclosures and also highlight the risks posed by such accidents. It seems the Company's understanding is that the accident, arrests, FIR etc. happened after DRHP filing so this can be hushed as far as DRHP is concerned.