

May 8, 2024

Kamal Rao
kamal.rao14@rediffmail.com

Sub: Complaint in relation to the draft red herring prospectus dated December 21, 2023 ("DRHP") filed by Awfis Space Solutions Limited ("Company" or "Issuer") in relation to its proposed initial public offering of equity shares of face value of ₹ 10 each ("Equity Shares", and such offering, the "Offer").

This is in reference to the complaint email dated May 3, 2024 sent by you to ICICI Securities Limited, Axis Capital Limited, IIFL Securities Limited and Emkay Global Financial Services Limited (the "Book Running Lead Managers" or "BRLMs") and received by us on May 3, 2024 wherein certain allegations have been made against our Company in respect of the Offer ("Complaint").

We hereby enclose our response to the Complaint in respect of the allegations raised therein, attached herewith as **Schedule I**.

All capitalized terms not specifically defined in this letter shall have the meanings ascribed to such terms in the DRHP filed with the SEBI and the relevant stock exchanges.

Please feel free to contact the following official from the Company.

| Contact Person | Contact Details | Email |
|--|------------------|-------------------|
| Amit Kumar (Company Secretary and Compliance Officer) | +91 11 4106 1878 | cs.corp@awfis.com |

Thanking you,

Yours sincerely



Authorised signatory
Name: Bijoylaxmi Das
Designation: Vice President- Legal

CC:

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

Axis Capital Limited
1st Floor, Axis House
C-2 Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

Corporate and Regd. Office

Awfis Space Solutions Limited
C-28-29, Kissan Bhawan, Qutab Institutional Area, New Delhi - 110016
www.awfis.com | Email: info@awfis.com | Phone: 011- 69000657

CIN : U74999DL2014PLC274236

IIFL Securities Limited

24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (W)
Mumbai 400013
Maharashtra, India

Emkay Global Financial Services Limited

7th Floor, The Ruby
Senapati Bapat Marg, Dadar (W)
Mumbai 400 028
Maharashtra, India

Bijay Kumar



Schedule I

Response to Complaint

| S. No. | Complaint details in brief | Reply | Page no. of DRHP |
|--------|--|---|------------------|
| 1. | 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. | <p>It is denied that there are any legal proceedings under the Prevention of Money Laundering Act, 2002 ("PMLA") against our Company and no action has been taken by the Directorate of Enforcement against our Company.</p> <p>Two provisional orders of attachment dated May 5, 2020 and May 19, 2020 ("Provisional Orders") were passed by the Directorate of Enforcement in criminal proceedings initiated against Rana Kapoor, his family members, and certain of his affiliated companies including DOIT Urban Ventures (India) Private Limited ("DOIT") and RAB Enterprises India Private Limited ("RAB"), which are erstwhile shareholders of our Company. It must be noted that our Company was not an accused in the Provisional Orders, and neither named as a beneficiary of proceeds of crime nor was any attachment ordered against our Company pursuant to the Provisional Orders.</p> <p>Further, Rana Kapoor's affiliated companies, DOIT and RAB, have ceased to hold any investment in our Company, pursuant to a scheme of capital reduction approved by the National Company Law Tribunal, New Delhi on May 25, 2023 as already disclosed under "<i>History and Certain Corporate Matters – Major events and milestones of our Company</i>" on pages 229 – 230 of the DRHP.</p> <p>As disclosed in "<i>Our Promoters and Promoter Group - Companies or firms from which our Promoters have disassociated in the last three years</i>" on page 259 of the DRHP, it must be noted that our Promoter, Amit Ramani disassociated from Ncube Planning and Design Private Limited ("Ncube") through resignation from his directorship in Ncube on November 18, 2023 and through complete sale of his shareholding in Ncube on November 20, 2023 due to adverse litigation against Ncube initiated by its majority shareholders.</p> <p>Accordingly, it is submitted that as on the date of the filing of the DRHP with SEBI, there were no outstanding proceedings initiated by Directorate of Enforcement or matters under PMLA and there are no such proceedings pending against our Company as on date. Our Promoter, Amit Ramani has completely disassociated with the entities against which such matters are outstanding.</p> | 229-230, 259 |



Amit Ramani

| S. No. | Complaint details in brief | Reply | Page no. of DRHP |
|--------|---|--|------------------|
| 2. | <p>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.</p> <p>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.</p> | <p>It is pertinent to note that the DRHP was filed on December 21, 2023, with SEBI and the Stock Exchanges. The incident of collapse of the elevator at one of our coworking spaces occurred on December 22, 2023 and the first information report ("FIR") was registered on December 23, 2023. Accordingly, the details of the FIR could not have been disclosed in the DRHP, as the DRHP was filed two days prior to the registration of the FIR.</p> <p>Thereafter, pursuant to the settlement agreement dated December 24, 2023, the matter was settled between the parties. Consequently, the FIR was quashed by the High Court of Judicature at Allahabad vide its order dated March 18, 2024 in criminal writ miscellaneous petition number 347 of 2024. As on the date of filing of this response, there are no outstanding criminal proceedings in relation to this incident pending against our Company or any of our Company's officials.</p> | |
| 3. | <p>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 hided this info in the DRHP.</p> <p>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.</p> | <p>Please note that our Company has made all requisite and complete disclosures in the DRHP as required under Para (12) – Legal and Other Information under Part A, Schedule VI of the SEBI ICDR Regulations, and any allegations to the contrary are false and misleading.</p> <p>Our Company had duly informed the BRLMs and other stakeholders about the occurrence of the said incident and the FIR is not outstanding as on the date of this response.</p> <p>There has been no concealment of any information required to be disclosed to SEBI, the prospective investors or public at large, as required to be disclosed under the regulations issued by SEBI, and our Company shall make all requisite and complete disclosures as required under Para (12) – Legal and Other Information under Part A, Schedule VI of the SEBI ICDR Regulations in the red herring prospectus and the prospectus.</p> | |



Bijayashu